

106<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5209

To amend title XVIII of the Social Security Act to revise the payments for certain physician pathology services under the medicare program.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 19, 2000

Mr. FOLEY (for himself and Mr. TANNER) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend title XVIII of the Social Security Act to revise the payments for certain physician pathology services 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 “Physician Pathology  
5       Services Fair Payment Act of 2000”.

1 **SEC. 2. TREATMENT OF CERTAIN PHYSICIAN PATHOLOGY**  
2 **SERVICES UNDER MEDICARE.**

3 (a) IN GENERAL.—Notwithstanding any other provi-  
4 sion of law, when an independent laboratory, under a  
5 grandfathered arrangement with a hospital, furnishes the  
6 technical component of a physician pathology service with  
7 respect to—

8 (1) an inpatient fee-for-service medicare bene-  
9 ficiary, such component shall be treated as a service  
10 for which payment shall be made to the laboratory  
11 under section 1848 of the Social Security Act (42  
12 U.S.C. 1395w-4) and not as an inpatient hospital  
13 service for which payment is made to the hospital  
14 under section 1886(d) of such Act (42 U.S.C.  
15 1395ww(d)); and

16 (2) an outpatient fee-for-service medicare bene-  
17 ficiary, such component shall be treated as a service  
18 for which payment shall be made to the laboratory  
19 under section 1848 of such Act (42 U.S.C. 1395w-  
20 4) and not as a hospital outpatient service for which  
21 payment is made to the hospital under the prospec-  
22 tive payment system under section 1834(t) of such  
23 Act (42 U.S.C. 1395l(d)).

24 (b) DEFINITIONS.—For purposes of this section:

25 (1) GRANDFATHERED ARRANGEMENT.—The  
26 term “grandfathered arrangement” means an ar-

1       rangement between an independent laboratory and a  
2       hospital—

3               (A) that was in effect as of July 22, 1999,  
4       even if such arrangement is subsequently re-  
5       newed; and

6               (B) under which the laboratory furnishes  
7       the technical component of physician pathology  
8       services with respect to patients of the hospital  
9       and submits a claim for payment for such com-  
10      ponent to a medicare carrier (and not to the  
11      hospital).

12           (2) INPATIENT FEE-FOR-SERVICE MEDICARE  
13      BENEFICIARY.—The term “inpatient fee-for-service  
14      medicare beneficiary” means an individual who—

15               (A) is an inpatient of the hospital involved;

16               (B) is entitled to benefits under part A of  
17      title XVIII of the Social Security Act (42  
18      U.S.C. 1395c et seq.); and

19               (C) is not enrolled in—

20                   (i) a Medicare+Choice plan under  
21      part C of such Act (42 U.S.C. 1395w-21  
22      et seq.);

23                   (ii) a plan offered by an eligible orga-  
24      nization under section 1876 of such Act  
25      (42 U.S.C. 1395mm); or

1 (iii) a medicare managed care dem-  
2 onstration project.

3 (3) OUTPATIENT FEE-FOR-SERVICE MEDICARE  
4 BENEFICIARY.—The term “outpatient fee-for-service  
5 medicare beneficiary” means an individual who—

6 (A) is an outpatient of the hospital in-  
7 volved;

8 (B) is enrolled under part B of title XVIII  
9 of the Social Security Act (42 U.S.C. 1395j et  
10 seq.); and

11 (C) is not enrolled in—

12 (i) a plan or project described in para-  
13 graph (2)(C); or

14 (ii) a health care prepayment plan  
15 under section 1833(a)(1)(A) of such Act  
16 (42 U.S.C. 1395l(a)(1)(A)).

17 (4) MEDICARE CARRIER.—The term “medicare  
18 carrier” means an organization with a contract  
19 under section 1842 of the Social Security Act (42  
20 U.S.C. 1395u).

21 (c) EFFECTIVE DATE.—This section shall apply to  
22 services furnished on or after July 22, 1999.

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