

114TH CONGRESS
2D SESSION

S. 3435

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

SEPTEMBER 28, 2016

Mr. ROBERTS (for himself, Mr. FRANKEN, Mr. BARRASSO, and Ms. HEITKAMP) 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 2016”.

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. Reinstatement and expansion of the Medicare hold harmless provision under the prospective payment system for hospital outpatient department (HOPD) services for certain hospitals.
- Sec. 5. Extension and temporary improvements to the Medicare inpatient hospital payment adjustment for low-volume hospitals.
- Sec. 6. Extension of the Medicare-dependent hospital (MDH) program.
- Sec. 7. Reinstatement of Medicare wage index reclassifications for certain hospitals.
- Sec. 8. Extension of Medicare reasonable costs payments for certain clinical diagnostic laboratory tests furnished to hospital patients in certain rural areas.
- Sec. 9. Elimination of isolation test for cost-based ambulance reimbursement for critical access hospitals.
- Sec. 10. Capital infrastructure revolving loan program.
- Sec. 11. Extension of Medicare incentive payment program for physician scarcity areas.
- Sec. 12. Extension of floor on Medicare work geographic adjustment.
- Sec. 13. Recognition of attending physician assistants as attending physicians to serve hospice patients.
- Sec. 14. Improving care planning for Medicare home health services.
- Sec. 15. Rural health clinic improvements.
- Sec. 16. Temporary Medicare payment increase for home health services furnished in a rural area.
- Sec. 17. Extension of increased Medicare payments for rural ground ambulance services.
- Sec. 18. Coverage of marriage and family therapist services and mental health counselor services under Part B of the Medicare program.
- 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 2017.
- Sec. 27. Medicare payment for certain rural health clinic and Federally qualified health center services furnished to hospice patients.

1 **SEC. 2. SENSE OF THE SENATE.**

2 It is the sense of the Senate that—

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

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

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

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

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

16 Section 1886(d)(5)(F)(xiv)(II) of the Social Security
 17 Act (42 U.S.C. 1395ww(d)(5)(F)(xiv)(II)) is amended by
 18 adding at the end the following new sentence: “The pre-
 19 ceding sentence shall not apply to any hospital with re-
 20 spect to discharges occurring on or after October 1, 2016,
 21 and before October 1, 2017.”.

1 **SEC. 4. REINSTATEMENT AND EXPANSION OF THE MEDI-**
 2 **CARE HOLD HARMLESS PROVISION UNDER**
 3 **THE PROSPECTIVE PAYMENT SYSTEM FOR**
 4 **HOSPITAL OUTPATIENT DEPARTMENT**
 5 **(HOPD) 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 January
 11 1, 2016, and before January 1, 2017,” after
 12 “covered OPD services furnished on or after
 13 January 1, 2006, and before January 1,
 14 2013,”; and

15 (B) in the second sentence—

16 (i) by striking “and 85” and inserting
 17 “85”; and

18 (ii) by inserting the following before
 19 the period at the end: “, and 100 percent
 20 with respect to such services furnished on
 21 or after January 1, 2016, and before Jan-
 22 uary 1, 2017”; and

23 (2) in subclause (III)—

24 (A) in the first sentence—

25 (i) by inserting “and for such services
 26 furnished on or after January 1, 2016, and

before January 1, 2017,” after “covered
 OPD services furnished on or after January
 1, 2009, and before January 1,
 2013,”; and

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

(B) in the second sentence, by inserting
 “and in the case of such services furnished on
 or after January 1, 2016, and before January
 1, 2017,” after “covered OPD services fur-
 nished on or after January 1, 2010, and before
 March 1, 2012,”.

