

108TH CONGRESS
2D SESSION

H. R. 4927

To amend title XVIII of the Social Security Act to improve the benefits under the Medicare Program for beneficiaries with kidney disease, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 22, 2004

Mr. CAMP (for himself, Mr. JEFFERSON, Mr. ENGLISH, Mr. NEAL of Massachusetts, and Mr. POMEROY) 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 benefits under the Medicare Program for beneficiaries with kidney disease, 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 “ESRD Modernization Act of 2004”.

6 (b) **TABLE OF CONTENTS.**—The table of contents of
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—MODERNIZING THE MEDICARE ESRD PAYMENT SYSTEM

Sec. 101. Establishment of annual update framework for the medicare ESRD composite rate.

TITLE II—PATIENT EDUCATION, QUALITY, ACCESS AND SAFETY INITIATIVES

Sec. 201. Support of public and patient education initiatives regarding kidney disease.

Sec. 202. Medicare coverage of kidney disease patient education services.

Sec. 203. Blood flow monitoring demonstration projects.

TITLE III—FINANCING AND COVERAGE FOR ESRD PATIENTS

Sec. 301. Improving the home dialysis benefit.

Sec. 302. Institute of Medicine evaluation and report on home dialysis.

TITLE IV—SUSTAINABLE ECONOMICS

Sec. 401. Modification of physician surgical reimbursement for dialysis access procedures to align incentives for cost and quality.

Sec. 402. Demonstration project for outcomes-based ESRD reimbursement system.

Sec. 403. GAO study and report on impact of G-codes.

**1 TITLE I—MODERNIZING THE
2 MEDICARE ESRD PAYMENT
3 SYSTEM**

**4 SEC. 101. ESTABLISHMENT OF ANNUAL UPDATE FRAME-
5 WORK FOR THE MEDICARE ESRD COMPOSITE
6 RATE.**

7 (a) IN GENERAL.—Section 1881(b)(12)(F) of the So-
8 cial Security Act (42 U.S.C. 1395rr(b)(12)(F)), as added
9 by section 623(d) of the Medicare Prescription Drug, Im-
10 provement, and Modernization Act of 2003 (Public Law
11 108–173; 117 Stat. 2313), is amended to read as follows:

12 “(F) Beginning with 2006, the Secretary shall annu-
13 ally increase the basic case-mix adjusted payment amounts
14 established under this paragraph—

1 “(i) with respect to the composite rate compo-
2 nent of the basic case-mix adjusted system described
3 in subparagraph (B)(i), by the ESRD market basket
4 percentage increase (as defined in paragraph
5 (14)(A) and including any additional factors that
6 may increase costs described in paragraph (14)(B))
7 above such composite rate payment amounts for
8 such services furnished on December 31 of the pre-
9 vious year; and

10 “(ii) with respect to the component of the basic
11 case-mix adjusted system described in clause (ii) of
12 subparagraph (B), by—

13 “(I) applying the estimated growth in ex-
14 penditures for drugs and biologicals (including
15 erythropoietin) that are separately billable to
16 such component; and

17 “(II) converting the amount determined in
18 subclause (I) to an increase applicable to the
19 basic case-mix adjusted payment amounts es-
20 tablished under such subparagraph.”.

21 (b) ESRD MARKET BASKET PERCENTAGE INCREASE
22 DEFINED.—Section 1881(b) of the Social Security Act
23 (42 U.S.C. 1395rr(b)), as amended by section 623(d) of
24 the Medicare Prescription Drug, Improvement, and Mod-
25 ernization Act of 2003 (Public Law 108–173; 117 Stat.

1 2313) is amended by adding at the end the following new
2 paragraph:

3 “(14)(A) For purposes of this title, the term ‘ESRD
4 market basket percentage increase’ means, with respect to
5 a calendar year, the percentage (estimated by the Sec-
6 retary before the beginning of such year) by which—

7 “(i) the cost of the mix of goods and services
8 included in the provision of dialysis services (includ-
9 ing the costs described in subparagraph (D)) that is
10 determined based on an index of appropriately
11 weighted indicators of changes in wages and prices
12 which are representative of the mix of goods and
13 services included in such dialysis services for the cal-
14 endar year; exceeds

15 “(ii) the cost of such mix of goods and services
16 for the preceding calendar year.

