

107TH CONGRESS  
1ST SESSION

# S. 974

To amend title XVIII of the Social Security Act to provide for coverage  
of pharmacist services under part B of the medicare program.

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IN THE SENATE OF THE UNITED STATES

MAY 25, 2001

Mr. JOHNSON 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 provide  
for coverage of pharmacist services under part B of  
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 “Medicare Pharmacist  
5       Services Coverage Act of 2001”.

6 **SEC. 2. MEDICARE COVERAGE OF PHARMACIST SERVICES.**

7       (a) COVERAGE.—Section 1861(s)(2) of the Social Se-  
8       curity Act (42 U.S.C. 1395x(s)(2)), as amended by section  
9       105(a) of the Medicare, Medicaid, and SCHIP Benefits  
10      Improvement and Protection Act of 2000 (114 Stat.

1 2763A–471), as enacted into law by section 1(a)(6) of  
2 Public Law 106–554, is amended—

3 (1) in subparagraph (U), by striking “and” at  
4 the end;

5 (2) in subparagraph (V), by inserting “and” at  
6 the end; and

7 (3) by adding at the end the following new sub-  
8 paragraph:

9 “(W) pharmacist services (as defined in sub-  
10 section (ww));”.

11 (b) SERVICES DESCRIBED.—Section 1861 of the So-  
12 cial Security Act (42 U.S.C. 1395x), as amended by sec-  
13 tion 105(b) of the Medicare, Medicaid, and SCHIP Bene-  
14 fits Improvement and Protection Act of 2000 (114 Stat.  
15 2763A–471), as enacted into law by section 1(a)(6) of  
16 Public Law 106–554, is amended by adding at the end  
17 the following new subsection:

18 “Pharmacist Services

19 “(ww) The term ‘pharmacist services’ means such  
20 drug therapy management services furnished by a phar-  
21 macist, individually or on behalf of a pharmacy provider,  
22 and such services and supplies furnished as an incident  
23 to the pharmacist’s drug therapy management service,  
24 which the pharmacist is legally authorized to perform (in  
25 the State in which the individual performs such services)

1 in accordance with State law (or the State regulatory  
2 mechanism provided by State law).”.

3 (c) PAYMENT.—

4 (1) IN GENERAL.—Section 1833(a)(1) of the  
5 Social Security Act (42 U.S.C. 1395l(a)(1)), as  
6 amended by section 223(c) of the Medicare, Medi-  
7 caid, and SCHIP Benefits Improvement and Pro-  
8 tection Act of 2000 (114 Stat. 2763A–489), as en-  
9 acted into law by section 1(a)(6) of Public Law 106–  
10 554, is amended—

11 (A) by striking “and” before “(U)”; and  
12 (B) by inserting before the semicolon at  
13 the end the following: “, and (V) with respect  
14 to pharmacist services under section  
15 1861(s)(2)(W), the amounts paid shall be 80  
16 percent of the lesser of the actual charge or the  
17 amount established under section 1834(n);”.

18 (2) ESTABLISHMENT OF FEE SCHEDULE; PAY-  
19 MENTS PRIOR TO IMPLEMENTATION OF FEE SCHED-  
20 ULE.—Section 1834 of the Social Security Act (42  
21 U.S.C. 1395m), as amended by section 223(b) of the  
22 Medicare, Medicaid, and SCHIP Benefits Improve-  
23 ment and Protection Act of 2000 (114 Stat. 2763A–  
24 487), as enacted into law by section 1(a)(6) of Pub-

1       lic Law 106-554, is amended by adding at the end  
2       the following new subsection:

3       “(n) FEE SCHEDULES FOR PHARMACIST SERV-  
4       ICES.—

5               “(1) DEVELOPMENT.—The Secretary shall  
6       develop—

7                       “(A) a relative value scale to serve as the  
8       basis for the payment of pharmacist services (as  
9       defined in section 1861(ww)) under this part;  
10       and

11                       “(B) using such scale and appropriate con-  
12       version factors, fee schedules (on a regional,  
13       statewide, locality, or carrier service area basis)  
14       for payment for pharmacist services under this  
15       part, to be implemented for such services fur-  
16       nished during years beginning after the expira-  
17       tion of the 3-year period which begins on the  
18       date of enactment of this subsection.

19               “(2) CONSIDERATIONS.—In developing the rel-  
20       ative value scale and fee schedules under paragraph  
21       (1), the Secretary shall consider differences in—

22                       “(A) the time required to perform types of  
23       pharmacist services;

1                   “(B) the level of risk associated with the  
2                   use of particular out-patient prescription drugs  
3                   or groups of drugs; and

4                   “(C) the health status of individuals to  
5                   whom pharmacist services are provided.

6                   “(3) CONSULTATION.—In developing the fee  
7                   schedule for pharmacist services under this sub-  
8                   section, the Secretary shall consult with various na-  
9                   tional organizations representing pharmacists and  
10                   pharmacies and share with such organizations the  
11                   relevant data and data analysis being used in estab-  
12                   lishing such fee schedule, including data on vari-  
13                   ations in payments under this part by geographic  
14                   area and by service.

15                   “(4) PAYMENTS PRIOR TO IMPLEMENTATION  
16                   OF FEE SCHEDULE.—In the case of a pharmacist  
17                   service (as defined in section 1861(ww)) that is fur-  
18                   nished before the implementation of the fee schedule  
19                   developed under paragraph (1)(B), the Secretary  
20                   shall pay an amount equal to 80 percent of the  
21                   amount that the Secretary would pay for such serv-  
22                   ice under the fee schedule established under section  
23                   1848 if the service were furnished by a physician or  
24                   as an incident to a physician’s service.”.

1       (d) REPORT TO CONGRESS.—Not later than 3 years  
2 after the date of enactment of this Act, the Secretary of  
3 Health and Human Services shall submit to Congress a  
4 report on the relative value scale and fee schedules devel-  
5 oped under section 1834(n)(1) of the Social Security Act  
6 (as added by subsection (e)(2)) for pharmacist services  
7 furnished under part B of the medicare program under  
8 title XVIII of the Social Security Act.

9       (e) EFFECTIVE DATE.—The amendments made by  
10 this section shall apply to services furnished on or after  
11 January 1, 2002.

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