

112TH CONGRESS
2D SESSION

H. R. 3859

To amend title XVIII of the Social Security Act to protect and preserve access of Medicare beneficiaries in rural areas to health care providers under the Medicare program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 1, 2012

Mrs. McMORRIS RODGERS (for herself, Mr. THOMPSON of California, and Mr. KIND) 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 protect and preserve access of Medicare beneficiaries in rural areas to health care providers 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 “Rural Hospital and Provider Equity Act of 2012”.

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

- Sec. 1. Short title; table of contents.
- Sec. 2. Sense of the Congress.
- Sec. 3. Fairness in the Medicare disproportionate share hospital (DSH) adjustment for rural hospitals.
- Sec. 4. Extension and expansion of the Medicare hold harmless provision under the prospective payment system for hospital outpatient department (HOPD) services for certain hospitals.
- Sec. 5. Temporary improvements to the Medicare inpatient hospital payment adjustment for low-volume hospitals.
- Sec. 6. Extension of Medicare wage index reclassifications for certain hospitals.
- Sec. 7. Extension of Medicare reasonable costs payments for certain clinical diagnostic laboratory tests furnished to hospital patients in certain rural areas.
- Sec. 8. Elimination of isolation test for cost-based ambulance reimbursement for critical access hospitals.
- Sec. 9. Extension of Medicare incentive payment program for physician scarcity areas.
- Sec. 10. Extension of floor on Medicare work geographic adjustment.
- Sec. 11. Improving care planning for Medicare home health services.
- Sec. 12. Rural health clinic improvements.
- Sec. 13. Temporary Medicare payment increase for home health services furnished in a rural area.
- Sec. 14. Extension of increased Medicare payments for rural ground ambulance services.
- Sec. 15. Extension of payment for technical component of certain physician pathology services.
- Sec. 16. Facilitating the provision of telehealth services across State lines.
- Sec. 17. Medicare Part A payment for anesthesiologist services in certain rural hospitals based on CRNA pass-through rules.
- Sec. 18. Temporary floor on the practice expense geographic index for services furnished in rural areas outside of frontier States under the Medicare physician fee schedule.
- Sec. 19. Revisions to standard for designation of sole community hospitals.
- Sec. 20. State offices of rural health.
- Sec. 21. Ensuring proportional representation of interests of rural areas on MEDPAC.

3 **SEC. 2. SENSE OF THE CONGRESS.**

4 It is the sense of the Congress that—

- 5 (1) residents of rural and frontier communities
- 6 should have access to affordable, quality health care;
- 7 (2) rural and frontier communities face unique
- 8 challenges in health care delivery and financing;

1 (3) Federal health policy must reflect the
 2 unique needs of residents of rural and frontier com-
 3 munities and such communities in an equitable and
 4 sustainable manner; and

5 (4) stakeholders should work collectively to
 6 identify innovative policies that address the avail-
 7 ability, delivery, and affordability of health care
 8 services in rural and frontier communities.

9 **SEC. 3. FAIRNESS IN THE MEDICARE DISPROPORTIONATE**
 10 **SHARE HOSPITAL (DSH) ADJUSTMENT FOR**
 11 **RURAL HOSPITALS.**

12 Section 1886(d)(5)(F)(xiv)(II) of the Social Security
 13 Act (42 U.S.C. 1395ww(d)(5)(F)(xiv)(II)) is amended by
 14 adding at the end the following new sentence: “The pre-
 15 ceding sentence shall not apply to any hospital with re-
 16 spect to discharges occurring on or after October 1, 2011,
 17 and before October 1, 2012.”.

18 **SEC. 4. EXTENSION AND EXPANSION OF THE MEDICARE**
 19 **HOLD HARMLESS PROVISION UNDER THE**
 20 **PROSPECTIVE PAYMENT SYSTEM FOR HOS-**
 21 **PITAL OUTPATIENT DEPARTMENT (HOPD)**
 22 **SERVICES FOR CERTAIN HOSPITALS.**

23 Section 1833(t)(7)(D)(i) of the Social Security Act
 24 (42 U.S.C. 1395l(t)(7)(D)(i)) is amended—

25 (1) in subclause (II)—

1 (A) in the first sentence, by striking
2 “March 1, 2012” and inserting “January 1,
3 2013”; and

