

113TH CONGRESS
2D SESSION

S. 2359

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 SENATE OF THE UNITED STATES

MAY 20, 2014

Mr. FRANKEN (for himself, Mr. ROBERTS, Mr. HARKIN, and Mr. BARRASSO) 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 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 “Craig Thomas Rural Hospital and Provider Equity Act
6 of 2014”.

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

- Sec. 1. Short title; table of contents.
- Sec. 2. Sense of the Senate.
- 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. Capital infrastructure revolving loan program.
- Sec. 10. Extension of Medicare incentive payment program for physician scarcity areas.
- Sec. 11. Extension of floor on Medicare work geographic adjustment.
- Sec. 12. Recognition of attending physician assistants as attending physicians to serve hospice patients.
- Sec. 13. Improving care planning for Medicare home health services.
- Sec. 14. Rural health clinic improvements.
- Sec. 15. Temporary Medicare payment increase for home health services furnished in a rural area.
- Sec. 16. Extension of increased Medicare payments for rural ground ambulance services.
- Sec. 17. Coverage of marriage and family therapist services and mental health counselor services under Part B of the Medicare program.
- Sec. 18. Extension of payment for technical component of certain physician pathology services.
- Sec. 19. Facilitating the provision of telehealth services across State lines.
- Sec. 20. Medicare Part A payment for anesthesiologist services in certain rural hospitals based on CRNA pass-through rules.
- Sec. 21. 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. 22. Revisions to standard for designation of sole community hospitals.
- Sec. 23. Medicare treatment of standby and on-call time for CRNA services.
- Sec. 24. State offices of rural health.
- Sec. 25. Removing Medicare 96-hour physician certification requirement for inpatient critical access hospital services.
- Sec. 26. Extension of enforcement instruction on supervision requirements for outpatient therapeutic services in critical access and small rural hospitals through 2014.

1 SEC. 2. SENSE OF THE SENATE.

2 It is the sense of the Senate that—

- 3 (1) residents of rural and frontier communities
- 4 should have access to affordable, quality health care;

1 (2) rural and frontier communities face unique
2 challenges in health care delivery and financing;

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

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

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

14 Section 1886(d)(5)(F)(xiv)(II) of the Social Security
15 Act (42 U.S.C. 1395ww(d)(5)(F)(xiv)(II)) is amended by
16 adding at the end the following new sentence: “The pre-
17 ceding sentence shall not apply to any hospital with re-
18 spect to discharges occurring on or after October 1, 2014,
19 and before October 1, 2015.”.

1 **SEC. 4. EXTENSION AND EXPANSION OF THE MEDICARE**
 2 **HOLD HARMLESS PROVISION UNDER THE**
 3 **PROSPECTIVE PAYMENT SYSTEM FOR HOS-**
 4 **PITAL OUTPATIENT DEPARTMENT (HOPD)**
 5 **SERVICES FOR CERTAIN HOSPITALS.**

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

8 (1) in subclause (II)—

9 (A) in the first sentence, by inserting “and
 10 for such services furnished on or after April 1,
 11 2014, and before April 1, 2015,” after “covered
 12 OPD services furnished on or after January 1,
 13 2006, and before January 1, 2013,”; and

14 (B) in the second sentence—

15 (i) by striking “and 85” and inserting
 16 “85”; and

17 (ii) by inserting the following before
 18 the period at the end: “, and 100 percent
 19 with respect to such services furnished
 20 after April 1, 2014, and before April 1,
 21 2015”; and

22 (2) in subclause (III)—

23 (A) in the first sentence—

24 (i) by inserting “and for such services
 25 furnished on or after April 1, 2014, and
 26 before April 1, 2015,” after “covered OPD

1 services furnished on or after January 1,
 2 2009, and before January 1, 2013,”; and

3 (ii) by striking “85 percent” and in-
 4 serting “the applicable percentage (as de-
 5 termined under the second sentence of sub-
 6 clause (II) for the year)”; and

7 (B) in the second sentence, by inserting
 8 “and in the case of such services furnished on
 9 or after April 1, 2014, and before April 1,
 10 2015,” after “covered OPD services furnished
 11 on or after January 1, 2010, and before March
 12 1, 2012,”.

13 **SEC. 5. TEMPORARY IMPROVEMENTS TO THE MEDICARE**
 14 **INPATIENT HOSPITAL PAYMENT ADJUST-**
 15 **MENT FOR LOW-VOLUME HOSPITALS.**

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

18 (1) in subparagraph (C)(i), by striking “fiscal
 19 years 2011 through 2014 and fiscal year 2015 (be-
 20 fore April 1, 2015), 1,600 discharges of individuals
 21 entitled to, or enrolled for, benefits under part A”
 22 and inserting “fiscal years 2011 through 2013 and
 23 fiscal year 2014 (before April 1, 2014), 1,600 dis-
 24 charges of individuals entitled to, or enrolled for,
 25 benefits under part A, or, with respect to fiscal year

2014 (after April 1, 2014), fiscal year 2015, and fiscal year 2016 (before January 1, 2016), 2,000 discharges of such individuals”; and

(2) in subparagraph (D)—

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

(B) by adding at the end the following new sentence: “For purposes of the preceding sentence, the term ‘applicable number of discharges’ means 1,600 discharges with respect to discharges occurring in fiscal years 2011, 2012, and 2013, and fiscal year 2014 (before April 1, 2014), and 2,000 discharges with respect to discharges occurring in fiscal year 2014 (after April 1, 2014), fiscal year 2015, and fiscal year 2016 (before January 1, 2016).”.