17 “(B) In addition to determining the percentage up-
18 date under subparagraph (A), the Secretary shall also take
19 into account any change in the costs of furnishing the mix
20 of goods and services described in such subparagraph re-
21 sulting from—

22 “(i) the adoption of scientific and technological
23 innovations used to provide dialysis services;

24 “(ii) changes in the manner or method of deliv-
25 ering dialysis services;

1 “(iii) productivity improvements in the provi-
2 sion of dialysis services; and

3 “(iv) any other relevant factor.

4 “(C) The Secretary shall annually review and update
5 the items and services included in the mix of goods and
6 services used to determine the percentage under subpara-
7 graph (A).

8 “(D) The costs described in this subparagraph in-
9 clude—

10 “(i) labor costs, including direct patient care
11 costs and administrative labor costs, vacation and
12 holiday pay, payroll taxes, and employee benefits;

13 “(ii) other direct costs, including drugs, sup-
14 plies, and laboratory fees;

15 “(iii) overhead costs, including medical director
16 fees, temporary services, general and administrative
17 costs, interest expenses, and bad debt;

18 “(iv) capital costs, including rent, real estate
19 taxes, depreciation, utilities, repairs, and mainte-
20 nance; and

21 “(v) such other allowable costs as the Secretary
22 may specify.”.

1 **TITLE II—PATIENT EDUCATION,**
2 **QUALITY, ACCESS AND SAFE-**
3 **TY INITIATIVES**

4 **SEC. 201. SUPPORT OF PUBLIC AND PATIENT EDUCATION**
5 **INITIATIVES REGARDING KIDNEY DISEASE.**

6 (a) **CHRONIC KIDNEY DISEASE DEMONSTRATION**
7 **PROJECTS.—**

8 (1) **IN GENERAL.—**The Secretary of Health and
9 Human Services (in this section referred to as the
10 “Secretary”) shall establish demonstration projects
11 to—

12 (A) increase public awareness about the
13 factors that lead to chronic kidney disease, how
14 to prevent it, how to treat it, and how to avoid
15 kidney failure; and

16 (B) enhance surveillance systems and ex-
17 pand research to better assess the prevalence
18 and incidence of chronic kidney disease.

19 (2) **SCOPE AND DURATION.—**

20 (A) **SCOPE.—**The Secretary shall select at
21 least 3 States in which to conduct demonstra-
22 tion projects under this subsection. In selecting
23 the States under this subparagraph, the Sec-
24 retary shall take into account the size of the
25 population of medicare beneficiaries with end-

1 stage renal disease and ensure the participation
2 of individuals who reside in rural and urban
3 areas.

4 (B) DURATION.—The demonstration
5 projects under this subsection shall be con-
6 ducted for a period that is not longer than 5
7 years that begins on January 1, 2006.

8 (3) EVALUATION AND REPORT.—

9 (A) EVALUATION.—The Secretary shall
10 conduct an evaluation of the demonstration
11 projects conducted under this subsection.

12 (B) REPORT.—Not later than 6 months
13 after the date on which the demonstration
14 projects under this subsection are completed,
15 the Secretary shall submit to Congress a report
16 on the evaluation conducted under subpara-
17 graph (A) together with recommendations for
18 such legislation and administrative action as the
19 Secretary determines appropriate.

20 (4) AUTHORIZATION OF APPROPRIATIONS.—

21 There are authorized to be appropriated to carry out
22 this subsection \$2,000,000 for each of fiscal years
23 2006 through 2010.

24 (b) ESRD SELF-MANAGEMENT DEMONSTRATION
25 PROJECTS.—

1 (1) IN GENERAL.—The Secretary shall establish
2 demonstration projects to enable individuals with
3 end-stage renal disease to develop self-management
4 skills.

5 (2) SCOPE AND DURATION.—

6 (A) SCOPE.—The Secretary shall select at
7 least 3 States in which to conduct demonstra-
8 tion projects under this subsection. In selecting
9 the States under this subparagraph, the Sec-
10 retary shall take into account the size of the
11 population of medicare beneficiaries with end-
12 stage renal disease and ensure the participation
13 of individuals who reside in rural and urban
14 areas.

15 (B) DURATION.—The demonstration
16 projects under this section shall be conducted
17 for a period that is not longer than 5 years that
18 begins on January 1, 2006.

19 (3) EVALUATION AND REPORT.—

20 (A) EVALUATION.—The Secretary shall
21 conduct an evaluation of the demonstration
22 projects conducted under this subsection.