4 (B) in the second sentence—

5 (i) by striking “and 85” and inserting
6 “85”; and

7 (ii) by inserting the following before
8 the period at the end: “, and 100 percent
9 with respect to such services furnished in
10 the last 10 months of 2012”; and

11 (2) in subclause (III)—

12 (A) in the first sentence—

13 (i) by striking “2009, and before
14 March 1, 2012, for which” and inserting
15 “2009, and before January 1, 2013, for
16 which”; and

17 (ii) by striking “85 percent” and in-
18 serting “the applicable percentage (as de-
19 termined under the second sentence of sub-
20 clause (II) for the year)”; and

21 (B) in the second sentence, by striking
22 “2010, and before March 1, 2012, the pre-
23 ceding” and inserting “2010, and before Janu-
24 ary 1, 2013, the preceding”.

1 **SEC. 5. TEMPORARY IMPROVEMENTS TO THE MEDICARE**
 2 **INPATIENT HOSPITAL PAYMENT ADJUST-**
 3 **MENT FOR LOW-VOLUME HOSPITALS.**

4 Section 1886(d)(12) of the Social Security Act (42
 5 U.S.C. 1395ww(d)(12)) is amended—

6 (1) in subparagraph (C)(i), by inserting “and
 7 2,000 discharges, respectively,” after “1,600 dis-
 8 charges”; and

9 (2) in subparagraph (D)—

10 (A) by striking “1,600” and inserting “the
 11 applicable number of”; and

12 (B) by adding at the end the following new
 13 sentence: “For purposes of the preceding sen-
 14 tence, the term ‘applicable number of dis-
 15 charges’ means 1,600 discharges with respect to
 16 discharges occurring in fiscal year 2011 and
 17 2,000 discharges with respect to discharges oc-
 18 ccurring in fiscal year 2012”.

19 **SEC. 6. EXTENSION OF MEDICARE WAGE INDEX RECLASSI-**
 20 **FICATIONS FOR CERTAIN HOSPITALS.**

21 (a) EXTENSION OF CORRECTION OF MID-YEAR RE-
 22 CLASSIFICATION EXPIRATION FOR CERTAIN HOS-
 23 PITALS.—

24 (1) IN GENERAL.—In the case of a hospital de-
 25 scribed in paragraph (2), the Secretary of Health
 26 and Human Services shall apply subsection (a) of

1 section 106 of division B of the Tax Relief and
2 Health Care Act of 2006 (42 U.S.C. 1395ww note),
3 as amended by section 117 of the Medicare, Medi-
4 caid, and SCHIP Extension Act of 2007 (Public
5 Law 110–173), section 124 of the Medicare Im-
6 provements for Patients and Providers Act of 2008
7 (Public Law 110–275), sections 3137(a) and 10317
8 of the Patient Protection and Affordable Care Act
9 (Public Law 111–148), and section 102 of the Medi-
10 care and Medicaid Extenders Act of 2010 (Public
11 Law 111–309), by substituting “September 30,
12 2012” for “November 30, 2011”.

13 (2) HOSPITAL DESCRIBED.—A hospital de-
14 scribed in this paragraph is—

15 (A) a hospital—

16 (i) that is described in subsection (a)
17 of such section 106; and

18 (ii)(I) that is located in a rural area;
19 and

20 (II) for which the Secretary of Health
21 and Human Services has determined the
22 extension under this subsection to be ap-
23 propriate; or

24 (B) a sole community hospital located in a
25 State with less than 10 people per square mile

1 that was provided with a special exception re-
2 classification extension under section 117(a)(2)
3 of the Medicare, Medicaid, and SCHIP Exten-
4 sion Act of 2007 (Public Law 110–173).

5 (b) NOT BUDGET NEUTRAL.—The provisions of this
6 section shall not be effected in a budget-neutral manner.

