

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 834

To amend title XVIII of the Social Security Act to provide for increased medicare reimbursement for physician assistants, to increase the delivery of health services in health professional shortage areas, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

APRIL 28 (legislative day, APRIL 19), 1993

Mr. GRASSLEY (for himself and Mr. CONRAD) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend title XVIII of the Social Security Act to provide for increased medicare reimbursement for physician assistants, to increase the delivery of health services in health professional shortage areas, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Physician Assistant  
5 Incentive Act of 1993”.

1 **SEC. 2. INCREASED MEDICARE REIMBURSEMENT FOR PHY-**  
2 **SICIAN ASSISTANTS.**

3 (a) IN GENERAL.—Section 1842(b)(12) of the Social  
4 Security Act (42 U.S.C. 1395u(b)(12)) is amended—

5 (1) by striking “a physician assistants” in sub-  
6 paragraph (A) and inserting “physician assistants”;

7 (2) by striking “65 percent” in subclause (I) of  
8 subparagraph (A)(ii) and inserting “applicable per-  
9 centage (as defined in subparagraph (B))”;

10 (3) by striking subclause (II) of subparagraph  
11 (A)(ii) and inserting the following new subclause:

12 “(II) in other cases, for services of a physi-  
13 cian assistant the applicable percentage (as so  
14 defined) of the fee schedule amount specified in  
15 section 1848, or for services of a nurse practi-  
16 tioner the fee schedule amount specified in such  
17 section, for the same service performed by a  
18 physician who is not a specialist.”; and

19 (4) by striking subparagraph (B) and inserting  
20 the following new subparagraph:

21 “(B) In subparagraph (A)(ii), the term ‘applicable  
22 percentage’ means—

23 “(i) 97 percent in the case of services per-  
24 formed by physician assistants, and

25 “(ii) 65 percent in the case of services per-  
26 formed by nurse practitioners.”.

1 (b) BONUS PAYMENT FOR SERVICES PROVIDED IN  
2 HEALTH PROFESSIONAL SHORTAGE AREAS.—Section  
3 1833(m) of such Act (42 U.S.C. 1395l(m)) is amended—

4 (1) by inserting “(1)” after “(m)”; and

5 (2) by adding at the end the following new  
6 paragraph:

7 “(2) In the case of services of a physician assistant  
8 furnished—

9 “(A) to an individual described in paragraph  
10 (1),

11 “(B) in a health professional shortage area as  
12 described in such paragraph,

13 in addition to the amount otherwise paid under this part,  
14 there shall also be paid to such physician assistant (or to  
15 an employer in the cases described in clause (C) of section  
16 1842(b)(6)) (on a monthly or quarterly basis) from the  
17 Federal Supplementary Medical Trust Fund an amount  
18 equal to 10 percent of the payment amount for the service  
19 under this part.”.

20 (c) REMOVAL OF RESTRICTION ON EMPLOYMENT  
21 RELATIONSHIP.—Section 1842(b)(6) of such Act (42  
22 U.S.C. 1395u(b)(6)) is amended by adding at the end the  
23 following new sentence: “For purposes of clause (C), an  
24 employment relationship may include any independent  
25 contractor arrangement, and an employer status shall be

1 determined in accordance with the law of the State in  
2 which the services described in such clause are per-  
3 formed.”.

4 (d) REMOVAL OF RESTRICTION ON SETTINGS.—Sec-  
5 tion 1861(s)(2)(K)(i) of such Act (42 U.S.C.  
6 1395x(s)(2)(K)(i)) is amended by striking “(I) in a hos-  
7 pital” and all that follows through “shortage area”.

8 (e) EFFECTIVE DATE.—The amendments made by  
9 this section shall apply to services furnished on or after  
10 July 1, 1993.

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