

115TH CONGRESS
1ST SESSION

H. R. 3178

To amend title XVIII of the Social Security Act to improve the delivery of home infusion therapy and dialysis and the application of the Stark rule under the Medicare program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 11, 2017

Mr. BRADY of Texas (for himself, Mr. NEAL, Mr. WALDEN, Mr. PALLONE, Mr. TIBERI, Mr. LEVIN, Mr. BURGESS, and Mr. GENE GREEN of Texas) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, 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

A BILL

To amend title XVIII of the Social Security Act to improve the delivery of home infusion therapy and dialysis and the application of the Stark rule under the Medicare program, 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,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Medicare Part B Improvement Act of 2017”.

1 (b) TABLE OF CONTENTS.—The table of contents of
 2 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—IMPROVEMENTS IN PROVISION OF HOME INFUSION
 THERAPY

Sec. 101. Home infusion therapy services temporary transitional payment.

Sec. 102. Extension of Medicare Patient IVIG Access Demonstration Project.

Sec. 103. Orthotist’s and prosthetist’s clinical notes as part of the patient’s
 medical record.

TITLE II—IMPROVEMENTS IN DIALYSIS SERVICES

Sec. 201. Independent accreditation for dialysis facilities and assurance of high
 quality surveys.

Sec. 202. Expanding access to home dialysis therapy.

TITLE III—IMPROVEMENTS IN APPLICATION OF STARK RULE

Sec. 301. Modernizing the application of the Stark rule under Medicare.

Sec. 302. Deposit of savings into Medicare Improvement Fund.

3 **TITLE I—IMPROVEMENTS IN**
 4 **PROVISION OF HOME INFU-**
 5 **SION THERAPY**

6 **SEC. 101. HOME INFUSION THERAPY SERVICES TEM-**
 7 **PORARY TRANSITIONAL PAYMENT.**

8 (a) IN GENERAL.—Section 1834(u) of the Social Se-
 9 curity Act (42 U.S.C. 1395m(u)) is amended, by adding
 10 at the end the following new paragraph:

11 “(7) HOME INFUSION THERAPY SERVICES TEM-
 12 PORARY TRANSITIONAL PAYMENT.—

13 “(A) TEMPORARY TRANSITIONAL PAY-
 14 MENT.—

15 “(i) IN GENERAL.—The Secretary
 16 shall, in accordance with the payment
 17 methodology described in subparagraph

1 (B) and subject to the provisions of this
2 paragraph, provide a home infusion ther-
3 apy services temporary transitional pay-
4 ment under this part to an eligible home
5 infusion supplier (as defined in subpara-
6 graph (F)) for items and services described
7 in subparagraphs (A) and (B) of section
8 1861(iii)(2) furnished during the period
9 specified in clause (ii) by such supplier in
10 coordination with the furnishing of transi-
11 tional home infusion drugs (as defined in
12 clause (iii)).

13 “(ii) PERIOD SPECIFIED.—For pur-
14 poses of clause (i), the period specified in
15 this clause is the period beginning on Jan-
16 uary 1, 2019, and ending on the day be-
17 fore the date of the implementation of the
18 payment system under paragraph (1)(A).

19 “(iii) TRANSITIONAL HOME INFUSION
20 DRUG DEFINED.—For purposes of this
21 paragraph, the term ‘transitional home in-
22 fusion drug’ has the meaning given to the
23 term ‘home infusion drug’ under section
24 1861(iii)(3)(C), except that clause (ii) of
25 such section shall not apply if a drug de-

1 scribed in such clause is identified in
2 clause (i), (ii), (iii) or (iv) of subparagraph
3 (C) as of the date of the enactment of this
4 paragraph.

5 “(B) PAYMENT METHODOLOGY.—For pur-
6 poses of this paragraph, the Secretary shall es-
7 tablish a payment methodology, with respect to
8 items and services described in subparagraph
9 (A)(i). Under such payment methodology the
10 Secretary shall—

11 “(i) create the three payment cat-
12 egories described in clauses (i), (ii), and
13 (iii) of subparagraph (C);

14 “(ii) assign drugs to such categories,
15 in accordance with such clauses;

16 “(iii) assign appropriate Healthcare
17 Common Procedure Coding System
18 (HCPCS) codes to each payment category;
19 and

20 “(iv) establish a single payment
21 amount for each such payment category, in
22 accordance with subparagraph (D), for
23 each infusion drug administration calendar
24 day in the individual’s home for drugs as-
25 signed to such category.