7 **SEC. 7. EXTENSION OF MEDICARE REASONABLE COSTS**
8 **PAYMENTS FOR CERTAIN CLINICAL DIAG-**
9 **NOSTIC LABORATORY TESTS FURNISHED TO**
10 **HOSPITAL PATIENTS IN CERTAIN RURAL**
11 **AREAS.**

12 Section 416(b) of the Medicare Prescription Drug,
13 Improvement, and Modernization Act of 2003 (42 U.S.C.
14 1395l–4), as amended by section 105 of division B of the
15 Tax Relief and Health Care Act of 2006 (42 U.S.C. 1395l
16 note), section 107 of the Medicare, Medicaid, and SCHIP
17 Extension Act of 2007 (42 U.S.C. 1395l note), section
18 3122 of the Patient Protection and Affordable Care Act
19 (Public Law 111–148), and section 109 of the Medicare
20 and Medicaid Extenders Act of 2010 (Public Law 111–
21 309), is amended by striking “the 2-year period beginning
22 on July 1, 2010” and inserting “the 30-month period be-
23 ginning on July 1, 2010”.

1 **SEC. 8. ELIMINATION OF ISOLATION TEST FOR COST-BASED**
 2 **AMBULANCE REIMBURSEMENT FOR CRIT-**
 3 **ICAL ACCESS HOSPITALS.**

4 (a) IN GENERAL.—Section 1834(l)(8) of the Social
 5 Security Act (42 U.S.C. 1395m(l)(8)) is amended—

6 (1) in subparagraph (B)—

7 (A) by striking “owned and”; and

8 (B) by inserting “(including when such
 9 services are provided by the entity under an ar-
 10 rangement with the hospital)” after “hospital”;
 11 and

12 (2) by striking the comma at the end of sub-
 13 paragraph (B) and all that follows and inserting a
 14 period.

15 (b) EFFECTIVE DATE.—The amendments made by
 16 this section shall apply to services furnished on or after
 17 January 1, 2012.

18 **SEC. 9. EXTENSION OF MEDICARE INCENTIVE PAYMENT**
 19 **PROGRAM FOR PHYSICIAN SCARCITY AREAS.**

20 Section 1833(u)(1) of the Social Security Act (42
 21 U.S.C. 1395l(u)(1)) is amended by inserting “, and such
 22 services furnished on or after January 1, 2012, and before
 23 January 1, 2013” after “2008”.

1 **SEC. 10. EXTENSION OF FLOOR ON MEDICARE WORK GEO-**
 2 **GRAPHIC ADJUSTMENT.**

3 Section 1848(e)(1)(E) of the Social Security Act (42
 4 U.S.C. 1395w-4(e)(1)(E)) is amended by striking “before
 5 March 1, 2012” and inserting “before January 1, 2013”.

6 **SEC. 11. IMPROVING CARE PLANNING FOR MEDICARE**
 7 **HOME HEALTH SERVICES.**

8 (a) PART A PROVISIONS.—Section 1814(a) of the So-
 9 cial Security Act (42 U.S.C. 1395f(a)) is amended—

10 (1) in paragraph (2)—

11 (A) in the matter preceding subparagraph
 12 (A), by inserting “, a nurse practitioner or clin-
 13 ical nurse specialist who is working in collabo-
 14 ration with a physician in accordance with
 15 State law, a certified nurse-midwife (as defined
 16 in section 1861(gg)) as authorized by State law,
 17 or a physician assistant (as defined in section
 18 1861(aa)(5)) under the supervision of a physi-
 19 cian” after “1866(j)”; and

20 (B) in subparagraph (C)—

21 (i) by inserting “, a nurse practi-
 22 tioner, a clinical nurse specialist, a cer-
 23 tified nurse-midwife, or a physician assist-
 24 ant (as the case may be)” after “physi-
 25 cian” the first 2 times it appears; and

1 (ii) by striking “, and, in the case of
2 a certification made by a physician” and
3 all that follows through “face-to-face en-
4 counter” and inserting “, and, in the case
5 of a certification made by a physician after
6 January 1, 2010, or by a nurse practi-
7 tioner, clinical nurse specialist, certified
8 nurse-midwife, or physician assistant (as
9 the case may be) after January 1, 2012,
10 prior to making such certification the phy-
11 sician, nurse practitioner, clinical nurse
12 specialist, certified nurse-midwife, or physi-
13 cian assistant must document that the
14 physician, nurse practitioner, clinical nurse
15 specialist, certified nurse-midwife, or physi-
16 cian assistant has had a face-to-face en-
17 counter”;