**SEC. 5. EXTENSION AND TEMPORARY IMPROVEMENTS TO
 THE MEDICARE INPATIENT HOSPITAL PAY-
 MENT ADJUSTMENT FOR LOW-VOLUME HOS-
 PITALS.**

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

(1) in subparagraph (B), in the matter pre-
 ceding clause (i), by striking “fiscal year 2018” and
 inserting “fiscal year 2019”;

(2) in subparagraph (C)(i), by striking “fiscal
 years 2011 through 2017, 1,600 discharges of indi-

viduals entitled to, or enrolled for, benefits under part A” and inserting “fiscal years 2011 through 2016, 1,600 discharges of individuals entitled to, or enrolled for, benefits under part A, or, with respect to fiscal years 2017 and 2018, 2,000 discharges of such individuals”; and

(3) 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 through 2016, and 2,000 discharges with respect to discharges occurring in fiscal years 2017 and 2018.”.

SEC. 6. EXTENSION OF THE MEDICARE-DEPENDENT HOSPITAL (MDH) PROGRAM.

(a) IN GENERAL.—Section 1886(d)(5)(G) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(G)) is amended—

(1) in clause (i), by striking “October 1, 2017” and inserting “October 1, 2018”; and

1 (2) in clause (ii)(II), by striking “October 1,
2 2017” and inserting “October 1, 2018”.

3 (b) CONFORMING AMENDMENTS.—

4 (1) EXTENSION OF TARGET AMOUNT.—Section
5 1886(b)(3)(D) of the Social Security Act (42 U.S.C.
6 1395ww(b)(3)(D)) is amended—

7 (A) in the matter preceding clause (i), by
8 striking “October 1, 2017” and inserting “Oc-
9 tober 1, 2018”; and

10 (B) in clause (iv), by striking “through fis-
11 cal year 2017” and inserting “through fiscal
12 year 2018”.

13 (2) PERMITTING HOSPITALS TO DECLINE RE-
14 CLASSIFICATION.—Section 13501(e)(2) of the Omni-
15 bus Budget Reconciliation Act of 1993 (42 U.S.C.
16 1395ww note) is amended by striking “through fis-
17 cal year 2017” and inserting “through fiscal year
18 2018”.

19 **SEC. 7. REINSTATEMENT OF MEDICARE WAGE INDEX RE-**
20 **CLASSIFICATIONS FOR CERTAIN HOSPITALS.**

21 (a) REINSTATEMENT OF CORRECTION OF MID-YEAR
22 RECLASSIFICATION EXPIRATION FOR CERTAIN HOS-
23 PITALS.—

24 (1) IN GENERAL.—The first sentence of sub-
25 section (a) of section 106 of division B of the Tax

1 Relief and Health Care Act of 2006 (42 U.S.C.
 2 1395ww note), as amended by section 117 of the
 3 Medicare, Medicaid, and SCHIP Extension Act of
 4 2007 (Public Law 110–173), section 124 of the
 5 Medicare Improvements for Patients and Providers
 6 Act of 2008 (Public Law 110–275), sections
 7 3137(a) and 10317 of the Patient Protection and
 8 Affordable Care Act (Public Law 111–148), section
 9 102 of the Medicare and Medicaid Extenders Act of
 10 2010 (Public Law 111–309), section 302(a) of the
 11 Temporary Payroll Tax Cut Continuation Act of
 12 2011 (Public Law 112–78), and section 3001(a) of
 13 the Middle Class Tax Relief and Job Creation Act
 14 of 2012 (Public Law 112–96), is amended by insert-
 15 ing “and, in the case of a hospital described in sec-
 16 tion 7(a)(2) of the Craig Thomas Rural Hospital
 17 and Provider Equity Act of 2016, shall apply such
 18 reclassification of such hospital during the period be-
 19 ginning on January 1, 2016, and ending on Decem-
 20 ber 31, 2016” before the period at the end.

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

23 (A) a hospital—

24 (i) that is described in such subsection

25 (a) such section 106; and

1 (ii)(I) that is located in a rural area;

2 and

3 (II) for which the Secretary has deter-
 4 mined the reinstatement under the provi-
 5 sions of, and amendments made by, this
 6 section is appropriate; or

7 (B) a sole community hospital located in a
 8 State with less than 10 people per square mile
 9 that was provided with a special exception re-
 10 classification extension under section 117(a)(2)
 11 of the Medicare, Medicaid, and SCHIP Exten-
 12 sion Act of 2007.