1 “(C) PAYMENT CATEGORIES.—

2 “(i) PAYMENT CATEGORY 1.—The
3 Secretary shall create a payment category
4 1 and assign to such category drugs which
5 are covered under the Local Coverage De-
6 termination on External Infusion Pumps
7 (LCD number L33794) and billed with the
8 following HCPCS codes (as identified as of
9 July 1, 2017, and as subsequently modi-
10 fied by the Secretary): J0133, J0285,
11 J0287, J0288, J0289, J0895, J1170,
12 J1250, J1265, J1325, J1455, J1457,
13 J1570, J2175, J2260, J2270, J2274,
14 J2278, J3010, or J3285.

15 “(ii) PAYMENT CATEGORY 2.—The
16 Secretary shall create a payment category
17 2 and assign to such category drugs which
18 are covered under such local coverage de-
19 termination and billed with the following
20 HCPCS codes (as identified as of July 1,
21 2017, and as subsequently modified by the
22 Secretary): J1559 JB, J1561 JB, J1562
23 JB, J1569 JB, or J1575 JB.

24 “(iii) PAYMENT CATEGORY 3.—The
25 Secretary shall create a payment category

1 3 and assign to such category drugs which
2 are covered under such local coverage de-
3 termination and billed with the following
4 HCPCS codes (as identified as of July 1,
5 2017, and as subsequently modified by the
6 Secretary): J9000, J9039, J9040, J9065,
7 J9100, J9190, J9200, J9360, or J9370.

8 “(iv) INFUSION DRUGS NOT OTHER-
9 WISE INCLUDED.—With respect to drugs
10 that are not included in payment category
11 1, 2, or 3 under clause (i), (ii), or (iii), re-
12 spectively, the Secretary shall assign to the
13 most appropriate of such categories, as de-
14 termined by the Secretary, drugs which
15 are—

16 “(I) covered under such local cov-
17 erage determination and billed under
18 HCPCS code J7799 or J7999 (as
19 identified as of July 1, 2017, and as
20 subsequently modified by the Sec-
21 retary); or

22 “(II) billed under any code that
23 is implemented after the date of the
24 enactment of this paragraph and in-
25 cluded in such local coverage deter-

1 mination or included in subregulatory
2 guidance as a home infusion drug de-
3 scribed in subparagraph (A)(i).

4 “(D) PAYMENT AMOUNTS.—

5 “(i) IN GENERAL.—Under the pay-
6 ment methodology, the Secretary shall pay
7 eligible home infusion suppliers, with re-
8 spect to items and services described in
9 subparagraph (A)(i) furnished during the
10 period described in subparagraph (A)(ii) by
11 such supplier to an individual, at amounts
12 equal to the amounts determined under the
13 physician fee schedule established under
14 section 1848 for services furnished during
15 the year for codes and units of such codes
16 described in clauses (ii), (iii), and (iv) with
17 respect to drugs included in the payment
18 category under subparagraph (C) specified
19 in the respective clause, determined with-
20 out application of any adjustment under
21 such section.

22 “(ii) PAYMENT AMOUNT FOR CAT-
23 EGORY 1.—For purposes of clause (i), the
24 codes and units described in this clause,
25 with respect to drugs included in payment

1 category 1 described in subparagraph
2 (C)(i), are one unit of HCPCS code 96365
3 plus four units of HCPCS code 96366 (as
4 identified as of July 1, 2017, and as subse-
5 quently modified by the Secretary).

6 “(iii) PAYMENT AMOUNT FOR CAT-
7 EGORY 2.—For purposes of clause (i), the
8 codes and units described in this clause,
9 with respect to drugs included in payment
10 category 2 described in subparagraph
11 (C)(i), are one unit of HCPCS code 96369
12 plus four units of HCPCS code 96370 (as
13 identified as of July 1, 2017, and as subse-
14 quently modified by the Secretary).

15 “(iv) PAYMENT AMOUNT FOR CAT-
16 EGORY 3.—For purposes of clause (i), the
17 codes and units described in this clause,
18 with respect to drugs included in payment
19 category 3 described in subparagraph
20 (C)(i), are one unit of HCPCS code 96413
21 plus four units of HCPCS code 96415 (as
22 identified as of July 1, 2017, and as subse-
23 quently modified by the Secretary).