23 (B) REPORT.—Not later than 6 months
24 after the date on which the demonstration
25 projects under this subsection are completed,

1 the Secretary shall submit to Congress a report
2 on the evaluation conducted under subpara-
3 graph (A) together with recommendations for
4 such legislation and administrative action as the
5 Secretary determines appropriate.

6 (4) AUTHORIZATION OF APPROPRIATIONS.—

7 There are authorized to be appropriated to carry out
8 this subsection \$2,000,000 for each of fiscal years
9 2006 through 2010.”.

10 **SEC. 202. MEDICARE COVERAGE OF KIDNEY DISEASE PA-**
11 **TIENT EDUCATION SERVICES.**

12 (a) COVERAGE OF KIDNEY DISEASE EDUCATION
13 SERVICES.—

14 (1) COVERAGE.—Section 1861(s)(2) of the So-
15 cial Security Act (42 U.S.C. 1395x), as amended by
16 section 642(a)(1) of the Medicare Prescription Drug,
17 Improvement, and Modernization Act of 2003 (Pub-
18 lic Law 108–173; 117 Stat. 2322), is amended—

19 (A) in subparagraph (Y), by striking
20 “and” after the semicolon at the end;

21 (B) in subparagraph (Z), by adding “and”
22 after the semicolon at the end; and

23 (C) by adding at the end the following new
24 subparagraph:

1 “(AA) kidney disease education services (as de-
2 fined in subsection (bbb));”.

3 (2) SERVICES DESCRIBED.—Section 1861 of
4 the Social Security Act (42 U.S.C. 1395x), as
5 amended by section 706(b) of the Medicare Prescrip-
6 tion Drug, Improvement, and Modernization Act of
7 2003 (Public Law 108–173; 117 Stat. 2339), is
8 amended by adding at the end the following new
9 subsection:

10 “Kidney Disease Education Services

11 “(bbb)(1) The term ‘kidney disease education serv-
12 ices’ means educational services that are—

13 “(A) furnished to an individual with kidney dis-
14 ease who, according to accepted clinical guidelines
15 identified by the Secretary, will require dialysis or a
16 kidney transplant;

17 “(B) furnished, upon the referral of the physi-
18 cian managing the individual’s kidney condition, by
19 a qualified person (as defined in paragraph (2)); and

20 “(C) designed—

21 “(i) to provide comprehensive information
22 regarding—

23 “(I) the management of co-
24 morbidities;

1 “(II) the prevention of uremic com-
2 plications; and

3 “(III) each option for renal replace-
4 ment therapy (including home and in-cen-
5 ter, as well as vascular access options and
6 transplantation); and

7 “(ii) to ensure that the individual has the
8 opportunity to actively participate in the choice
9 of therapy.

10 “(2) The term ‘qualified person’ means—

11 “(A) a physician (as described in subsection
12 (r)(1));

13 “(B) an individual who—

14 “(i) is—

15 “(I) a registered nurse;

16 “(II) a registered dietitian or nutri-
17 tion professional (as defined in subsection
18 (vv)(2));

19 “(III) a clinical social worker (as de-
20 fined in subsection (hh)(1));

21 “(IV) a physician assistant, nurse
22 practitioner, or clinical nurse specialist (as
23 those terms are defined in subsection
24 (aa)(5)); or

25 “(V) a transplant coordinator; and

1 “(ii) meets such requirements related to
2 experience and other qualifications that the
3 Secretary finds necessary and appropriate for
4 furnishing the services described in paragraph
5 (1); or

6 “(C) a renal dialysis facility subject to the re-
7 quirements of section 1881(b)(1) with personnel
8 who—

9 “(i) provide the services described in para-
10 graph (1); and

11 “(ii) meet the requirements of subpara-
12 graph (A) or (B).

13 “(3) The Secretary shall develop the requirements
14 under paragraphs (1)(C)(i) and (2)(B)(ii) after consulting
15 with physicians, health educators, professional organiza-
16 tions, accrediting organizations, kidney patient organiza-
17 tions, dialysis facilities, transplant centers, network orga-
18 nizations described in section 1881(c)(2), and other
19 knowledgeable persons.

20 “(4) In promulgating regulations to carry out this
21 subsection, the Secretary shall ensure that each bene-
22 ficiary who is entitled to kidney disease education services
23 under this title receives such services in a timely manner
24 to maximize the benefit of those services.

1 “(5) The Secretary shall monitor the implementation
2 of this subsection to ensure that beneficiaries who are eli-
3 gible for kidney disease education services receive such
4 services in the manner described in paragraph (4).