13 (b) NOT BUDGET NEUTRAL.—The provisions of, and
 14 amendments made by, this section shall not be effected
 15 in a budget-neutral manner.

16 **SEC. 8. EXTENSION OF MEDICARE REASONABLE COSTS**
 17 **PAYMENTS FOR CERTAIN CLINICAL DIAG-**
 18 **NOSTIC LABORATORY TESTS FURNISHED TO**
 19 **HOSPITAL PATIENTS IN CERTAIN RURAL**
 20 **AREAS.**

21 Section 416(b) of the Medicare Prescription Drug,
 22 Improvement, and Modernization Act of 2003 (42 U.S.C.
 23 1395l), as amended by section 105 of division B of the
 24 Tax Relief and Health Care Act of 2006 (42 U.S.C. 1395l
 25 note), section 107 of the Medicare, Medicaid, and SCHIP

1 Extension Act of 2007 (42 U.S.C. 1395l note), section
 2 3122 of the Patient Protection and Affordable Care Act
 3 (Public Law 111–148), and section 109 of the Medicare
 4 and Medicaid Extenders Act of 2010 (Public Law 111–
 5 309), is amended—

6 (1) by striking “or during the 2-year” and in-
 7 serting “, during the 2-year”; and

8 (2) by inserting “, or during the 1-year period
 9 beginning on January 1, 2017” before the period at
 10 the end.

11 **SEC. 9. ELIMINATION OF ISOLATION TEST FOR COST-BASED**
 12 **AMBULANCE REIMBURSEMENT FOR CRIT-**
 13 **ICAL ACCESS HOSPITALS.**

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

16 (1) in subparagraph (B)—

17 (A) by striking “owned and”; and

18 (B) by inserting “(including when such
 19 services are provided by the entity under an ar-
 20 rangement with the hospital)” after “hospital”;
 21 and

22 (2) by striking the comma at the end of sub-
 23 paragraph (B) and all that follows and inserting a
 24 period.

1 (b) EFFECTIVE DATE.—The amendments made by
 2 this section shall apply to services furnished on or after
 3 January 1, 2017.

4 **SEC. 10. CAPITAL INFRASTRUCTURE REVOLVING LOAN**
 5 **PROGRAM.**

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

9 “CAPITAL INFRASTRUCTURE REVOLVING LOAN PROGRAM
 10 “SEC. 1603. (a) AUTHORITY TO MAKE AND GUAR-
 11 ANTEE LOANS.—

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

16 “(A) the acquisition of land necessary for
 17 the capital improvements;

18 “(B) the renovation or modernization of
 19 any building;

20 “(C) the acquisition or repair of fixed or
 21 major movable equipment; and

22 “(D) such other project expenses as the
 23 Secretary determines appropriate.

24 “(2) AUTHORITY TO GUARANTEE LOANS.—

25 “(A) IN GENERAL.—The Secretary may
 26 guarantee the payment of principal and interest

1 for loans made to rural entities for projects for
2 any capital improvement described in paragraph
3 (1) to any non-Federal lender.

4 “(B) INTEREST SUBSIDIES.—In the case
5 of a guarantee of any loan made to a rural enti-
6 ty under subparagraph (A), the Secretary may
7 pay to the holder of such loan, for and on be-
8 half of the project for which the loan was made,
9 amounts sufficient to reduce (by not more than
10 3 percent) the net effective interest rate other-
11 wise payable on such loan.

12 “(b) AMOUNT OF LOAN.—The principal amount of
13 a loan directly made or guaranteed under subsection (a)
14 for a project for capital improvement may not exceed
15 \$5,000,000.

16 “(c) FUNDING LIMITATIONS.—

17 “(1) GOVERNMENT CREDIT SUBSIDY EXPO-
18 SURE.—The total of the Government credit subsidy
19 exposure under the Federal Credit Reform Act of
20 1990 scoring protocol with respect to the loans out-
21 standing at any time with respect to which guaran-
22 tees have been issued, or which have been directly
23 made, under subsection (a) may not exceed
24 \$50,000,000 per year.