24 “(E) CLARIFICATIONS.—

1 “(i) INFUSION DRUG ADMINISTRATION
2 DAY.—For purposes of this subsection, a
3 reference, with respect to the furnishing of
4 transitional home infusion drugs or home
5 infusion drugs to an individual by an eligi-
6 ble home infusion supplier, to payment to
7 such supplier for an infusion drug adminis-
8 tration calendar day in the individual’s
9 home shall refer to payment only for the
10 date on which professional services (as de-
11 scribed in section 1861(iii)(2)(A)) were
12 furnished to administer such drugs to such
13 individual. For purposes of the previous
14 sentence, an infusion drug administration
15 calendar day shall include all such drugs
16 administered to such individual on such
17 day.

18 “(ii) TREATMENT OF MULTIPLE
19 DRUGS ADMINISTERED ON SAME INFUSION
20 DRUG ADMINISTRATION DAY.—In the case
21 that an eligible home infusion supplier,
22 with respect to an infusion drug adminis-
23 tration calendar day in an individual’s
24 home, furnishes to such individual transi-
25 tional home infusion drugs which are not

1 all assigned to the same payment category
2 under subparagraph (C), payment to such
3 supplier for such infusion drug administra-
4 tion calendar day in the individual's home
5 shall be a single payment equal to the
6 amount of payment under this paragraph
7 for the drug, among all such drugs so fur-
8 nished to such individual during such cal-
9 endar day, for which the highest payment
10 would be made under this paragraph.

11 “(F) ELIGIBLE HOME INFUSION SUP-
12 PLIERS.—In this paragraph, the term ‘eligible
13 home infusion supplier’ means a supplier that is
14 enrolled under this part as a pharmacy that
15 provides external infusion pumps and external
16 infusion pump supplies and that maintains all
17 pharmacy licensure requirements in the State in
18 which the applicable infusion drugs are admin-
19 istered.

20 “(G) IMPLEMENTATION.—Notwithstanding
21 any other provision of law, the Secretary may
22 implement this paragraph by program instruc-
23 tion or otherwise.”.

24 (b) CONFORMING AMENDMENT.—Section
25 1842(b)(6)(I) of the Social Security Act (42 U.S.C.

1 1395u(b)(6)(I)) is amended by inserting “or, in the case
2 of items and services described in clause (i) of section
3 1834(u)(7)(A) furnished to an individual during the pe-
4 riod described in clause (ii) of such section, payment shall
5 be made to the eligible home infusion therapy supplier”
6 after “payment shall be made to the qualified home infu-
7 sion therapy supplier”.

8 **SEC. 102. EXTENSION OF MEDICARE PATIENT IVIG ACCESS**
9 **DEMONSTRATION PROJECT.**

10 Section 101(b) of the Medicare IVIG Access and
11 Strengthening Medicare and Repaying Taxpayers Act of
12 2012 (42 U.S.C. 1395l note) is amended—

13 (1) in paragraph (1), by inserting after “for a
14 period of 3 years” the following: “and, subject to the
15 availability of funds under subsection (g)—

16 “(A) if the date of enactment of the Medi-
17 care Part B Improvement Act of 2017 is on or
18 before September 30, 2017, for the period be-
19 ginning on October 1, 2017, and ending on De-
20 cember 31, 2020; and

21 “(B) if the date of enactment of such Act
22 is after September 30, 2017, for the period be-
23 ginning on the date of enactment of such Act
24 and ending on December 31, 2020”; and

1 (2) in paragraph (2), by adding at the end the
2 following new sentence: “Subject to the preceding
3 sentence, a Medicare beneficiary enrolled in the dem-
4 onstration project on September 30, 2017, shall be
5 automatically enrolled during the period beginning
6 on the date of the enactment of the Medicare Part
7 B Improvement Act of 2017 and ending on Decem-
8 ber 31, 2020, without submission of another applica-
9 tion.”.

10 **SEC. 103. ORTHOTIST’S AND PROSTHETIST’S CLINICAL**
11 **NOTES AS PART OF THE PATIENT’S MEDICAL**
12 **RECORD.**

13 Section 1834(h) of the Social Security Act (42 U.S.C.
14 1395m(h)) is amended by adding at the end the following
15 new paragraph:

16 “(5) DOCUMENTATION CREATED BY
17 ORTHOTISTS AND PROSTHETISTS.—For purposes of
18 determining the reasonableness and medical neces-
19 sity of orthotics and prosthetics, documentation cre-
20 ated by an orthotist or prosthetist shall be consid-
21 ered part of the patient’s medical record to support
22 documentation created by eligible professionals de-
23 scribed in section 1848(k)(3)(B).”.

