

106TH CONGRESS
2D SESSION

S. 3055

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

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 14, 2000

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

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”.

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

8 (a) IN GENERAL.—Notwithstanding any other provi-
9 sion of law, when an independent laboratory, under a
10 grandfathered arrangement with a hospital, furnishes the

1 technical component of a physician pathology service with
2 respect to—

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

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

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

20 (1) GRANDFATHERED ARRANGEMENT.—The
21 term “grandfathered arrangement” means an ar-
22 rangement between an independent laboratory and a
23 hospital—

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

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

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

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

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

17 (C) is not enrolled in—

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

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

24 (iii) a medicare managed care dem-
25 onstration project.

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

4 (A) is an outpatient of the hospital in-
 5 volved;

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

9 (C) is not enrolled in—

10 (i) a plan or project described in para-
 11 graph (2)(C); or

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

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

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

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