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

5 “(d) CAPITAL ASSESSMENT AND PLANNING
 6 GRANTS.—

7 “(1) NONREPAYABLE GRANTS.—Subject to
 8 paragraph (2), the Secretary may make a grant to
 9 a rural entity, in an amount not to exceed \$50,000,
 10 for purposes of capital assessment and business
 11 planning.

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

15 “(e) TERMINATION OF AUTHORITY.—The Secretary
 16 may not directly make or guarantee any loan under sub-
 17 section (a) or make a grant under subsection (d) after
 18 January 1, 2017.”.

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

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

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

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

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

6 “(II) a rural census tract of a metro-
7 politan statistical area (as determined
8 under the most recent modification of the
9 Goldsmith Modification, originally pub-
10 lished in the Federal Register on February
11 27, 1992 (57 Fed. Reg. 6725));

12 “(iii) a hospital that is classified as a
13 rural, regional, or national referral center under
14 section 1886(d)(5)(C) of the Social Security
15 Act; and

16 “(iv) a hospital that is a sole community
17 hospital (as defined in section
18 1886(d)(5)(D)(iii) of the Social Security Act).

19 “(B) For purposes of subparagraph (A), the
20 fact that a clinic, facility, or hospital has been geo-
21 graphically reclassified under the Medicare program
22 under title XVIII of the Social Security Act shall not
23 preclude a hospital from being considered a rural en-
24 tity under clause (i) or (ii) of subparagraph (A).”.

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

4 (1) in subsection (b)(2)(D), by inserting “or
 5 1603(a)(2)(B)” after “1601(a)(2)(B)”; and

6 (2) in subsection (d)—

7 (A) in paragraph (1)(C), by striking “sec-
 8 tion 1601(a)(2)(B)” and inserting “sections
 9 1601(a)(2)(B) and 1603(a)(2)(B)”; and

10 (B) in paragraph (2)(A), by inserting “or
 11 1603(a)(2)(B)” after “1601(a)(2)(B)”.

12 **SEC. 11. EXTENSION OF MEDICARE INCENTIVE PAYMENT**
 13 **PROGRAM FOR PHYSICIAN SCARCITY AREAS.**

14 Section 1833(u)(1) of the Social Security Act (42
 15 U.S.C. 1395l(u)(1)) is amended by inserting “, and such
 16 services furnished on or after April 1, 2016, and before
 17 April 1, 2017” after “2008”.

18 **SEC. 12. EXTENSION OF FLOOR ON MEDICARE WORK GEO-**
 19 **GRAPHIC ADJUSTMENT.**

20 Section 1848(e)(1)(E) of the Social Security Act (42
 21 U.S.C. 1395w–4(e)(1)(E)) is amended by striking “Janu-
 22 ary 1, 2018” and inserting “January 1, 2019”.

1 **SEC. 13. RECOGNITION OF ATTENDING PHYSICIAN ASSIST-**
 2 **ANTS AS ATTENDING PHYSICIANS TO SERVE**
 3 **HOSPICE PATIENTS.**

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

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

9 (2) by inserting “, or the physician assistant
 10 (as defined in such subsection)” after “subsection
 11 (aa)(5))”.

12 (b) PERMITTING PHYSICIAN ASSISTANTS WHEN
 13 DELEGATED BY A PHYSICIAN TO ORDER HOSPICE
 14 CARE.—Section 1814(a)(7)(A) of the Social Security Act
 15 (42 U.S.C. 1395f(a)(7)(A)) is amended—

16 (1) in clause (i)(I), by striking “does not in-
 17 clude a nurse practitioner” and inserting “only in-
 18 cludes a physician assistant if a physician has dele-
 19 gated the authority to make the certification re-
 20 quired under this paragraph to such physician as-
 21 sistant”; and