SEC. 6. EXTENSION OF MEDICARE WAGE INDEX RECLASSIFICATIONS FOR CERTAIN HOSPITALS.

(a) EXTENSION OF CORRECTION OF MID-YEAR RECLASSIFICATION EXPIRATION FOR CERTAIN HOSPITALS.—

(1) IN GENERAL.—In the case of a hospital described in paragraph (2), the Secretary of Health and Human Services shall apply subsection (a) of section 106 of division B of the Tax Relief and

1 Health Care Act of 2006 (42 U.S.C. 1395ww note),
 2 as amended by section 117 of the Medicare, Medi-
 3 caid, and SCHIP Extension Act of 2007 (Public
 4 Law 110–173), section 124 of the Medicare Im-
 5 provements for Patients and Providers Act of 2008
 6 (Public Law 110–275), sections 3137(a) and 10317
 7 of the Patient Protection and Affordable Care Act
 8 (Public Law 111–148), and section 102 of the Medi-
 9 care and Medicaid Extenders Act of 2010 (Public
 10 Law 111–309), by substituting “April 1, 2015” for
 11 “March 31, 2012”.

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

14 (A) a hospital—

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

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

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

23 (B) a sole community hospital located in a
 24 State with less than 10 people per square mile
 25 that was provided with a special exception re-

1 classification extension under section 117(a)(2)
 2 of the Medicare, Medicaid, and SCHIP Exten-
 3 sion Act of 2007 (Public Law 110–173).

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

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

11 Section 416(b) of the Medicare Prescription Drug,
 12 Improvement, and Modernization Act of 2003 (42 U.S.C.
 13 1395l–4), as amended by section 105 of division B of the
 14 Tax Relief and Health Care Act of 2006 (42 U.S.C. 1395l
 15 note), section 107 of the Medicare, Medicaid, and SCHIP
 16 Extension Act of 2007 (42 U.S.C. 1395l note), section
 17 3122 of the Patient Protection and Affordable Care Act
 18 (Public Law 111–148), and section 109 of the Medicare
 19 and Medicaid Extenders Act of 2010 (Public Law 111–
 20 309), is amended by inserting “, the portion of fiscal year
 21 2014 after April 1, 2014, or the portion of fiscal year
 22 2015 before April 1, 2015” after “the 2-year period begin-
 23 ning 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, 2015.

18 **SEC. 9. CAPITAL INFRASTRUCTURE REVOLVING LOAN PRO-**
 19 **GRAM.**

20 (a) IN GENERAL.—Part A of title XVI of the Public
 21 Health Service Act (42 U.S.C. 300q et seq.) is amended
 22 by adding at the end the following new section:

23 “CAPITAL INFRASTRUCTURE REVOLVING LOAN PROGRAM

24 “SEC. 1603. (a) AUTHORITY TO MAKE AND GUAR-
 25 ANTEE LOANS.—

1 “(1) AUTHORITY TO MAKE LOANS.—The Sec-
2 retary may make loans from the fund established
3 under section 1602(d) to any rural entity for
4 projects for capital improvements, including—

5 “(A) the acquisition of land necessary for
6 the capital improvements;

7 “(B) the renovation or modernization of
8 any building;

9 “(C) the acquisition or repair of fixed or
10 major movable equipment; and

11 “(D) such other project expenses as the
12 Secretary determines appropriate.

13 “(2) AUTHORITY TO GUARANTEE LOANS.—

14 “(A) IN GENERAL.—The Secretary may
15 guarantee the payment of principal and interest
16 for loans made to rural entities for projects for
17 any capital improvement described in paragraph
18 (1) to any non-Federal lender.

19 “(B) INTEREST SUBSIDIES.—In the case
20 of a guarantee of any loan made to a rural enti-
21 ty under subparagraph (A), the Secretary may
22 pay to the holder of such loan, for and on be-
23 half of the project for which the loan was made,
24 amounts sufficient to reduce (by not more than

1 3 percent) the net effective interest rate other-
2 wise payable on such loan.

3 “(b) AMOUNT OF LOAN.—The principal amount of
4 a loan directly made or guaranteed under subsection (a)
5 for a project for capital improvement may not exceed
6 \$5,000,000.

7 “(c) FUNDING LIMITATIONS.—

8 “(1) GOVERNMENT CREDIT SUBSIDY EXPO-
9 SURE.—The total of the Government credit subsidy
10 exposure under the Credit Reform Act of 1990 scor-
11 ing protocol with respect to the loans outstanding at
12 any time with respect to which guarantees have been
13 issued, or which have been directly made, under sub-
14 section (a) may not exceed \$50,000,000 per year.

15 “(2) TOTAL AMOUNTS.—Subject to paragraph
16 (1), the total of the principal amount of all loans di-
17 rectly made or guaranteed under subsection (a) may
18 not exceed \$250,000,000 per year.

