

112TH CONGRESS
1ST SESSION

S. 1967

To amend title XVIII of the Social Security Act to provide for the treatment of certain physician pathology services under the Medicare Program.

IN THE SENATE OF THE UNITED STATES

DECEMBER 8, 2011

Mr. JOHNSON of South Dakota (for himself and Mr. COCHRAN) 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 provide for the treatment of 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 Continuity Act of 2012”.

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

3 Section 1848(i) of the Social Security Act (42 U.S.C.
4 1395w-4(i)) is amended by adding at the end the fol-
5 lowing new paragraph:

6 “(4) TREATMENT OF CERTAIN PHYSICIAN PA-
7 THOLOGY SERVICES.—

8 “(A) IN GENERAL.—With respect to serv-
9 ices furnished on or after January 1, 2012, if
10 an independent laboratory furnishes the tech-
11 nical component of a physician pathology serv-
12 ice to a fee-for-service medicare beneficiary who
13 is an inpatient or outpatient of a covered hos-
14 pital, the Secretary shall treat such component
15 as a service for which payment shall be made
16 to the laboratory under this section and not as
17 an inpatient hospital service for which payment
18 is made to the hospital under section 1886(d)
19 or as a hospital outpatient service for which
20 payment is made to the hospital under section
21 1833(t).

22 “(B) DEFINITIONS.—In this paragraph:

23 “(i) COVERED HOSPITAL.—

24 “(I) IN GENERAL.—The term
25 ‘covered hospital’ means, with respect
26 to an inpatient or outpatient, a hos-

1 pital that had an arrangement with
2 an independent laboratory that was in
3 effect as of July 22, 1999, under
4 which a laboratory furnished the tech-
5 nical component of physician pathol-
6 ogy services to fee-for-service medi-
7 care beneficiaries who were hospital
8 inpatients or outpatients, respectively,
9 and submitted claims for payment for
10 such component to a carrier with a
11 contract under section 1842 and not
12 to the hospital.

13 “(II) CHANGE IN OWNERSHIP
14 DOES NOT AFFECT DETERMINA-
15 TION.—A change in ownership with
16 respect to a hospital on or after the
17 date referred to in subclause (I) shall
18 not affect the determination of wheth-
19 er such hospital is a covered hospital
20 for purposes of such subclause.

21 “(ii) FEE-FOR-SERVICE MEDICARE
22 BENEFICIARY.—The term ‘fee-for-service
23 medicare beneficiary’ means an individual
24 who is entitled to (or enrolled for) benefits
25 under part A, or enrolled under this part,

1 or both, but who is not enrolled in any of
2 the following:

3 “(I) A Medicare Advantage plan
4 under part C.

5 “(II) A plan offered by an eligi-
6 ble organization under section 1876.

7 “(III) A program of all-inclusive
8 care for the elderly (PACE) under
9 section 1894.

10 “(IV) A social health mainte-
11 nance organization (SHMO) dem-
12 onstration project established under
13 section 4018(b) of the Omnibus
14 Budget Reconciliation Act of 1987
15 (Public Law 100–203).

16 “(C) REFERENCE.—For the treatment of
17 certain physician pathology services furnished
18 prior to January 1, 2012, see section 542 of the
19 Medicare, Medicaid, and SCHIP Benefits Im-
20 provement and Protection Act of 2000, as ex-
21 tended by—

22 “(i) Centers for Medicare & Medicaid
23 Services (CMS) Program Memorandum for
24 Carriers (transmittal B–03–001), issued
25 January 17, 2003;

1 “(ii) CMS Manual System, Publica-
2 tion 100–20 One-Time Notification (trans-
3 mittal 34), issued December 24, 2003;

4 “(iii) section 732 of the Medicare Pre-
5 scription Drug, Improvement, and Mod-
6 ernization Act of 2003;

7 “(iv) section 104 of division B of the
8 Tax Relief and Health Care Act of 2006;

9 “(v) section 104 of the Medicare,
10 Medicaid, and SCHIP Extension Act of
11 2007;

12 “(vi) section 136 of the Medicare Im-
13 provements for Patients and Providers Act
14 of 2008; and

15 “(vii) section 105 of the Medicare and
16 Medicaid Extenders Act of 2010.”.

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