18 (2) in the second sentence, by inserting “cer-
19 tified nurse-midwife,” after “clinical nurse spe-
20 cialist,”;

21 (3) in the third sentence—

22 (A) by striking “physician certification”
23 and inserting “certification”;

24 (B) by inserting “(or on January 1, 2012,
25 in the case of regulations to implement the

1 amendments made by section 11 of the Rural
2 Hospital and Provider Equity Act of 2012)”
3 after “1981”; and

4 (C) by striking “a physician who” and in-
5 serting “a physician, nurse practitioner, clinical
6 nurse specialist, certified nurse-midwife, or phy-
7 sician assistant who”; and

8 (4) in the fourth sentence, by inserting “, nurse
9 practitioner, clinical nurse specialist, certified nurse-
10 midwife, or physician assistant” after “physician”.

11 (b) PART B PROVISIONS.—Section 1835(a) of the So-
12 cial Security Act (42 U.S.C. 1395n(a)) is amended—

13 (1) in paragraph (2)—

14 (A) in the matter preceding subparagraph
15 (A), by inserting “, a nurse practitioner or clin-
16 ical nurse specialist (as those terms are defined
17 in section 1861(aa)(5)) who is working in col-
18 laboration with a physician in accordance with
19 State law, a certified nurse-midwife (as defined
20 in section 1861(gg)) as authorized by State law,
21 or a physician assistant (as defined in section
22 1861(aa)(5)) under the supervision of a physi-
23 cian” after “1866(j)”; and

24 (B) in subparagraph (A)—

1 (i) in each of clauses (ii) and (iii) of
2 subparagraph (A) by inserting “, a nurse
3 practitioner, a clinical nurse specialist, a
4 certified nurse-midwife, or a physician as-
5 sistant (as the case may be)” after “physi-
6 cian”; and

7 (ii) in clause (iv), by striking “after
8 January 1, 2010” and all that follows
9 through “face-to-face encounter” and in-
10 sserting “made by a physician after Janu-
11 ary 1, 2010, or by a nurse practitioner,
12 clinical nurse specialist, certified nurse-
13 midwife, or physician assistant (as the case
14 may be) after January 1, 2012, prior to
15 making such certification the physician,
16 nurse practitioner, clinical nurse specialist,
17 certified nurse-midwife, or physician assist-
18 ant must document that the physician,
19 nurse practitioner, clinical nurse specialist,
20 certified nurse-midwife, or physician assist-
21 ant has had a face-to-face encounter”;

22 (2) in the third sentence, by inserting “, nurse
23 practitioner, clinical nurse specialist, certified nurse-
24 midwife, or physician assistant (as the case may
25 be)” after “physician”;

1 (3) in the fourth sentence—

2 (A) by striking “physician certification”
3 and inserting “certification”;

4 (B) by inserting “(or on January 1, 2012,
5 in the case of regulations to implement the
6 amendments made by section 11 of the Rural
7 Hospital and Provider Equity Act of 2012)”
8 after “1981”; and

9 (C) by striking “a physician who” and in-
10 sserting “a physician, nurse practitioner, clinical
11 nurse specialist, certified nurse-midwife, or phy-
12 sician assistant who”; and

13 (4) in the fifth sentence, by inserting “, nurse
14 practitioner, clinical nurse specialist, certified nurse-
15 midwife, or physician assistant” after “physician”.

16 (c) DEFINITION PROVISIONS.—

17 (1) HOME HEALTH SERVICES.—Section
18 1861(m) of the Social Security Act (42 U.S.C.
19 1395x(m)) is amended—

20 (A) in the matter preceding paragraph
21 (1)—

22 (i) by inserting “, a nurse practitioner
23 or a clinical nurse specialist (as those
24 terms are defined in subsection (aa)(5)), a
25 certified nurse-midwife (as defined in sec-

tion 1861(gg)), or a physician assistant (as defined in subsection (aa)(5))” after “physician” the first place it appears; and

(ii) by inserting “, a nurse practitioner, a clinical nurse specialist, a certified nurse-midwife, or a physician assistant” after “physician” the second place it appears; and

(B) in paragraph (3), by inserting “, a nurse practitioner, a clinical nurse specialist, a certified nurse-midwife, or a physician assistant” after “physician”.