1 **TITLE II—IMPROVEMENTS IN**
2 **DIALYSIS SERVICES**

3 **SEC. 201. INDEPENDENT ACCREDITATION FOR DIALYSIS**
4 **FACILITIES AND ASSURANCE OF HIGH QUAL-**
5 **ITY SURVEYS.**

6 (a) ACCREDITATION AND SURVEYS.—

7 (1) IN GENERAL.—Section 1865 of the Social
8 Security Act (42 U.S.C. 1395bb) is amended—

9 (A) in subsection (a)—

10 (i) in paragraph (1), in the matter
11 preceding subparagraph (A), by striking
12 “or the conditions and requirements under
13 section 1881(b)”; and

14 (ii) in paragraph (4), by inserting
15 “(including a renal dialysis facility)” after
16 “facility”; and

17 (B) by adding at the end the following new
18 subsection:

19 “(e) With respect to an accreditation body that has
20 received approval from the Secretary under subsection
21 (a)(3)(A) for accreditation of provider entities that are re-
22 quired to meet the conditions and requirements under sec-
23 tion 1881(b), in addition to review and oversight authori-
24 ties otherwise applicable under this title, the Secretary
25 shall (as the Secretary determines appropriate) conduct,

1 with respect to such accreditation body and provider enti-
2 ties, any or all of the following more frequently than is
3 otherwise required to be conducted under this title with
4 respect to other accreditation bodies or other provider en-
5 tities:

6 “(1) Validation surveys referred to in sub-
7 section (d).

8 “(2) Accreditation program reviews (as defined
9 in section 488.8(c) of title 42 of the Code of Federal
10 Regulations, or a successor regulation).

11 “(3) Performance reviews (as defined in section
12 488.8(a) of title 42 of the Code of Federal Regula-
13 tions, or a successor regulation).”.

14 (2) TIMING FOR ACCEPTANCE OF REQUESTS
15 FROM ACCREDITATION ORGANIZATIONS.—Not later
16 than 90 days after the date of enactment of this
17 Act, the Secretary of Health and Human Services
18 shall begin accepting requests from national accredi-
19 tation bodies for a finding described in section
20 1865(a)(3)(A) of the Social Security Act (42 U.S.C.
21 1395bb(a)(3)(A)) for purposes of accrediting pro-
22 vider entities that are required to meet the condi-
23 tions and requirements under section 1881(b) of
24 such Act (42 U.S.C. 1395rr(b)).

1 (b) REQUIREMENT FOR TIMING OF SURVEYS OF
2 NEW DIALYSIS FACILITIES.—Section 1881(b)(1) of the
3 Social Security Act (42 U.S.C. 1395rr(b)(1)) is amended
4 by adding at the end the following new sentence: “Begin-
5 ning 180 days after the date of the enactment of this sen-
6 tence, an initial survey of a provider of services or a renal
7 dialysis facility to determine if the conditions and require-
8 ments under this paragraph are met shall be initiated not
9 later than 90 days after such date on which both the pro-
10 vider enrollment form (without regard to whether such
11 form is submitted prior to or after such date of enactment)
12 has been determined by the Secretary to be complete and
13 the provider’s enrollment status indicates approval is
14 pending the results of such survey.”.

15 **SEC. 202. EXPANDING ACCESS TO HOME DIALYSIS THER-**
16 **APY.**

17 (a) ALLOWING USE OF TELEHEALTH FOR MONTHLY
18 END STAGE RENAL DISEASE-RELATED VISITS.—

19 (1) IN GENERAL.—Paragraph (3) of section
20 1881(b) of the Social Security Act (42 U.S.C.
21 1395rr(b)) is amended—

22 (A) by redesignating subparagraphs (A)
23 and (B) as clauses (i) and (ii), respectively;

1 (B) in clause (i), as redesignated by sub-
2 paragraph (A), by striking “under this subpara-
3 graph” and inserting “under this clause”;

4 (C) in clause (ii), as redesignated by sub-
5 paragraph (A), by inserting “subject to sub-
6 paragraph (B),” before “on a comprehensive”;

7 (D) by striking “With respect to” and in-
8 serting “(A) With respect to”; and

9 (E) by adding at the end the following new
10 subparagraph:

11 “(B)(i) Subject to clause (ii), an individual who is
12 determined to have end stage renal disease and who is re-
13 ceiving home dialysis may choose to receive monthly end
14 stage renal disease-related visits, furnished on or after
15 January 1, 2019, via telehealth.

