

105TH CONGRESS  
1ST SESSION

# S. 1362

To promote the use of universal product numbers on claims forms used for reimbursement under the medicare program.

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IN THE SENATE OF THE UNITED STATES

NOVEMBER 4, 1997

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

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## A BILL

To promote the use of universal product numbers on claims forms used for reimbursement under the medicare program.

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 “Medicare Universal  
5 Product Number Act of 1997”.

6 **SEC. 2. UNIVERSAL PRODUCT NUMBERS ON CLAIMS FORMS**  
7 **FOR REIMBURSEMENT UNDER THE MEDI-**  
8 **CARE PROGRAM.**

9 (a) ACCOMMODATION OF UPNS ON MEDICARE ELEC-  
10 TRONIC CLAIMS FORMS.—Not later than February 1,

1 2000, all electronic claims forms developed or used by the  
2 Secretary of Health and Human Services for reimburse-  
3 ment under the medicare program under title XVIII of  
4 the Social Security Act (42 U.S.C. 1395 et seq.) pursuant  
5 to part C of title XI of that Act (42 U.S.C. 1320d et seq.)  
6 or any other law shall accommodate the use of universal  
7 product numbers (as defined in section 1897(a)(2) of that  
8 Act (as added by subsection (b))) for covered items (as  
9 defined in section 1834(a)(13) of that Act (42 U.S.C.  
10 1395m(a)(13))).

11 (b) REQUIREMENT FOR PAYMENT OF CLAIMS.—Title  
12 XVIII of the Social Security Act (42 U.S.C. 1395 et seq.)  
13 (as amended by section 4015 of the Balanced Budget Act  
14 of 1997 (Public Law 105–33; 111 Stat. 337)) is amended  
15 by adding at the end the following:

16 “USE OF UNIVERSAL PRODUCT NUMBERS

17 “SEC. 1897. (a) DEFINITIONS.—In this section:

18 “(1) COVERED ITEM.—The term ‘covered item’  
19 has the meaning given that term in section  
20 1834(a)(13).

21 “(2) UNIVERSAL PRODUCT NUMBER.—The  
22 term ‘universal product number’ means a number  
23 that is—

24 “(A) affixed by the manufacturer to each  
25 individual covered item that uniquely identifies  
26 the item at each packaging level; and

1           “(B) based on commercially acceptable  
2           identification standards established by the Uni-  
3           form Code Council—International Article Num-  
4           bering System and the Health Industry Busi-  
5           ness Communication Council.

6           “(b) IN GENERAL.—No payment shall be made under  
7           this title for any claim for reimbursement for any covered  
8           item unless the claim contains the universal product num-  
9           ber of the covered item.”.

10          (c) DEVELOPMENT AND IMPLEMENTATION OF PRO-  
11          CEDURES.—From the information obtained by the use of  
12          universal product numbers (as defined in section  
13          1897(a)(2) of the Social Security Act (as added by section  
14          2(b))) on claims for reimbursement under the medicare  
15          program, the Secretary of Health and Human Services,  
16          in consultation with interested parties, shall periodically  
17          review the covered items billed under the Health Care Fi-  
18          nancing Administration Common Procedure Coding Sys-  
19          tem and adjust such coding system to ensure that func-  
20          tionally equivalent covered items are billed and reimbursed  
21          under the same codes.

22          (d) EFFECTIVE DATE.—The amendment made by  
23          subsection (b) shall apply to claims for reimbursement  
24          submitted on and after February 1, 2001.

1 **SEC. 3. STUDY AND REPORTS TO CONGRESS.**

2 (a) STUDY.—The Secretary of Health and Human  
3 Services shall conduct a study on the results of the imple-  
4 mentation of the provisions in subsections (a) and (c) of  
5 section 2 and the amendment to the Social Security Act  
6 in subsection (b) of that section.

7 (b) REPORTS.—Not later than 6 months after the  
8 date of enactment of this Act, and annually thereafter,  
9 the Secretary of Health and Human Services shall submit  
10 a report to Congress that contains a detailed description  
11 of the results of the study conducted pursuant to sub-  
12 section (a), together with the Secretary's recommenda-  
13 tions regarding the use of universal product numbers (as  
14 defined in section 1897(a)(2) of the Social Security Act  
15 (as added by section 2(b) of this Act)) and the use of data  
16 obtained from the use of such numbers.

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