

110TH CONGRESS  
1ST SESSION

# S. 1964

To amend title XVIII of the Social Security Act to establish new separate fee schedule areas for physicians' services in States with multiple fee schedule areas to improve Medicare physician geographic payment accuracy, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

AUGUST 2, 2007

Mrs. FEINSTEIN 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 establish new separate fee schedule areas for physicians' services in States with multiple fee schedule areas to improve Medicare physician geographic payment accuracy, 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,*

1 **SECTION 1. ESTABLISHMENT OF NEW SEPARATE MEDI-**  
 2 **CARE PHYSICIAN FEE SCHEDULE AREAS IN**  
 3 **STATES WITH MULTIPLE FEE SCHEDULE**  
 4 **AREAS TO IMPROVE MEDICARE PHYSICIAN**  
 5 **GEOGRAPHIC PAYMENT ACCURACY.**

6 (a) IN GENERAL.—Section 1848(e) of the Social Se-  
 7 curity Act (42 U.S.C. 1395w–4(e)) is amended by adding  
 8 at the end the following new paragraph:

9 “(6) ESTABLISHMENT OF SEPARATE FEE  
 10 SCHEDULE AREAS IN STATES WITH MULTIPLE FEE  
 11 SCHEDULE AREAS TO IMPROVE PHYSICIAN GEO-  
 12 GRAPHIC PAYMENT ACCURACY.—For purposes of  
 13 computing and applying the geographic adjustment  
 14 factor under subsection (b)(1)(C) and this sub-  
 15 section in the case of a State that includes more  
 16 than one fee schedule area—

17 “(A) the Secretary shall establish as a sep-  
 18 arate fee schedule area each county or equiva-  
 19 lent fee schedule area the geographic adjust-  
 20 ment factor for which would (if such separate  
 21 areas are established and before taking into ac-  
 22 count the adjustment under this subparagraph)  
 23 be 5 percent or more above the geographic ad-  
 24 justment factor for such revised locality; and

25 “(B) for such a locality from which a sepa-  
 26 rate fee schedule area is established under sub-

1 paragraph (A), the geographic adjustment fac-  
 2 tor indices shall in no case be less than the geo-  
 3 graphic adjustment factor otherwise computed  
 4 if this paragraph did not apply.

5 The Secretary shall first apply the previous sentence  
 6 to services furnished during 2008 and shall again  
 7 apply it each third year thereafter.”.

8 (b) OFFSETTING FUNDING THROUGH REQUIREMENT  
 9 FOR ANNUAL CERTIFICATION OF COMPLIANCE WITH  
 10 STATE LICENSURE REQUIREMENTS FOR INDEPENDENT  
 11 DIAGNOSTIC TESTING FACILITIES (IDTF).—

12 (1) IN GENERAL.—Section 1862(a) of the So-  
 13 cial Security Act (42 U.S.C. 1395y(a)) is amend-  
 14 ed—

15 (A) by striking “or” at the end of para-  
 16 graph (21);

17 (B) by striking the period at the end of  
 18 paragraph (22) and inserting “; or”; and

19 (C) by inserting after paragraph (22) the  
 20 following new paragraph:

21 “(23) where such expenses are for a diagnostic  
 22 laboratory test under section 1861(s)(3) performed  
 23 in an independent diagnostic testing facility in a  
 24 State or locality described in section 1861(s)(16) un-  
 25 less within the previous 12 months the State or lo-

1       cality (whichever is or are applicable) has certified  
2       that the facility is in compliance with all applicable  
3       State (or local) licensure requirements.”.

4               (2) EFFECTIVE DATE.—The amendments made  
5       by paragraph (1) shall apply to tests performed on  
6       or after January 1, 2008.

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