(2) HOME HEALTH AGENCY.—Section 1861(o)(2) of the Social Security Act (42 U.S.C. 1395x(o)(2)) is amended—

(A) by inserting “, nurse practitioners or clinical nurse specialists (as those terms are defined in subsection (aa)(5)), certified nurse-midwives (as defined in section 1861(gg)), or physician assistants (as defined in subsection (aa)(5))” after “physicians”; and

(B) by inserting “, nurse practitioner, clinical nurse specialist, certified nurse-midwife, physician assistant,” after “physician”.

1 (d) HOME HEALTH PROSPECTIVE PAYMENT SYSTEM
2 PROVISIONS.—Section 1895 of the Social Security Act (42
3 U.S.C. 1395fff) is amended—

4 (1) in subsection (c)(1), by inserting “, the
5 nurse practitioner or clinical nurse specialist (as
6 those terms are defined in section 1861(aa)(5)), the
7 certified nurse-midwife (as defined in section
8 1861(gg)), or the physician assistant (as defined in
9 section 1861(aa)(5)),” after “physician”; and

10 (2) in subsection (e)—

11 (A) in paragraph (1)(A), by inserting “, a
12 nurse practitioner or clinical nurse specialist (as
13 those terms are defined in section 1861(aa)(5)),
14 a certified nurse-midwife (as defined in section
15 1861(gg)), or a physician assistant (as defined
16 in section 1861(aa)(5))” after “physician”; and

17 (B) in paragraph (2)—

18 (i) in the heading, by striking “PHY-
19 SICIAN CERTIFICATION” and inserting
20 “RULE OF CONSTRUCTION REGARDING RE-
21 QUIREMENT FOR CERTIFICATION”; and

22 (ii) by striking “physician”.

23 (e) EFFECTIVE DATE.—The amendments made by
24 this section shall apply to items and services furnished on
25 or after January 1, 2012.

1 **SEC. 12. RURAL HEALTH CLINIC IMPROVEMENTS.**

2 Section 1833(f) of the Social Security Act (42 U.S.C.
3 1395l(f)) is amended—

4 (1) in paragraph (1), by striking “, and” at the
5 end and inserting a semicolon;

6 (2) in paragraph (2)—

7 (A) by inserting “(before 2012)” after “in
8 a subsequent year”; and

9 (B) by striking the period at the end and
10 inserting a semicolon; and

11 (3) by adding at the end the following new
12 paragraphs:

13 “(3) in 2012, at \$101 per visit; and

14 “(4) in a subsequent year, at the limit estab-
15 lished under this subsection for the previous year in-
16 creased by the percentage increase in the MEI (as
17 so defined) applicable to primary care services (as so
18 defined) furnished as of the first day of that year.”.

19 **SEC. 13. TEMPORARY MEDICARE PAYMENT INCREASE FOR**
20 **HOME HEALTH SERVICES FURNISHED IN A**
21 **RURAL AREA.**

22 Section 421(a) of the Medicare Prescription Drug,
23 Improvement, and Modernization Act of 2003 (Public Law
24 108–173; 117 Stat. 2283), as amended by section 5201(b)
25 of the Deficit Reduction Act of 2005 (Public Law 109–
26 171; 120 Stat. 46) and section 3131(c) of the Patient Pro-

1 tection and Affordable Care Act (Public Law 111–148;
 2 124 Stat. 428), is amended by striking “2016, 3 percent”
 3 and inserting “2011, and episodes and visits ending on
 4 or after January 1, 2013, and before January 1, 2016,
 5 3 percent”.

6 **SEC. 14. EXTENSION OF INCREASED MEDICARE PAYMENTS**
 7 **FOR RURAL GROUND AMBULANCE SERVICES.**

8 (a) IN GENERAL.—Section 1834(l)(13)(A) of the So-
 9 cial Security Act (42 U.S.C. 1395m(l)(13)(A)) is amend-
 10 ed—

11 (1) in the matter preceding clause (i)—

12 (A) by striking “2007, and for” and in-
 13 serting “2007, for”; and

14 (B) by inserting “, and for such services
 15 described in clause (i) furnished on or after
 16 March 1, 2012, and before January 1, 2013”
 17 after “2012”; and

18 (2) in clause (i), by inserting “, or 5 percent if
 19 such service is furnished on or after March 1, 2012,
 20 and before January 1, 2013” after “2012”.

