

“(i) the procedure in the Senate shall be the same as if no joint resolution had been received from the House; but

“(ii)(I) the vote on final passage shall be on the joint resolution of the House if it is identical to the joint resolution then pending for passage in the Senate; or

“(II) if the joint resolution from the House is not identical to the joint resolution then pending for passage in the Senate and the Senate then passes it, the Senate shall be considered to have passed the joint resolution as amended by the text of the Senate joint resolution.

“(C) Upon disposition of the joint resolution received from the House, it shall no longer be in order to consider the resolution originated in the Senate.

“(8) SENATE ACTION ON HOUSE RESOLUTION.—If the Senate receives from the House of Representatives a joint resolution introduced under subsection (a) after the Senate has disposed of a Senate originated resolution which is identical to the House passed joint resolution, the action of the Senate with regard to the disposition of the Senate originated joint resolution shall be deemed to be the action of the Senate with regard to the House originated joint resolution. If it is not identical to the House passed joint resolution, then the Senate shall be considered to have passed the joint resolution of the House as amended by the text of the Senate joint resolution.”

(b) CLERICAL AMENDMENT.—The table of contents set forth in section 200(b) of the Act is amended by inserting after the item relating to section 257 the following new item:

“Sec. 258. Modification of Presidential order.”

SEC. 106. MAXIMUM DEFICIT AMOUNTS.

(a) REVISION OF DEFINITION OF MAXIMUM DEFICIT AMOUNT.—Paragraph (7) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking out subparagraphs (D) through (F) and by inserting in lieu thereof the following:

“(D) with respect to the fiscal year beginning October 1, 1987, \$144,000,000,000;

“(E) with respect to the fiscal year beginning October 1, 1988, \$136,000,000,000;

“(F) with respect to the fiscal year beginning October 1, 1989, \$100,000,000,000;

“(G) with respect to the fiscal year beginning October 1, 1990, \$64,000,000,000;

“(H) with respect to the fiscal year beginning October 1, 1991, \$28,000,000,000; and

“(I) with respect to the fiscal year beginning October 1, 1992, zero.”

(b) DEFINITION OF MARGIN.—Section 257 of the Act is amended by inserting after paragraph (9) the following new paragraph:

“(10) The term ‘margin’ means \$10,000,000,000 with respect to each of fiscal years 1988 through 1992 and zero with respect to fiscal year 1993.”

(c) REVISION OF EXPIRATION DATE OF THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—Subsection (b)(1) of

2 USC 622.

2 USC 907.

section 275 of the Act is amended by striking out "September 30, 1991" and by inserting in lieu thereof "September 30, 1993". 2 USC 901 note.

(d) SECTION 301(i) POINT OF ORDER.—Paragraph (2) of section 301(i) of the Congressional Budget Act of 1974 is amended by inserting "(A)" before "Paragraph" and by adding at the end thereof the following new paragraphs: 2 USC 632.

"(B) Paragraph (1) shall not apply to the consideration of any concurrent resolution on the budget for fiscal year 1988 or fiscal year 1989, or amendment thereto or conference report thereon, if such concurrent resolution or conference report provides, or in the case of an amendment if the concurrent resolution as changed by the adoption of such amendment would provide for deficit reduction from a budget baseline estimate as specified in section 251(a)(6) of the Balanced Budget and Emergency Deficit Control Act of 1985 for such fiscal year (based on laws in effect on January 1 of the calendar year during which the fiscal year begins) equal to or greater than the maximum amount of unachieved deficit reduction for such fiscal year as specified in section 251(a)(3)(A) of such Act.

"(C) For purposes of the application of subparagraph (B), the amount of deficit reduction for a fiscal year provided for in a concurrent resolution, or amendment thereto or conference report thereon, shall be determined on the basis of estimates made by the Committee on the Budget of the House of Representatives or of the Senate, as the case may be."

(e) SECTION 311(a) POINT OF ORDER IN THE SENATE.—

(1) Section 311(a) of the Congressional Budget Act of 1974 is amended by striking out all after "in the Senate," and by inserting in lieu thereof the following: "would otherwise result in a deficit for such fiscal year that— 2 USC 642.