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

23 “(ii) in a subsequent 90- or 60-day
 24 period—

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

1 “(II) a physician employed by the
2 hospice program providing (or arrang-
3 ing for) the care or providing care to
4 the individual under arrangement with
5 such hospice program;

6 “(III) a nurse practitioner em-
7 ployed by such hospice program or
8 providing care to the individual under
9 arrangement with such hospice pro-
10 gram; or

11 “(IV) a physician assistant em-
12 ployed by such hospice program or
13 providing care to the individual under
14 arrangement with such hospice pro-
15 gram, provided that an individual de-
16 scribed in subclause (I) or (II) has
17 delegated the authority to make the
18 recertification required under this
19 clause to such physician assistant,
20 recertifies at the beginning of the period
21 that the individual is terminally ill based
22 on such clinical judgment;”.

23 (c) EFFECTIVE DATE.—The amendments made by
24 this section shall apply to items and services furnished on
25 or after January 1, 2017.

1 **SEC. 14. IMPROVING CARE PLANNING FOR MEDICARE**
 2 **HOME HEALTH SERVICES.**

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

5 (1) in paragraph (2)—

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

15 (B) in subparagraph (C)—

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

21 (ii) by striking “, and, in the case of
 22 a certification made by a physician” and
 23 all that follows through “face-to-face en-
 24 counter” and inserting “, and, in the case
 25 of a certification made by a physician after
 26 January 1, 2010, or by a nurse practi-

tioner, clinical nurse specialist, certified nurse-midwife, or physician assistant (as the case may be) after January 1, 2017, prior to making such certification the physician, nurse practitioner, clinical nurse specialist, certified nurse-midwife, or physician assistant must document that the physician, nurse practitioner, clinical nurse specialist, certified nurse-midwife, or physician assistant has had a face-to-face encounter”; and

(2) in the flush matter following paragraph (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, 2017, in the case of regulations to implement the amendments made by section 14 of the Craig Thomas Rural Hospital and Provider Equity Act of 2016)” after “1981”; and

1 (iii) by striking “a physician who”
 2 and inserting “a physician, nurse practi-
 3 tioner, clinical nurse specialist, certified
 4 nurse-midwife, or physician assistant
 5 who”; and

6 (C) in the third sentence, by inserting “,
 7 nurse practitioner, clinical nurse specialist, cer-
 8 tified nurse-midwife, or physician assistant”
 9 after “physician”.

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

12 (1) in paragraph (2)—

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

23 (B) in subparagraph (A)—

24 (i) in each of clauses (ii) and (iii) of
 25 subparagraph (A), by inserting “, a nurse

1 practitioner, a clinical nurse specialist, a
2 certified nurse-midwife, or a physician as-
3 sistant (as the case may be)” after “physi-
4 cian”; and

5 (ii) in clause (iv), by striking “after
6 January 1, 2010” and all that follows
7 through “face-to-face encounter” and in-
8 serting “made by a physician after Janu-
9 ary 1, 2010, or by a nurse practitioner,
10 clinical nurse specialist, certified nurse-
11 midwife, or physician assistant (as the case
12 may be) after January 1, 2017, prior to
13 making such certification the physician,
14 nurse practitioner, clinical nurse specialist,
15 certified nurse-midwife, or physician assist-
16 ant must document that the physician,
17 nurse practitioner, clinical nurse specialist,
18 certified nurse-midwife, or physician assist-
19 ant has had a face-to-face encounter”;

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

24 (3) in the fourth sentence—

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

3 (B) by inserting “(or on January 1, 2017,
 4 in the case of regulations to implement the
 5 amendments made by section 14 of the Craig
 6 Thomas Rural Hospital and Provider Equity
 7 Act of 2016)” after “1981”; and

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

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

15 (c) DEFINITION PROVISIONS.—

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

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

21 (i) by inserting “, a nurse practitioner
 22 or a clinical nurse specialist (as those
 23 terms are defined in subsection (aa)(5)), a
 24 certified nurse-midwife (as defined in sec-
 25 tion 1861(gg)), or a physician assistant (as

1 defined in subsection (aa)(5))” after “phy-
 2 sician” the first place it appears; and

3 (ii) by inserting “, a nurse practi-
 4 tioner, a clinical nurse specialist, a cer-
 5 tified nurse-midwife, or a physician assist-
 6 ant” after “physician” the second place it
 7 appears; and

8 (B) in paragraph (3), by inserting “, a
 9 nurse practitioner, a clinical nurse specialist, a
 10 certified nurse-midwife, or a physician assist-
 11 ant” after “physician”.