19 “(d) CAPITAL ASSESSMENT AND PLANNING
20 GRANTS.—

21 “(1) NONREPAYABLE GRANTS.—Subject to
22 paragraph (2), the Secretary may make a grant to
23 a rural entity, in an amount not to exceed \$50,000,
24 for purposes of capital assessment and business
25 planning.

1 “(2) LIMITATION.—The cumulative total of
 2 grants awarded under this subsection may not ex-
 3 ceed \$2,500,000 per year.

4 “(e) TERMINATION OF AUTHORITY.—The Secretary
 5 may not directly make or guarantee any loan under sub-
 6 section (a) or make a grant under subsection (d) after
 7 January 1, 2015.”.

8 (b) RURAL ENTITY DEFINED.—Section 1624 of the
 9 Public Health Service Act (42 U.S.C. 300s–3) is amended
 10 by adding at the end the following new paragraph:

11 “(15)(A) The term ‘rural entity’ includes—

12 “(i) a rural health clinic, as defined in sec-
 13 tion 1861(aa)(2) of the Social Security Act;

14 “(ii) any medical facility with at least 1
 15 bed, but with less than 50 beds, that is located
 16 in—

17 “(I) a county that is not part of a
 18 metropolitan statistical area; or

19 “(II) a rural census tract of a metro-
 20 politan statistical area (as determined
 21 under the most recent modification of the
 22 Goldsmith Modification, originally pub-
 23 lished in the Federal Register on February
 24 27, 1992 (57 Fed. Reg. 6725));

1 “(iii) a hospital that is classified as a
 2 rural, regional, or national referral center under
 3 section 1886(d)(5)(C) of the Social Security
 4 Act; and

5 “(iv) a hospital that is a sole community
 6 hospital (as defined in section
 7 1886(d)(5)(D)(iii) of the Social Security Act).

8 “(B) For purposes of subparagraph (A), the
 9 fact that a clinic, facility, or hospital has been geo-
 10 graphically reclassified under the Medicare program
 11 under title XVIII of the Social Security Act shall not
 12 preclude a hospital from being considered a rural en-
 13 tity under clause (i) or (ii) of subparagraph (A).”.

14 (c) CONFORMING AMENDMENTS.—Section 1602 of
 15 the Public Health Service Act (42 U.S.C. 300q–2) is
 16 amended—

17 (1) in subsection (b)(2)(D), by inserting “or
 18 1603(a)(2)(B)” after “1601(a)(2)(B)”; and

19 (2) in subsection (d)—

20 (A) in paragraph (1)(C), by striking “sec-
 21 tion 1601(a)(2)(B)” and inserting “sections
 22 1601(a)(2)(B) and 1603(a)(2)(B)”; and

23 (B) in paragraph (2)(A), by inserting “or
 24 1603(a)(2)(B)” after “1601(a)(2)(B)”.

1 **SEC. 10. EXTENSION OF MEDICARE INCENTIVE PAYMENT**
 2 **PROGRAM FOR PHYSICIAN SCARCITY AREAS.**

3 Section 1833(u)(1) of the Social Security Act (42
 4 U.S.C. 1395l(u)(1)) is amended by inserting “, and such
 5 services furnished on or after April 1, 2014, and before
 6 April 1, 2015” after “2008”.

7 **SEC. 11. EXTENSION OF FLOOR ON MEDICARE WORK GEO-**
 8 **GRAPHIC ADJUSTMENT.**

9 Section 1848(e)(1)(E) of the Social Security Act (42
 10 U.S.C. 1395w-4(e)(1)(E)) is amended by striking “April
 11 1, 2015” and inserting “January 1, 2016”.

12 **SEC. 12. RECOGNITION OF ATTENDING PHYSICIAN ASSIST-**
 13 **ANTS AS ATTENDING PHYSICIANS TO SERVE**
 14 **HOSPICE PATIENTS.**

15 (a) IN GENERAL.—Section 1861(dd)(3)(B) of the So-
 16 cial Security Act (42 U.S.C. 1395x(dd)(3)(B)) is amend-
 17 ed—

18 (1) by striking “or nurse practitioner” and in-
 19 serting “, the nurse practitioner”; and

20 (2) by inserting “, or the physician assistant
 21 (as defined in such subsection)” after “subsection
 22 (aa)(5))”.

23 (b) PERMITTING PHYSICIAN ASSISTANTS WHEN
 24 DELEGATED BY A PHYSICIAN TO ORDER HOSPICE
 25 CARE.—Section 1814(a)(7)(A) of such Act (42 U.S.C.
 26 1395f(a)(7)(A)) is amended—

1 (1) in clause (i)(I), by striking “does not in-
2 clude a nurse practitioner” and inserting “only in-
3 cludes a physician assistant if a physician has dele-
4 gated the authority to make the certification re-
5 quired under this paragraph to such physician as-
6 sistant”; and

7 (2) by amending clause (ii) to read as follows:

8 “(ii) in a subsequent 90- or 60-day
9 period—

10 “(I) the medical director or phy-
11 sician described in clause (i)(II);

12 “(II) a physician employed by the
13 hospice program providing (or arrang-
14 ing for) the care or providing care to
15 the individual under arrangement with
16 such hospice program;

17 “(III) a nurse practitioner em-
18 ployed by such hospice program or
19 providing care to the individual under
20 arrangement with such hospice pro-
21 gram; or

22 “(IV) a physician assistant em-
23 ployed by such hospice program or
24 providing care to the individual under
25 arrangement with such hospice pro-

1 gram, provided that an individual de-
 2 scribed in subclause (I) or (II) has
 3 delegated the authority to make the
 4 recertification required under this
 5 clause to such physician assistant,
 6 recertifies at the beginning of the period
 7 that the individual is terminally ill based
 8 on such clinical judgment;”.