"(A) for fiscal year 1989 or any subsequent fiscal year, exceeds the maximum deficit amount specified for such fiscal year in section 3(7); and

"(B) for fiscal year 1988 or 1989, exceeds the amount of the estimated deficit for such fiscal year based on laws and regulations in effect on January 1 of the calendar year in which such fiscal year begins as measured using the budget baseline specified in section 251(a)(6) of the Balanced Budget and Emergency Deficit Control Act of 1985 minus \$23,000,000,000 for fiscal year 1988 or \$36,000,000,000 for fiscal year 1989;

except to the extent that paragraph (1) of section 301(i) or section 304(b), as the case may be, does not apply by reason of paragraph (2) of such subsection."

(2) Section 254(b)(1)(E) of the Act is amended by inserting "and for fiscal year 1988 or 1989, exceed the amount of the estimated deficit for such fiscal year based on laws and regulations in effect on January 1 of the calendar year in which such fiscal year begins as measured using the budget baseline specified in section 251(a)(6) of the Balanced Budget and Emergency Deficit Control Act of 1985 minus \$23,000,000,000 for fiscal year 1988 or \$36,000,000,000 for fiscal year 1989;" after "maximum deficit amount for such fiscal year,". 2 USC 904.

(f) PRESIDENT'S BUDGET.—Section 1105(f) of title 31, United States Code, is amended—

(1) by redesignating paragraph (3) as paragraph (5); and
 (2) by inserting after paragraph (2) the following new paragraphs:

“(3) The budget transmitted pursuant to subsection (a) for a fiscal year shall include a budget baseline estimate made in accordance with section 251(a)(6) of the Balanced Budget and Emergency Deficit Control Act of 1985 and using economic and technical assumptions consistent with the current services budget submitted under section 1109 for the fiscal year. If such budget baseline estimate differs from the estimate in the current services budget, the President shall explain the differences. The budget transmitted pursuant to subsection (a) for such fiscal year shall include the information required by section 251(a)(2) of such Act (other than account-level detail) assuming that the deficit in such budget baseline were the amount estimated by the Director of the Office of Management and Budget on August 25 of the calendar year in which the fiscal year begins.

“(4) Paragraphs (1) and (2) shall not apply with respect to fiscal year 1989 if the budget transmitted for such fiscal year provides for deficit reduction from a budget baseline deficit for such fiscal year (as defined by section 251(a)(6) of the Balanced Budget and Emergency Deficit Control Act of 1985 and based on laws in effect on January 1, 1988) equal to or greater than \$36,000,000,000.”

SEC. 107. SPECIAL RULES FOR MEDICARE PROGRAM.

42 USC 1395ww
note.

(a) TEMPORARY EXTENSION OF PAYMENT POLICIES FOR INPATIENT HOSPITAL SERVICES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, with respect to payment for inpatient hospital services under section 1886 of the Social Security Act:

(A) TEMPORARY FREEZE IN PPS HOSPITAL RATES.—For purposes of subsection (d) of such section for discharges occurring during the period beginning on October 1, 1987, and ending on November 20, 1987 (in this paragraph referred to as the “extension period”), the applicable percentage increase under subsection (b)(3)(B) of such section with respect to fiscal year 1988 is deemed to be 0 percent.

(B) TEMPORARY FREEZE IN PAYMENT BASIS.—

(i) EXTENSION OF BLENDED DRG RATE.—For purposes of subsection (d)(1) of such section, the “applicable combined adjusted DRG prospective payment rate” for discharges occurring—

(I) during the extension period is the rate specified in subsection (d)(1)(D)(ii) of such section, or

(II) after such period is the national adjusted prospective payment rate determined under subsection (d)(3) of such section.

(ii) EXTENSION OF HOSPITAL-SPECIFIC PAYMENT.—For the first 51 days of a hospital cost reporting period beginning during fiscal year 1988, payment shall be made under clause (ii) (rather than clause (iii)) of subsection (d)(1)(A) of such section (subject to clause (i) of this subparagraph).

(C) TEMPORARY FREEZE IN AMOUNTS OF PAYMENT FOR CAPITAL.—For payments attributable to portions of cost reporting periods occurring during the extension period, the percent specified in subsection (g)(3)(A)(ii) of such section is deemed to be 3.5 percent.

(D) TEMPORARY FREEZE IN RETURN ON EQUITY REDUCTIONS.—For the first 51 days of a cost reporting period beginning during fiscal year 1988, subsection (g)(2) of such