16 “(ii) Clause (i) shall apply to an individual only if
17 the individual receives a face-to-face visit, without the use
18 of telehealth—

19 “(I) in the case of the initial three months of
20 home dialysis of such individual, at least monthly;
21 and

22 “(II) after such initial three months, at least
23 once every three consecutive months.”.

1 (2) CONFORMING AMENDMENT.—Paragraph (1)
2 of such section is amended by striking “paragraph
3 (3)(A)” and inserting “paragraph (3)(A)(i)”.

4 (b) EXPANDING ORIGINATING SITES FOR TELE-
5 HEALTH TO INCLUDE RENAL DIALYSIS FACILITIES AND
6 THE HOME FOR PURPOSES OF MONTHLY END STAGE
7 RENAL DISEASE-RELATED VISITS.—

8 (1) IN GENERAL.—Section 1834(m) of the So-
9 cial Security Act (42 U.S.C. 1395m(m)) is amend-
10 ed—

11 (A) in paragraph (4)(C)(ii), by adding at
12 the end the following new subclauses:

13 “(IX) A renal dialysis facility,
14 but only for purposes of section
15 1881(b)(3)(B).

16 “(X) The home of an individual,
17 but only for purposes of section
18 1881(b)(3)(B).”; and

19 (B) by adding at the end the following new
20 paragraph:

21 “(5) TREATMENT OF HOME DIALYSIS MONTHLY
22 ESRD-RELATED VISIT.—The geographic require-
23 ments described in paragraph (4)(C)(i) shall not
24 apply with respect to telehealth services furnished on
25 or after January 1, 2019, for purposes of section

1 1881(b)(3)(B), at an originating site described in
2 subclause (VI), (IX), or (X) of paragraph
3 (4)(C)(ii), subject to applicable State law require-
4 ments, including State licensure requirements.”.

5 (2) NO FACILITY FEE IF ORIGINATING SITE
6 FOR HOME DIALYSIS THERAPY IS THE HOME.—Sec-
7 tion 1834(m)(2)(B) of the Social Security Act (42
8 U.S.C. 1395m(m)(2)(B)) is amended—

9 (A) by redesignating clauses (i) and (ii) as
10 subclauses (I) and (II), respectively, and by in-
11 denting each of such subclauses 2 ems to the
12 right;

13 (B) in subclause (II), as redesignated by
14 subparagraph (A), by striking “clause (i) or
15 this clause” and inserting “subclause (I) or this
16 subclause”;

17 (C) by striking “SITE.—With respect to”
18 and inserting “SITE.—

19 “(i) IN GENERAL.—Subject to clause
20 (ii), with respect to”; and

21 (D) by adding at the end the following new
22 clause:

23 “(ii) NO FACILITY FEE IF ORIGI-
24 NATING SITE FOR HOME DIALYSIS THER-
25 APY IS THE HOME.—No facility fee shall

1 be paid under this subparagraph to an
2 originating site described in subclause (X)
3 of paragraph (4)(C)(ii).”.

4 (c) CLARIFICATION REGARDING TELEHEALTH PRO-
5 VIDED TO BENEFICIARIES.—Section 1128A(i)(6) of the
6 Social Security Act (42 U.S.C. 1320a–7a(i)(6)) is amend-
7 ed—

8 (1) in subparagraph (H), by striking “; or” and
9 inserting a semicolon;

10 (2) in subparagraph (I), by striking the period
11 at the end and inserting “; or”; and

12 (3) by adding at the end the following new sub-
13 paragraph:

14 “(J) the provision of telehealth on or after
15 January 1, 2019, to individuals with end stage
16 renal disease under title XVIII by a health care
17 provider for the purpose of furnishing of tele-
18 health.”.

19 (d) STUDY AND REPORT ON FURTHER EXPAN-
20 SION.—

21 (1) STUDY.—The Comptroller General of the
22 United States shall conduct a study to examine the
23 benefits and drawbacks of expanding the coverage
24 under the Medicare program under title XVIII of
25 the Social Security Act of renal dialysis services as

1 telehealth services, pursuant to the amendments
2 made by this section, to include coverage of renal di-
3 alysis services furnished via telehealth and store-
4 and-forward technologies.