12 (2) HOME HEALTH AGENCY.—Section
 13 1861(o)(2) of the Social Security Act (42 U.S.C.
 14 1395x(o)(2)) is amended—

15 (A) by inserting “, nurse practitioners or
 16 clinical nurse specialists (as those terms are de-
 17 fined in subsection (aa)(5)), certified nurse-mid-
 18 wives (as defined in section 1861(gg)), or physi-
 19 cian assistants (as defined in subsection
 20 (aa)(5))” after “physicians”; and

21 (B) by inserting “, nurse practitioner, clin-
 22 ical nurse specialist, certified nurse-midwife,
 23 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, 2017.

1 **SEC. 15. 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 2017)” 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 2017, at \$110 per visit; and

14 “(4) for years following 2017, at the limit es-
15 tablished under this subsection for the previous year
16 increased 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. 16. 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), section 3131(c) of the Patient Protec-

tion and Affordable Care Act (Public Law 111–148; 124 Stat. 428), and section 210 of the Medicare Access and CHIP Reauthorization Act of 2015 (Public Law 114–10; 129 Stat. 151), is amended by striking “January 1, 2018” and inserting “January 1, 2019” each place it appears.

**SEC. 17. EXTENSION OF INCREASED MEDICARE PAYMENTS
FOR RURAL GROUND AMBULANCE SERVICES.**

(a) IN GENERAL.—Section 1834(l)(13)(A) of the Social Security Act (42 U.S.C. 1395m(l)(13)(A)) is amended—

(1) in the matter preceding clause (i), by striking “July 1, 2004” and all that follows through “originates in”;

(2) in clause (i)—

(A) by inserting “July 1, 2004, and before January 1, 2007, and for such services furnished on or after July 1, 2008, and before January 1, 2019, for which the transportation originates in” before “a rural”; and

(B) by striking “2018” and inserting “2017, or 5 percent if such service is furnished on or after January 1, 2017, and before January 1, 2019”; and

(3) in clause (ii), by inserting “July 1, 2004, and before January 1, 2007, and for such services

1 furnished on or after July 1, 2008, and before Janu-
 2 ary 1, 2018, for which the transportation originates
 3 in” before “an area not”.

4 (b) SUPER RURAL AMBULANCE.—Section
 5 1834(l)(12)(A) of the Social Security Act (42 U.S.C.
 6 1395m(l)(12)(A)) is amended by striking “January 1,
 7 2018” and inserting “January 1, 2019”.

8 **SEC. 18. COVERAGE OF MARRIAGE AND FAMILY THERAPIST**
 9 **SERVICES AND MENTAL HEALTH COUNSELOR**
 10 **SERVICES UNDER PART B OF THE MEDICARE**
 11 **PROGRAM.**

12 (a) COVERAGE OF SERVICES.—

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

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

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

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

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

22 (B) by inserting before the semicolon at
 23 the end the following: “, and (BB) 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, 2017.