5 “(6) No individual shall be eligible to be provided
6 more than 6 sessions of kidney disease education services
7 under this title.”.

8 (3) PAYMENT UNDER PHYSICIAN FEE SCHED-
9 ULE.—Section 1848(j)(3) of the Social Security Act
10 (42 U.S.C. 1395w–4(j)(3)), as amended by section
11 611(c) of the Medicare Prescription Drug, Improve-
12 ment, and Modernization Act of 2003 (Public Law
13 108–173; 117 Stat. 2304), is amended by inserting
14 “(2)(AA),” after “(2)(W),”.

15 (4) PAYMENT TO RENAL DIALYSIS FACILI-
16 TIES.—Section 1881(b) of the Social Security Act
17 (42 U.S.C. 1395rr(b)), as amended by section 2(b),
18 is amended by adding at the end the following new
19 paragraph:

20 “(15) For purposes of paragraph (12), the sin-
21 gle composite weighted formulas determined under
22 such paragraph shall not take into account the
23 amount of payment for kidney disease education
24 services (as defined in section 1861(bbb)). Instead,
25 payment for such services shall be made to the renal

1 dialysis facility on an assignment-related basis under
2 section 1848.”.

3 (5) LIMITATION ON NUMBER OF SESSIONS.—
4 Section 1862(a)(1) of the Social Security Act (42
5 U.S.C. 1395y(a)(1)), as amended by section 613(c)
6 of the Medicare Prescription Drug, Improvement,
7 and Modernization Act of 2003 (Public Law 108–
8 173; 117 Stat. 2306), is amended—

9 (A) by striking “and” at the end of sub-
10 paragraph (L);

11 (B) by striking the semicolon at the end of
12 subparagraph (M) and inserting “, and”; and

13 (C) by adding at the end the following new
14 subparagraph:

15 “(N) in the case of kidney disease education
16 services (as defined in section 1861(bbb)), which are
17 performed in excess of the number of sessions cov-
18 ered under such section;”.

19 (6) ANNUAL REPORT TO CONGRESS.—Not later
20 than April 1, 2005, and annually thereafter, the
21 Secretary of Health and Human Services (in this
22 section referred to as the “Secretary”) shall submit
23 to Congress a report on the number of medicare
24 beneficiaries who are entitled to kidney disease edu-
25 cation services (as defined in section 1861(bbb) of

1 the Social Security Act, as added by paragraph (1))
2 under title XVIII of such Act and who receive such
3 services, together with such recommendations for
4 legislative and administrative action as the Secretary
5 determines to be appropriate to fulfill the legislative
6 intent that resulted in the enactment of that sub-
7 section.

8 (b) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to services furnished on and after
10 January 1, 2006.

11 **SEC. 203. BLOOD FLOW MONITORING DEMONSTRATION**
12 **PROJECTS.**

13 (a) ESTABLISHMENT.—The Secretary of Health and
14 Human Services (in this section referred to as the “Sec-
15 retary”) shall establish demonstration projects to evaluate
16 how blood flow monitoring affects the quality and cost of
17 care for medicare beneficiaries with end-stage renal dis-
18 ease.

19 (b) DURATION.—The demonstration projects under
20 this section shall be conducted for a period of not longer
21 than 5 years that begins on January 1, 2006.

22 (c) EVALUATION AND REPORT.—

23 (1) EVALUATION.—The Secretary shall conduct
24 an evaluation of the demonstration projects con-
25 ducted under this section.

1 (2) REPORT.—Not later than 6 months after
2 the date on which the demonstration projects under
3 this section are completed, the Secretary shall sub-
4 mit to Congress a report on the evaluation con-
5 ducted under paragraph (1) together with rec-
6 ommendations for such legislation and administra-
7 tive action as the Secretary determines appropriate.

8 (d) WAIVER AUTHORITY.—The Secretary shall waive
9 compliance with the requirements of title XVIII of the So-
10 cial Security Act (42 U.S.C. 1395 et seq.) to such extent
11 and for such period as the Secretary determines is nec-
12 essary to conduct the demonstration projects.

13 (e) AUTHORIZATION OF APPROPRIATIONS.—

14 (1) IN GENERAL.—Payments for the costs of
15 carrying out the demonstration project under this
16 section shall be made from the Federal Supple-
17 mentary Medical Insurance Trust Fund under sec-
18 tion 1841 of such Act (42 U.S.C. 1395t).

19 (2) AMOUNT.—There are authorized to be ap-
20 propriated from such Trust Fund \$1,000,000 for
21 each of fiscal years 2006 through 2010 to carry out
22 this section.

1 **TITLE III—FINANCING AND**
2 **COVERAGE FOR ESRD PATIENTS**

3 **SEC. 301. IMPROVING THE HOME DIALYSIS BENEFIT.**

4 (a) IN GENERAL.—The Secretary of Health and
5 Human Services (in this section referred to as the “Sec-
6 retary”) shall provide appropriate incentives to improve
7 the home dialysis benefit for individuals on behalf of whom
8 payment may be made under section 1881 of the Social
9 Security Act (42 U.S.C. 1395rr).

10 (b) CONSIDERATIONS.—In developing the incentives
11 under subsection (a), the Secretary shall consider revising
12 the fee schedule for physicians’ services under section
13 1848 of the Social Security Act (42 U.S.C. 1395w–4) so
14 that the amount paid for services related to end-stage
15 renal disease furnished to home dialysis patients is equal
16 to the amount paid for services related to end-stage renal
17 disease furnished to other patients with 4 or more face-
18 to-face physician visits per month.

19 **SEC. 302. INSTITUTE OF MEDICINE EVALUATION AND RE-**
20 **PORT ON HOME DIALYSIS.**

21 (a) EVALUATION.—

22 (1) IN GENERAL.—Not later than the date that
23 is 2 months after the date of enactment of this Act,
24 the Secretary of Health and Human Services (in this
25 section referred to as the “Secretary”) shall enter

1 into an arrangement under which the Institute of
2 Medicine of the National Academy of Sciences (in
3 this section referred to as the “Institute”) shall con-
4 duct an evaluation of the barriers that exist to in-
5 creasing the number of individuals with end-stage
6 renal disease who elect to receive home dialysis serv-
7 ices under the medicare program under title XVIII
8 of the Social Security Act (42 U.S.C. 1395 et seq.).

9 (2) SPECIFIC MATTERS EVALUATED.—In con-
10 ducting the evaluation under paragraph (1), the In-
11 stitute shall—

12 (A) compare current medicare home dialy-
13 sis payments with current in-center and hos-
14 pital dialysis payments;

15 (B) catalogue and evaluate the incentives
16 and disincentives in the current reimbursement
17 system that influence whether patients receive
18 home dialysis services;

19 (C) evaluate patient education services and
20 how such services impact the treatment choices
21 made by patients; and

22 (D) consider such other matters as the In-
23 stitute determines appropriate.

24 (3) SCOPE OF REVIEW.—The Institute shall
25 consider a variety of perspectives, including the per-

1 spectives of physicians, other health care profes-
2 sionals, hospitals, dialysis facilities, health plans,
3 purchasers, and patients.

4 (b) REPORT.—Not later than the date that is 18
5 months after the date of enactment of this Act, the Insti-
6 tute shall submit to the Secretary and appropriate com-
7 mittees of Congress a report on the evaluation conducted
8 under subsection (a)(1) describing the findings of such
9 evaluation and recommendations for implementing incen-
10 tives to encourage patients to elect to receive home dialysis
11 services under the medicare program.

12 (c) AUTHORIZATION OF APPROPRIATIONS.—There
13 are authorized to be appropriated such sums as may be
14 necessary for purposes of conducting the evaluation and
15 preparing the report required by this section.

16 **TITLE IV—SUSTAINABLE** 17 **ECONOMICS**

18 **SEC. 401. MODIFICATION OF PHYSICIAN SURGICAL REIM-**
19 **BURSEMENT FOR DIALYSIS ACCESS PROCE-**
20 **DURES TO ALIGN INCENTIVES FOR COST AND**
21 **QUALITY.**

22 (a) FULL COVERAGE OF DIALYSIS ACCESS PROCE-
23 DURES IN THE AMBULATORY SURGICAL CENTER SET-
24 TING.—The Secretary of Health and Human Services
25 shall include in the surgical procedures specified under

1 section 1833(i)(1) of the Social Security Act (42 U.S.C.
2 1395l(i)(1)) the full range of dialysis access procedures
3 when provided to individuals with end stage renal disease
4 who are entitled to benefits under part A and enrolled
5 under part B of title XVIII of the Social Security Act pur-
6 suant to section 226A of that Act (42 U.S.C. 426). For
7 purposes of the preceding sentence, the full range of dialy-
8 sis services includes all reasonable and necessary interven-
9 tion procedures for the creation, repair, and maintenance
10 of an individual's dialysis access, such as the placement,
11 insertion, and maintenance services related to fistulas,
12 synthetic grafts, tunnel catheters, and peritoneal dialysis
13 catheters.

14 (b) REVISION OF RBRVS TO REFLECT THE DIF-
15 FICULTY OF VASCULAR ACCESS PROCEDURES.—The Sec-
16 retary of Health and Human Services shall structure the
17 relative value units determined under section 1848(c)(2)
18 of the Social Security Act (42 U.S.C. 1395w-4(c)(2)) that
19 are applicable with respect to physicians' services for vas-
20 cular access procedures to encourage clinically appropriate
21 placement of natural vascular access for dialysis patients.

22 **SEC. 402. DEMONSTRATION PROJECT FOR OUTCOMES-**
23 **BASED ESRD REIMBURSEMENT SYSTEM.**

24 (a) ESTABLISHMENT.—Subject to the succeeding
25 provisions of this section, the Secretary of Health and

1 Human Services (in this section referred to as the “Sec-
2 retary”) shall establish demonstration projects (in this
3 section referred to as “demonstration projects”) under
4 which the Secretary shall evaluate methods that improve
5 the quality of care provided to medicare beneficiaries with
6 end-stage renal disease.

7 (b) OUTCOMES-BASED ESRD REIMBURSEMENT SYS-
8 TEM.—

9 (1) IN GENERAL.—Under the demonstration
10 projects, the Secretary shall provide financial incen-
11 tives to providers of services and renal dialysis facili-
12 ties that demonstrate improved quality of care to
13 such beneficiaries.

14 (2) CONSIDERATION OF OUTCOMES AND CASE-
15 MIX.—In determining whether a provider or facility
16 has demonstrated an improved quality of care under
17 paragraph (1), the Secretary shall take into account
18 the outcomes of individuals receiving services from
19 the provider or facility and the case-mix of the pro-
20 vider or facility.

21 (3) INCENTIVES DESCRIBED.—The financial in-
22 centives provided under paragraph (1) shall—

23 (A) reflect the interactions of payments
24 under parts A and B of title XVIII of the So-
25 cial Security Act; and

1 (B) recognize improvements based on high
2 quality outcomes during previous periods as
3 well as recent changes in performance to re-
4 ward long-term improvements.

5 (c) DURATION.—The Secretary shall conduct the
6 demonstration program under this section for a period
7 that is not longer than 5 years that begins on January
8 1, 2006.

9 (d) EVALUATION AND REPORT.—

10 (1) EVALUATION.—The Secretary shall conduct
11 an evaluation of the demonstration projects con-
12 ducted under this section.

13 (2) REPORT.—Not later than 6 months after
14 the date on which the demonstration projects are
15 completed, the Secretary shall submit to Congress a
16 report on the evaluation conducted under paragraph
17 (1) together with recommendations for such legisla-
18 tion and administrative action as the Secretary de-
19 termines appropriate.

20 (e) WAIVER AUTHORITY.—The Secretary shall waive
21 compliance with the requirements of title XVIII of the So-
22 cial Security Act (42 U.S.C. 1395 et seq.) to such extent
23 and for such period as the Secretary determines is nec-
24 essary to conduct the demonstration projects.

25 (f) AUTHORIZATION OF APPROPRIATIONS.—

1 (1) IN GENERAL.—Payments for the costs of
2 carrying out the demonstration project under this
3 section shall be made from the Federal Supple-
4 mentary Medical Insurance Trust Fund under sec-
5 tion 1841 of such Act (42 U.S.C. 1395t).

6 (2) AMOUNT.—There are authorized to be ap-
7 propriated from such Trust Fund such sums as may
8 be necessary to carry out this section.

9 **SEC. 403. GAO STUDY AND REPORT ON IMPACT OF G-**
10 **CODES.**

11 (a) STUDY.—The Comptroller General of the United
12 States shall conduct a study on the impact of the tem-
13 porary codes for nephrologists’ services applicable under
14 the fee schedule for physicians’ services under section
15 1848 of the Social Security Act (commonly known as “G-
16 codes”).

17 (b) REPORT.—Not later than the date that is 6
18 months after the date of enactment of this Act, the Comp-
19 troller General shall submit to Congress a report on the
20 study conducted under subsection (a) together with rec-
21 ommendations for such legislation and administrative ac-
22 tion as the Comptroller General determines appropriate.

○