5 (2) REPORT.—Not later than two years after
6 the date of the enactment of this Act, the Comp-
7 troller General shall submit to Congress a report on
8 the results of the study conducted under paragraph
9 (1).

10 **TITLE III—IMPROVEMENTS IN** 11 **APPLICATION OF STARK RULE**

12 **SEC. 301. MODERNIZING THE APPLICATION OF THE STARK** 13 **RULE UNDER MEDICARE.**

14 (a) CLARIFICATION OF THE WRITING REQUIREMENT
15 AND SIGNATURE REQUIREMENT FOR ARRANGEMENTS
16 PURSUANT TO THE STARK RULE.—

17 (1) WRITING REQUIREMENT.—Section
18 1877(h)(1) of the Social Security Act (42 U.S.C.
19 1395nn(h)(1)) is amended by adding at the end the
20 following new subparagraph:

21 “(D) WRITTEN REQUIREMENT CLARIFIED.—In
22 the case of any requirement pursuant to this section
23 for a compensation arrangement to be in writing,
24 such requirement shall be satisfied by such means as
25 determined by the Secretary, including by a collec-

1 tion of documents, including contemporaneous docu-
2 ments evidencing the course of conduct between the
3 parties involved.”.

4 (2) SIGNATURE REQUIREMENT.—Section
5 1877(e) of the Social Security Act (42 U.S.C.
6 1395nn(e)) is amended—

7 (A) in paragraph (1)(A)(i), by inserting
8 “before or not later than 90 days after the ef-
9 fective date of the lease” after “signed by the
10 parties”;

11 (B) in paragraph (1)(B)(i), by inserting
12 “before or not later than 90 days after the ef-
13 fective date of the lease” after “signed by the
14 parties”; and

15 (C) in paragraph (3)(A)(i), by inserting
16 “before or not later than 90 days after the ef-
17 fective date of the arrangement” after “signed
18 by the parties”.

19 (b) INDEFINITE HOLDOVER FOR LEASE ARRANGE-
20 MENTS AND PERSONAL SERVICES ARRANGEMENTS PUR-
21 SUANT TO THE STARK RULE.—Section 1877 of the Social
22 Security Act (42 U.S.C. 1395nn) is amended—

23 (1) in subsection (e)—

24 (A) in paragraph (1), by adding at the end
25 the following new subparagraph:

1 “(C) HOLDOVER LEASE ARRANGE-
2 MENTS.—In the case of a holdover lease ar-
3 rangement for the lease of office space or equip-
4 ment, which immediately follows a lease ar-
5 rangement described in subparagraph (A) for
6 the use of such office space or subparagraph
7 (B) for the use of such equipment and that ex-
8 pired after a term of at least one year, pay-
9 ments made by the lessee to the lessor pursuant
10 to such holdover lease arrangement, if—

11 “(i) the lease arrangement met the
12 conditions of subparagraph (A) for the
13 lease of office space or subparagraph (B)
14 for the use of equipment when the ar-
15 rangement expired;

16 “(ii) the holdover lease arrangement is
17 on the same terms and conditions as the
18 immediately preceding arrangement; and

19 “(iii) the holdover arrangement con-
20 tinues to satisfy the conditions of subpara-
21 graph (A) for the lease of office space or
22 subparagraph (B) for the use of equip-
23 ment.”; and

24 (B) in paragraph (3), by adding at the end
25 the following new subparagraph:

1 “(C) **HOLDOVER PERSONAL SERVICE AR-**
2 **RANGEMENT.**—In the case of a holdover per-
3 sonal service arrangement, which immediately
4 follows an arrangement described in subpara-
5 graph (A) that expired after a term of at least
6 one year, remuneration from an entity pursuant
7 to such holdover personal service arrangement,
8 if—

9 “(i) the personal service arrangement
10 met the conditions of subparagraph (A)
11 when the arrangement expired;

12 “(ii) the holdover personal service ar-
13 rangement is on the same terms and condi-
14 tions as the immediately preceding ar-
15 rangement; and

16 “(iii) the holdover arrangement con-
17 tinues to satisfy the conditions of subpara-
18 graph (A).”;

19 (2) in subsection (h)(1), as amended by sub-
20 section (a)(1)—

21 (A) in the heading, by inserting “; **HOLD-**
22 **OVER ARRANGEMENT**” after “**REMUNERATION**”;
23 and

24 (B) by adding at the end the following new
25 subparagraph:

