

113TH CONGRESS
2D SESSION

S. 2492

To amend the Internal Revenue Code of 1986 to increase access for the uninsured to high quality physician care.

IN THE SENATE OF THE UNITED STATES

JUNE 18, 2014

Mr. SCOTT introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to increase access for the uninsured to high quality physician care.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Charity Care Expan-
5 sion Act of 2014”.

6 **SEC. 2. PHYSICIAN CHARITY CARE DEDUCTION.**

7 (a) IN GENERAL.—Part VI of subchapter B of chap-
8 ter 1 of the Internal Revenue Code of 1986 is amended
9 by adding at the end the following new section:

1 **“SEC. 199A. PHYSICIAN CHARITY CARE.**

2 “(a) IN GENERAL.—In the case of a physician, there
3 shall be allowed as a deduction for the taxable year an
4 amount equal to the amount such physician would have
5 otherwise charged for qualified charity care provided by
6 such physician during the taxable year.

7 “(b) QUALIFIED CHARITY CARE.—For purposes of
8 this section—

9 “(1) QUALIFIED CHARITY CARE.—The term
10 ‘qualified charity care’ means physicians’ services
11 (as defined in section 1861(q) of the Social Security
12 Act) provided on a volunteer or pro bono basis
13 through a qualifying arrangement.

14 “(2) PHYSICIAN.—The term ‘physician’ has the
15 meaning given to such term in section 1861 of the
16 Social Security Act (42 U.S.C. 1395x(r)).

17 “(3) QUALIFYING ARRANGEMENT.—The term
18 ‘qualifying arrangement’ means an agreement or
19 contract to provide physicians’ services on a volun-
20 teer or pro bono basis which is entered into—

21 “(A) between the physician and a health
22 care clinic or other organization providing
23 health care which is targeted to serve under-
24 served or low-income individuals, and

25 “(B) before the date the services are pro-
26 vided.

1 “(c) LIMITATIONS.—

2 “(1) SERVICE CHARGE LIMITATION.—The
 3 amount determined under subsection (a) with re-
 4 spect to any services shall not exceed the medicare
 5 economic index (referred to in the fourth sentence of
 6 section 1842(b)(3) of the Social Security Act (42
 7 U.S.C. 1395u(b)(3))) applicable to the services pro-
 8 vided. In the case of physicians’ services to which
 9 the medicare economic index is not applicable, the
 10 Secretary, in consultation with the Secretary of
 11 Health and Human Services, shall use data on un-
 12 compensated care for purposes of the limitation
 13 under subparagraph (B), and may adjust such data
 14 so as to be an appropriate proxy, including a down-
 15 ward adjustment to eliminate bad debt data from
 16 uncompensated care data.

17 “(2) OVERALL LIMITATION.—The amount al-
 18 lowed as a deduction under subsection (a) for any
 19 taxable year shall not exceed an amount equal to—

20 “(A) 10 percent of the gross income of the
 21 taxpayer for the taxable year derived from the
 22 taxpayer’s provision of physicians’ services (as
 23 defined in section 1861(q) of the Social Secu-
 24 rity Act), or

1 “(B) in the case of a physician who does
 2 not have income for the taxable year derived
 3 from the provision of physicians’ services,
 4 \$10,000.

5 “(3) EXCLUSION FOR SERVICES WITH RESPECT
 6 TO WHICH ANY REIMBURSEMENT IS RECEIVED.—
 7 Physicians’ services shall not be treated as qualified
 8 charity care under subsection (b) if a physician re-
 9 ceives any reimbursement, including payment at a
 10 partial or discounted rate, for such services.”.

11 (b) CLERICAL AMENDMENT.—The table of sections
 12 for part VI of subchapter B of chapter 1 of such Code
 13 is amended by adding at the end the following new item:
 “Sec. 199A. Physician charity care.”.

14 (c) EFFECTIVE DATE.—The amendments made by
 15 this section shall apply to taxable years beginning after
 16 the date of the enactment of this Act.

17 **SEC. 3. PREVENTIVE HEALTH AND HEALTH SERVICES**
 18 **BLOCK GRANT.**

19 Part A of title XIX of the Public Health Service Act
 20 (42 U.S.C. 300w et seq.) is repealed.

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