21 (b) SUPER RURAL AMBULANCE.—Section
 22 1834(l)(12)(A) of the Social Security Act (42 U.S.C.
 23 1395m(l)(12)(A)) is amended by striking “March 1,
 24 2012” and inserting “January 1, 2013”.

1 **SEC. 15. EXTENSION OF PAYMENT FOR TECHNICAL COMPO-**
2 **NENT OF CERTAIN PHYSICIAN PATHOLOGY**
3 **SERVICES.**

4 Section 542(c) of the Medicare, Medicaid, and
5 SCHIP Benefits Improvement and Protection Act of 2000
6 (as enacted into law by section 1(a)(6) of Public Law 106–
7 554), as amended by section 732 of the Medicare Prescrip-
8 tion Drug, Improvement, and Modernization Act of 2003
9 (42 U.S.C. 1395w–4 note), section 104 of division B of
10 the Tax Relief and Health Care Act of 2006 (42 U.S.C.
11 1395w–4 note), section 104 of the Medicare, Medicaid,
12 and SCHIP Extension Act of 2007 (Public Law 110–
13 173), section 136 of the Medicare Improvements for Pa-
14 tients and Providers Act of 2008 (Public Law 110–275),
15 section 3104 of the Patient Protection and Affordable
16 Care Act (Public Law 111–148), section 105 of the Medi-
17 care and Medicaid Extenders Act of 2010 (Public Law
18 111–309), and section 305 of the Temporary Payroll Tax
19 Cut Continuation Act of 2011 (Public Law 112–78) is
20 amended by striking “the first two months of”.

21 **SEC. 16. FACILITATING THE PROVISION OF TELEHEALTH**
22 **SERVICES ACROSS STATE LINES.**

23 (a) IN GENERAL.—For purposes of expediting the
24 provision of telehealth services, for which payment is made
25 under the Medicare program, across State lines, the Sec-
26 retary of Health and Human Services shall, in consulta-

tion with representatives of States, physicians, health care practitioners, and patient advocates, encourage and facilitate the adoption of provisions allowing for multistate practitioner practice across State lines.

(b) DEFINITIONS.—In subsection (a):

(1) TELEHEALTH SERVICE.—The term “telehealth service” has the meaning given that term in subparagraph (F) of section 1834(m)(4) of the Social Security Act (42 U.S.C. 1395m(m)(4)).

(2) PHYSICIAN, PRACTITIONER.—The terms “physician” and “practitioner” have the meaning given those terms in subparagraphs (D) and (E), respectively, of such section.

(3) MEDICARE PROGRAM.—The term “Medicare program” means the program of health insurance administered by the Secretary of Health and Human Services under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

SEC. 17. MEDICARE PART A PAYMENT FOR ANESTHESIOLOGIST SERVICES IN CERTAIN RURAL HOSPITALS BASED ON CRNA PASS-THROUGH RULES.

(a) IN GENERAL.—Section 1814 of the Social Security Act (42 U.S.C. 1395f) is amended by adding at the end the following new subsection:

1 “Anesthesiologist Services Provided in Certain Rural
2 Hospitals

3 “(m)(1) Notwithstanding any other provision of this
4 title, coverage and payment shall be provided under this
5 part for physicians’ services that are anesthesia services
6 furnished by a physician who is an anesthesiologist in a
7 rural hospital described in paragraph (3) in the same
8 manner as payment is made under the exception provided
9 in section 9320(k) of the Omnibus Budget Reconciliation
10 Act of 1986, as added by section 608(c)(2) of the Family
11 Support Act of 1988 and amended by section 6132 of the
12 Omnibus Budget Reconciliation Act of 1989, (relating to
13 payment on a reasonable cost, pass-through basis) for cer-
14 tified registered nurse anesthetist services furnished by a
15 certified registered nurse anesthetist in a hospital de-
16 scribed in such section 9320(k).

17 “(2) No payment shall be made under any other pro-
18 vision of this title for physicians’ services for which pay-
19 ment is made under this subsection.