9 (c) EFFECTIVE DATE.—The amendments made by
 10 this section shall apply to items and services furnished on
 11 or after January 1, 2015.

12 **SEC. 13. IMPROVING CARE PLANNING FOR MEDICARE**
 13 **HOME HEALTH SERVICES.**

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

16 (1) in paragraph (2)—

17 (A) in the matter preceding subparagraph
 18 (A), by inserting “, a nurse practitioner or clin-
 19 ical nurse specialist who is working in collabo-
 20 ration with a physician in accordance with
 21 State law, a certified nurse-midwife (as defined
 22 in section 1861(gg)) as authorized by State law,
 23 or a physician assistant (as defined in section
 24 1861(aa)(5)) under the supervision of a physi-
 25 cian” after “1866(j)”; and

1 (B) in subparagraph (C)—

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

7 (ii) by striking “, and, in the case of
8 a certification made by a physician” and
9 all that follows through “face-to-face en-
10 counter” and inserting “, and, in the case
11 of a certification made by a physician after
12 January 1, 2010, or by a nurse practi-
13 tioner, clinical nurse specialist, certified
14 nurse-midwife, or physician assistant (as
15 the case may be) after January 1, 2015,
16 prior to making such certification the phy-
17 sician, nurse practitioner, clinical nurse
18 specialist, certified nurse-midwife, or physi-
19 cian assistant must document that the
20 physician, nurse practitioner, clinical nurse
21 specialist, certified nurse-midwife, or physi-
22 cian assistant has had a face-to-face en-
23 counter”; and

24 (2) in the flush matter following paragraph
25 (8)—

(A) in the first sentence, by inserting “certified nurse-midwife,” after “clinical nurse specialist,”;

(B) in the second sentence—

(i) by striking “physician certification” and inserting “certification”;

(ii) by inserting “(or on January 1, 2015, in the case of regulations to implement the amendments made by section 13 of the Craig Thomas Rural Hospital and Provider Equity Act of 2014)” after “1981”; and

(iii) by striking “a physician who” and inserting “a physician, nurse practitioner, clinical nurse specialist, certified nurse-midwife, or physician assistant who”; and

(C) in the third sentence, by inserting “, nurse practitioner, clinical nurse specialist, certified nurse-midwife, or physician assistant” after “physician”.

(b) PART B PROVISIONS.—Section 1835(a) of the Social Security Act (42 U.S.C. 1395n(a)) is amended—

(1) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by inserting “, a nurse practitioner or clinical nurse specialist (as those terms are defined in section 1861(aa)(5)) who is working in collaboration with a physician in accordance with State law, a certified nurse-midwife (as defined in section 1861(gg)) as authorized by State law, or a physician assistant (as defined in section 1861(aa)(5)) under the supervision of a physician” after “1866(j)”; and

(B) in subparagraph (A)—

(i) in each of clauses (ii) and (iii) of subparagraph (A) by inserting “, a nurse practitioner, a clinical nurse specialist, a certified nurse-midwife, or a physician assistant (as the case may be)” after “physician”; and

(ii) in clause (iv), by striking “after January 1, 2010” and all that follows through “face-to-face encounter” and inserting “made by a physician after January 1, 2010, or by a nurse practitioner, clinical nurse specialist, certified nurse-midwife, or physician assistant (as the case may be) after January 1, 2015, prior to

1 making such certification the physician,
2 nurse practitioner, clinical nurse specialist,
3 certified nurse-midwife, or physician assist-
4 ant must document that the physician,
5 nurse practitioner, clinical nurse specialist,
6 certified nurse-midwife, or physician assist-
7 ant has had a face-to-face encounter”;

8 (2) in the third sentence, by inserting “, nurse
9 practitioner, clinical nurse specialist, certified nurse-
10 midwife, or physician assistant (as the case may
11 be)” after “physician”;

12 (3) in the fourth sentence—

13 (A) by striking “physician certification”
14 and inserting “certification”;

15 (B) by inserting “(or on January 1, 2015,
16 in the case of regulations to implement the
17 amendments made by section 13 of the Craig
18 Thomas Rural Hospital and Provider Equity
19 Act of 2014)” after “1981”; and

20 (C) by striking “a physician who” and in-
21 serting “a physician, nurse practitioner, clinical
22 nurse specialist, certified nurse-midwife, or phy-
23 sician assistant who”; and

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

4 (c) DEFINITION PROVISIONS.—

5 (1) HOME HEALTH SERVICES.—Section
6 1861(m) of the Social Security Act (42 U.S.C.
7 1395x(m)) is amended—

8 (A) in the matter preceding paragraph
9 (1)—

10 (i) by inserting “, a nurse practitioner
11 or a clinical nurse specialist (as those
12 terms are defined in subsection (aa)(5)), a
13 certified nurse-midwife (as defined in sec-
14 tion 1861(gg)), or a physician assistant (as
15 defined in subsection (aa)(5))” after “phy-
16 sician” the first place it appears; and

17 (ii) by inserting “, a nurse practi-
18 tioner, a clinical nurse specialist, a cer-
19 tified nurse-midwife, or a physician assist-
20 ant” after “physician” the second place it
21 appears; and

22 (B) in paragraph (3), by inserting “, a
23 nurse practitioner, a clinical nurse specialist, a
24 certified nurse-midwife, or a physician assist-
25 ant” after “physician”.

1 (2) HOME HEALTH AGENCY.—Section
 2 1861(o)(2) of the Social Security Act (42 U.S.C.
 3 1395x(o)(2)) is amended—

4 (A) by inserting “, nurse practitioners or
 5 clinical nurse specialists (as those terms are de-
 6 fined in subsection (aa)(5)), certified nurse-mid-
 7 wives (as defined in section 1861(gg)), or physi-
 8 cian assistants (as defined in subsection
 9 (aa)(5))” after “physicians”; and

10 (B) by inserting “, nurse practitioner, clin-
 11 ical nurse specialist, certified nurse-midwife,
 12 physician assistant,” after “physician”.

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

16 (1) in subsection (c)(1), by inserting “, the
 17 nurse practitioner or clinical nurse specialist (as
 18 those terms are defined in section 1861(aa)(5)), the
 19 certified nurse-midwife (as defined in section
 20 1861(gg)), or the physician assistant (as defined in
 21 section 1861(aa)(5)),” after “physician”; and

22 (2) in subsection (e)—

23 (A) in paragraph (1)(A), by inserting “, a
 24 nurse practitioner or clinical nurse specialist (as
 25 those terms are defined in section 1861(aa)(5)),

a certified nurse-midwife (as defined in section 1861(gg)), or a physician assistant (as defined in section 1861(aa)(5))” after “physician”; and

(B) in paragraph (2)—

(i) in the heading, by striking “PHYSICIAN CERTIFICATION” and inserting “RULE OF CONSTRUCTION REGARDING REQUIREMENT FOR CERTIFICATION”; and

(ii) by striking “physician”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to items and services furnished on or after January 1, 2015.

SEC. 14. RURAL HEALTH CLINIC IMPROVEMENTS.

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

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

(2) in paragraph (2)—

(A) by inserting “(before 2015)” after “in a subsequent year”; and

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

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

“(3) in 2015, at \$101 per visit; and

1 “(4) for years following 2015, at the limit es-
 2 tablished under this subsection for the previous year
 3 increased by the percentage increase in the MEI (as
 4 so defined) applicable to primary care services (as so
 5 defined) furnished as of the first day of that year.”.

6 **SEC. 15. TEMPORARY MEDICARE PAYMENT INCREASE FOR**
 7 **HOME HEALTH SERVICES FURNISHED IN A**
 8 **RURAL AREA.**

9 Section 421(a) of the Medicare Prescription Drug,
 10 Improvement, and Modernization Act of 2003 (Public Law
 11 108–173; 117 Stat. 2283), as amended by section 5201(b)
 12 of the Deficit Reduction Act of 2005 (Public Law 109–
 13 171; 120 Stat. 46) and section 3131(c) of the Patient Pro-
 14 tection and Affordable Care Act (Public Law 111–148;
 15 124 Stat. 428), is amended by striking “January 1, 2016,
 16 3 percent” and inserting “April 1, 2014, and episodes and
 17 visits ending on or after April 1, 2015, and before January
 18 1, 2016, 3 percent”.

19 **SEC. 16. EXTENSION OF INCREASED MEDICARE PAYMENTS**
 20 **FOR RURAL GROUND AMBULANCE SERVICES.**

21 (a) IN GENERAL.—Section 1834(l)(13)(A)(i) of the
 22 Social Security Act (42 U.S.C. 1395m(l)(13)(A)(i)) is
 23 amended by striking “before April 1, 2015” and inserting
 24 “before April 1, 2014, or 5 percent if such service is fur-

1 nished on or after April 1, 2014, and before January 1,
2 2016”.

3 (b) SUPER RURAL AMBULANCE.—Section
4 1834(l)(12)(A) of the Social Security Act (42 U.S.C.
5 1395m(l)(12)(A)) is amended by striking “April 1, 2015”
6 and inserting “January 1, 2016”.

7 **SEC. 17. COVERAGE OF MARRIAGE AND FAMILY THERAPIST**
8 **SERVICES AND MENTAL HEALTH COUNSELOR**
9 **SERVICES UNDER PART B OF THE MEDICARE**
10 **PROGRAM.**

11 (a) COVERAGE OF SERVICES.—

12 (1) IN GENERAL.—Section 1861(s)(2) of the
13 Social Security Act (42 U.S.C. 1395x(s)(2)) is
14 amended—

15 (A) in subparagraph (EE), by striking
16 “and” after the semicolon at the end;

17 (B) in subparagraph (FF), by inserting
18 “and” after the semicolon at the end; and

19 (C) by adding at the end the following new
20 subparagraph:

21 “(GG) marriage and family therapist services
22 (as defined in subsection (iii)(1)) and mental health
23 counselor services (as defined in subsection
24 (iii)(3));”.

1 (2) DEFINITIONS.—Section 1861 of the Social
 2 Security Act (42 U.S.C. 1395x) is amended by add-
 3 ing at the end the following new subsection:

4 “Marriage and Family Therapist Services; Marriage and
 5 Family Therapist; Mental Health Counselor Serv-
 6 ices; Mental Health Counselor

7 “(iii)(1) The term ‘marriage and family therapist
 8 services’ means services performed by a marriage and
 9 family therapist (as defined in paragraph (2)) for the diag-
 10 nosis and treatment of mental illnesses, which the mar-
 11 riage and family therapist is legally authorized to perform
 12 under State law (or the State regulatory mechanism pro-
 13 vided by State law) of the State in which such services
 14 are performed, as would otherwise be covered if furnished
 15 by a physician or as an incident to a physician’s profes-
 16 sional service, but only if no facility or other provider
 17 charges or is paid any amounts with respect to the fur-
 18 nishing of such services.

19 “(2) The term ‘marriage and family therapist’ means
 20 an individual who—

21 “(A) possesses a master’s or doctoral degree
 22 which qualifies for licensure or certification as a
 23 marriage and family therapist pursuant to State
 24 law;

1 “(B) after obtaining such degree has performed
2 at least 2 years of clinical supervised experience in
3 marriage and family therapy; and

4 “(C) in the case of an individual performing
5 services in a State that provides for licensure or cer-
6 tification of marriage and family therapists, is li-
7 censed or certified as a marriage and family thera-
8 pist in such State.

9 “(3) The term ‘mental health counselor services’
10 means services performed by a mental health counselor (as
11 defined in paragraph (4)) for the diagnosis and treatment
12 of mental illnesses which the mental health counselor is
13 legally authorized to perform under State law (or the
14 State regulatory mechanism provided by the State law) of
15 the State in which such services are performed, as would
16 otherwise be covered if furnished by a physician or as inci-
17 dent to a physician’s professional service, but only if no
18 facility or other provider charges or is paid any amounts
19 with respect to the furnishing of such services.

20 “(4) The term ‘mental health counselor’ means an
21 individual who—

22 “(A) possesses a master’s or doctor’s degree in
23 mental health counseling or a related field;

1 “(B) after obtaining such a degree has per-
 2 formed at least 2 years of supervised mental health
 3 counselor practice; and

4 “(C) in the case of an individual performing
 5 services in a State that provides for licensure or cer-
 6 tification of mental health counselors or professional
 7 counselors, is licensed or certified as a mental health
 8 counselor or professional counselor in such State.”.

9 (3) PROVISION FOR PAYMENT UNDER PART
 10 B.—Section 1832(a)(2)(B) of the Social Security
 11 Act (42 U.S.C. 1395k(a)(2)(B)) is amended by add-
 12 ing at the end the following new clause:

13 “(v) marriage and family therapist
 14 services (as defined in section 1861(iii)(1))
 15 and mental health counselor services (as
 16 defined in section 1861(iii)(3));”.

17 (4) AMOUNT OF PAYMENT.—Section 1833(a)(1)
 18 of the Social Security Act (42 U.S.C. 1395l(a)(1))
 19 is amended—

20 (A) by striking “and (Z)” and inserting
 21 “(Z)”; and

22 (B) by inserting before the semicolon at
 23 the end the following: “, and (AA) with respect
 24 to marriage and family therapist services and
 25 mental health counselor services under section

1 1861(s)(2)(GG), the amounts paid shall be 80
 2 percent of the lesser of the actual charge for
 3 the services or 75 percent of the amount deter-
 4 mined for payment of a psychologist under sub-
 5 paragraph (L)”.

6 (5) EXCLUSION OF MARRIAGE AND FAMILY
 7 THERAPIST SERVICES AND MENTAL HEALTH COUN-
 8 SELOR SERVICES FROM SKILLED NURSING FACILITY
 9 PROSPECTIVE PAYMENT SYSTEM.—Section
 10 1888(e)(2)(A)(ii) of the Social Security Act (42
 11 U.S.C. 1395yy(e)(2)(A)(ii)) is amended by inserting
 12 “marriage and family therapist services (as defined
 13 in section 1861(iii)(1)), mental health counselor
 14 services (as defined in section 1861(iii)(3)),” after
 15 “qualified psychologist services,”.

16 (6) INCLUSION OF MARRIAGE AND FAMILY
 17 THERAPISTS AND MENTAL HEALTH COUNSELORS AS
 18 PRACTITIONERS FOR ASSIGNMENT OF CLAIMS.—Sec-
 19 tion 1842(b)(18)(C) of the Social Security Act (42
 20 U.S.C. 1395u(b)(18)(C)) is amended by adding at
 21 the end the following new clauses:

22 “(vii) A marriage and family therapist (as de-
 23 fined in section 1861(iii)(2)).

24 “(viii) A mental health counselor (as defined in
 25 section 1861(iii)(4)).”.

1 (b) COVERAGE OF CERTAIN MENTAL HEALTH SERV-
 2 ICES PROVIDED IN CERTAIN SETTINGS.—

3 (1) RURAL HEALTH CLINICS AND FEDERALLY
 4 QUALIFIED HEALTH CENTERS.—Section
 5 1861(aa)(1)(B) of the Social Security Act (42
 6 U.S.C. 1395x(aa)(1)(B)) is amended by striking “or
 7 by a clinical social worker (as defined in subsection
 8 (hh)(1))” and inserting “, by a clinical social worker
 9 (as defined in subsection (hh)(1)), by a marriage
 10 and family therapist (as defined in subsection
 11 (iii)(2)), or by a mental health counselor (as defined
 12 in subsection (iii)(4))”.

13 (2) HOSPICE PROGRAMS.—Section
 14 1861(dd)(2)(B)(i)(III) of the Social Security Act (42
 15 U.S.C. 1395x(dd)(2)(B)(i)(III)) is amended by in-
 16 serting “, marriage and family therapist, or mental
 17 health counselor” after “social worker”.

18 (c) AUTHORIZATION OF MARRIAGE AND FAMILY
 19 THERAPISTS AND MENTAL HEALTH COUNSELORS TO
 20 DEVELOP DISCHARGE PLANS FOR POST-HOSPITAL SERV-
 21 ICES.—Section 1861(ee)(2)(G) of the Social Security Act
 22 (42 U.S.C. 1395x(ee)(2)(G)) is amended by inserting “,
 23 including a marriage and family therapist and a mental
 24 health counselor who meets qualification standards estab-
 25 lished by the Secretary” before the period at the end.

1 (d) EFFECTIVE DATE.—The amendments made by
 2 this section shall apply with respect to services furnished
 3 on or after January 1, 2015.

4 **SEC. 18. EXTENSION OF PAYMENT FOR TECHNICAL COMPO-**
 5 **NENT OF CERTAIN PHYSICIAN PATHOLOGY**
 6 **SERVICES.**

7 Section 542(c) of the Medicare, Medicaid, and
 8 SCHIP Benefits Improvement and Protection Act of 2000
 9 (as enacted into law by section 1(a)(6) of Public Law 106–
 10 554), as amended by section 732 of the Medicare Prescrip-
 11 tion Drug, Improvement, and Modernization Act of 2003
 12 (42 U.S.C. 1395w–4 note), section 104 of division B of
 13 the Tax Relief and Health Care Act of 2006 (42 U.S.C.
 14 1395w–4 note), section 104 of the Medicare, Medicaid,
 15 and SCHIP Extension Act of 2007 (Public Law 110–
 16 173), section 136 of the Medicare Improvements for Pa-
 17 tients and Providers Act of 2008 (Public Law 110–275),
 18 section 3104 of the Patient Protection and Affordable
 19 Care Act (Public Law 111–148), and section 105 of the
 20 Medicare and Medicaid Extenders Act of 2010 (Public
 21 Law 111–309), is amended by striking “2010, and 2011”
 22 and inserting “2010, 2011, the portion of fiscal year 2014
 23 after April 1, 2014, and the portion of fiscal year 2015
 24 before April 1, 2015”.

1 **SEC. 19. FACILITATING THE PROVISION OF TELEHEALTH**
2 **SERVICES ACROSS STATE LINES.**

3 (a) IN GENERAL.—For purposes of expediting the
4 provision of telehealth services, for which payment is made
5 under the Medicare program, across State lines, the Sec-
6 retary of Health and Human Services shall, in consulta-
7 tion with representatives of States, physicians, health care
8 practitioners, and patient advocates, encourage and facili-
9 tate the adoption of provisions allowing for multistate
10 practitioner practice across State lines.

11 (b) DEFINITIONS.—In subsection (a):

12 (1) TELEHEALTH SERVICE.—The term “tele-
13 health service” has the meaning given that term in
14 subparagraph (F) of section 1834(m)(4) of the So-
15 cial Security Act (42 U.S.C. 1395m(m)(4)).

16 (2) PHYSICIAN, PRACTITIONER.—The terms
17 “physician” and “practitioner” have the meaning
18 given those terms in subparagraphs (D) and (E), re-
19 spectively, of such section.

20 (3) MEDICARE PROGRAM.—The term “Medicare
21 program” means the program of health insurance
22 administered by the Secretary of Health and Human
23 Services under title XVIII of the Social Security Act
24 (42 U.S.C. 1395 et seq.).

1 **SEC. 20. MEDICARE PART A PAYMENT FOR ANESTHESIOLOGIST SERVICES IN CERTAIN RURAL HOSPITALS BASED ON CRNA PASS-THROUGH RULES.**

5 (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:

8 “Anesthesiologist Services Provided in Certain Rural Hospitals

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

24 “(2) No payment shall be made under any other provision of this title for physicians’ services for which payment is made under this subsection.

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

5 “(A) any reference in such section to a ‘cer-
 6 tified registered nurse anesthetist’ or an ‘anesthetist’
 7 is deemed a reference to a ‘physician who is an anes-
 8 thesiologist’ or an ‘anesthesiologist’, respectively;
 9 and

10 “(B) any reference to ‘January 1, 1988’ or
 11 ‘1987’ is deemed a reference to such date and year
 12 as the Secretary shall specify.”.

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

17 **SEC. 21. TEMPORARY FLOOR ON THE PRACTICE EXPENSE**
 18 **GEOGRAPHIC INDEX FOR SERVICES FUR-**
 19 **NISHED IN RURAL AREAS OUTSIDE OF FRON-**
 20 **TIER STATES UNDER THE MEDICARE PHYSI-**
 21 **CIAN FEE SCHEDULE.**

22 Section 1848(e)(1) of the Social Security Act (42
 23 U.S.C. 1395w-4(e)(1)) is amended by adding at the end
 24 the following new subparagraph:

1 “(J) FLOOR AT 1.0 ON PRACTICE EXPENSE
 2 GEOGRAPHIC INDEX FOR SERVICES FURNISHED
 3 IN RURAL AREAS OUTSIDE OF FRONTIER
 4 STATES.—For purposes of payment for services
 5 furnished in a rural area (other than a rural
 6 area located in a State to which subparagraph
 7 (I) applies) on or after April 1, 2014, and be-
 8 fore April 1, 2015, after calculating the practice
 9 expense index under subparagraph (A)(i), the
 10 Secretary shall increase any such index to 1.0
 11 if such index would otherwise be less than 1.0.
 12 The preceding sentence shall not be applied in
 13 a budget neutral manner.”.

14 **SEC. 22. REVISIONS TO STANDARD FOR DESIGNATION OF**
 15 **SOLE COMMUNITY HOSPITALS.**

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

1 **SEC. 23. MEDICARE TREATMENT OF STANDBY AND ON-**
2 **CALL TIME FOR CRNA SERVICES.**

3 (a) IN GENERAL.—Section 9320(k) of the Omnibus
4 Budget Reconciliation Act of 1986 (42 U.S.C. 1395k
5 note), as added by section 608(c)(2) of the Family Sup-
6 port Act of 1988 and amended by section 6132 of the Om-
7 nibus Budget Reconciliation Act of 1989, is amended by
8 adding at the end the following:

9 “(3) In determining the reasonable costs in-
10 curred by a hospital or critical access hospital for
11 the services of a certified registered nurse anes-
12 thetist under this subsection, the Secretary shall in-
13 clude standby costs and on-call costs incurred by the
14 hospital or critical access hospital, respectively, with
15 respect to such nurse anesthetist.”.

16 (b) EFFECTIVE DATE.—The amendment made by
17 subsection (a) shall apply to costs incurred in cost report-
18 ing periods beginning in fiscal years after fiscal year 2005
19 and before fiscal year 2015.

20 **SEC. 24. STATE OFFICES OF RURAL HEALTH.**

21 Section 338J(j)(1) of the Public Health Service Act
22 (42 U.S.C. 254r(j)(1)) is amended by inserting “and 2015
23 through 2016” before the period.

1 **SEC. 25. REMOVING MEDICARE 96-HOUR PHYSICIAN CER-**
 2 **TIFICATION REQUIREMENT FOR INPATIENT**
 3 **CRITICAL ACCESS HOSPITAL SERVICES.**

4 (a) IN GENERAL.—Section 1814(a) of the Social Se-
 5 curity Act (42 U.S.C. 1395f(a)), as amended by sections
 6 12 and 13, is further amended—

7 (1) in paragraph (6), by adding “and” at the
 8 end;

9 (2) in paragraph (7), at the end of subpara-
 10 graph (D)(ii), by striking “; and” and inserting a
 11 period; and

12 (3) by striking paragraph (8).

13 (b) APPLICATION.—The amendments made by sub-
 14 section (a) shall apply with respect to items and services
 15 furnished on or after January 1, 2014.

16 **SEC. 26. EXTENSION OF ENFORCEMENT INSTRUCTION ON**
 17 **SUPERVISION REQUIREMENTS FOR OUT-**
 18 **PATIENT THERAPEUTIC SERVICES IN CRIT-**
 19 **ICAL ACCESS AND SMALL RURAL HOSPITALS**
 20 **THROUGH 2014.**

21 The Secretary of Health and Human Services shall
 22 continue to apply through calendar year 2014 the enforce-
 23 ment instruction described in the notice of the Centers for
 24 Medicare & Medicaid Services entitled “Enforcement In-
 25 struction on Supervision Requirements for Outpatient
 26 Therapeutic Services in Critical Access and Small Rural

1 Hospitals for CY 2013”, dated November 1, 2012 (pro-
2 viding for an exception to the restatement and clarification
3 under the final rulemaking changes to the Medicare hos-
4 pital outpatient prospective payment system and calendar
5 year 2009 payment rates (published in the Federal Reg-
6 ister on November 18, 2008, 73 Fed. Reg. 68702 through
7 68704) with respect to requirements for direct supervision
8 by physicians for therapeutic hospital outpatient services).

○