20 “(3) A rural hospital described in this paragraph is
21 a hospital described in section 9320(k) of the Omnibus
22 Budget Reconciliation Act of 1986, as so added and
23 amended, except that—

24 “(A) any reference in such section to a ‘cer-
25 tified registered nurse anesthetist’ or an ‘anesthetist’

1 is deemed a reference to a ‘physician who is an anes-
 2 thesiologist’ or an ‘anesthesiologist’, respectively;
 3 and

4 “(B) any reference to ‘January 1, 1988’ or
 5 ‘1987’ is deemed a reference to such date and year
 6 as the Secretary shall specify.”.

7 (b) EFFECTIVE DATE.—The amendment made by
 8 subsection (a) shall apply to services furnished during cost
 9 reporting periods beginning on or after the date of the
 10 enactment of this Act.

11 **SEC. 18. TEMPORARY FLOOR ON THE PRACTICE EXPENSE**
 12 **GEOGRAPHIC INDEX FOR SERVICES FUR-**
 13 **NISHED IN RURAL AREAS OUTSIDE OF FRON-**
 14 **TIER STATES UNDER THE MEDICARE PHYSI-**
 15 **CIAN FEE SCHEDULE.**

16 Section 1848(e)(1) of the Social Security Act (42
 17 U.S.C. 1395w–4(e)(1)) is amended—

18 (1) in subparagraph (A), by striking “and (I)”
 19 and inserting “(I), and (J)”; and

20 (2) by adding at the end the following new sub-
 21 paragraph:

22 “(J) FLOOR AT 1.0 ON PRACTICE EXPENSE
 23 GEOGRAPHIC INDEX FOR SERVICES FURNISHED
 24 IN RURAL AREAS OUTSIDE OF FRONTIER
 25 STATES.—For purposes of payment for services

1 furnished in a rural area (other than a rural
 2 area located in a State to which subparagraph
 3 (I) applies) on or after January 1, 2012, and
 4 before January 1, 2013, after calculating the
 5 practice expense index under subparagraph
 6 (A)(i), the Secretary shall increase any such
 7 index to 1.0 if such index would otherwise be
 8 less than 1.0. The preceding sentence shall not
 9 be applied in a budget neutral manner.”.

10 **SEC. 19. REVISIONS TO STANDARD FOR DESIGNATION OF**
 11 **SOLE COMMUNITY HOSPITALS.**

12 Section 1886(d)(5)(D)(iv) of the Social Security Act
 13 (42 U.S.C. 1395ww(d)(5)(D)(iv)) is amended by adding
 14 at the end the following new sentence: “Under such stand-
 15 ard, the time required for an individual to travel to the
 16 nearest alternative source of care shall be measured over
 17 improved roads maintained by a local, State, or Federal
 18 Government entity for use by the general public which is
 19 the most expeditious and accessible route as designated
 20 by law enforcement for emergency vehicle travel.”.

21 **SEC. 20. STATE OFFICES OF RURAL HEALTH.**

22 Section 338J(j)(1) of the Public Health Service Act
 23 (42 U.S.C. 254r(j)(1)) is amended by inserting “and 2012
 24 through 2013” before the period.

1 **SEC. 21. ENSURING PROPORTIONAL REPRESENTATION OF**
2 **INTERESTS OF RURAL AREAS ON MEDPAC.**

3 (a) IN GENERAL.—Section 1805(c)(2) of the Social
4 Security Act (42 U.S.C. 1395b–6(c)(2)) is amended—

5 (1) in subparagraph (A), by inserting “(con-
6 sistent with the requirements of subparagraph (E))”
7 after “rural representatives”; and

8 (2) by adding at the end the following new sub-
9 paragraph:

10 “(E) PROPORTIONAL REPRESENTATION OF
11 INTERESTS OF RURAL AREAS.—In order to pro-
12 vide a balance between urban and rural rep-
13 resentatives under subparagraph (A), the pro-
14 portion of members who represent the interests
15 of health care providers and Medicare bene-
16 ficiaries located in rural areas shall be no less
17 than the proportion of the total number of
18 Medicare beneficiaries who reside in rural
19 areas.”.

20 (b) EFFECTIVE DATE.—The amendments made by
21 subsection (a) shall apply to appointments made to the
22 Medicare Payment Advisory Commission after the date of
23 the enactment of this Act.