4 **SEC. 19. FACILITATING THE PROVISION OF TELEHEALTH**
 5 **SERVICES ACROSS STATE LINES.**

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

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

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

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

23 (3) MEDICARE PROGRAM.—The term “Medicare
 24 program” means the program of health insurance
 25 administered by the Secretary of Health and Human

1 Services under title XVIII of the Social Security Act
 2 (42 U.S.C. 1395 et seq.).

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

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

10 “Anesthesiologist Services Provided in Certain Rural
 11 Hospitals

12 “(m)(1) Notwithstanding any other provision of this
 13 title, coverage and payment shall be provided under this
 14 part for physicians’ services that are anesthesia services
 15 furnished by a physician who is an anesthesiologist in a
 16 rural hospital described in paragraph (3) in the same
 17 manner as payment is made under the exception provided
 18 in section 9320(k) of the Omnibus Budget Reconciliation
 19 Act of 1986, as amended by section 6132 of the Omnibus
 20 Budget Reconciliation Act of 1989 (42 U.S.C. 1395k
 21 note) (relating to payment on a reasonable cost, pass-
 22 through basis), for certified registered nurse anesthetist
 23 services furnished by a certified registered nurse anes-
 24 thetist in a hospital described in such section.

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

4 “(3) A rural hospital described in this paragraph is
5 a hospital described in section 9320(k) of the Omnibus
6 Budget Reconciliation Act of 1986, as so amended (42
7 U.S.C. 1395k note), except that—

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

12 “(B) any reference to ‘January 1, 1988’ or
13 ‘1987’ is deemed a reference to such date and year
14 as the Secretary shall specify.”.

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

1 **SEC. 21. TEMPORARY FLOOR ON THE PRACTICE EXPENSE**
 2 **GEOGRAPHIC INDEX FOR SERVICES FUR-**
 3 **NISHED IN RURAL AREAS OUTSIDE OF FRON-**
 4 **TIER STATES UNDER THE MEDICARE PHYSI-**
 5 **CIAN FEE SCHEDULE.**

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

9 “(J) FLOOR AT 1.0 ON PRACTICE EXPENSE
 10 GEOGRAPHIC INDEX FOR SERVICES FURNISHED
 11 IN RURAL AREAS OUTSIDE OF FRONTIER
 12 STATES.—For purposes of payment for services
 13 furnished in a rural area (other than a rural
 14 area located in a State to which subparagraph
 15 (I) applies) on or after January 1, 2017, and
 16 before January 1, 2018, after calculating the
 17 practice expense index under subparagraph
 18 (A)(i), the Secretary shall increase any such
 19 index to 1.0 if such index would otherwise be
 20 less than 1.0. The preceding sentence shall not
 21 be applied in a budget neutral manner.”.

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

24 Section 1886(d)(5)(D)(iv) of the Social Security Act
 25 (42 U.S.C. 1395ww(d)(5)(D)(iv)) is amended by adding
 26 at the end the following new sentence: “Under such stand-

ard, the time required for an individual to travel to the nearest alternative source of care shall be measured over improved roads maintained by a local, State, or Federal Government entity for use by the general public which is the most expeditious and accessible route as designated by law enforcement for emergency vehicle travel.”.

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

(a) IN GENERAL.—Section 9320(k) of the Omnibus Budget Reconciliation Act of 1986 (42 U.S.C. 1395k note), 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, is amended by adding at the end the following:

“(3) In determining the reasonable costs incurred by a hospital or critical access hospital for the services of a certified registered nurse anesthetist under this subsection, the Secretary shall include standby costs and on-call costs incurred by the hospital or critical access hospital, respectively, with respect to such nurse anesthetist.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to costs incurred in cost reporting periods beginning in fiscal years after fiscal year 2007 and before fiscal year 2017.

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

2 Section 338J of the Public Health Service Act (42
3 U.S.C. 254r) is amended to read as follows:

4 **“SEC. 338J. GRANTS TO STATE OFFICES OF RURAL HEALTH.**

5 “(a) IN GENERAL.—The Secretary, acting through
6 the Director of the Federal Office of Rural Health Policy
7 (established under section 711 of the Social Security Act),
8 shall make grants to each State Office of Rural Health
9 for the purpose of improving health care in rural areas.

10 “(b) REQUIREMENT OF MATCHING FUNDS.—

11 “(1) IN GENERAL.—Subject to paragraph (2),
12 the Secretary may not make a grant under sub-
13 section (a) unless the State office of rural health in-
14 volved agrees, with respect to the costs to be in-
15 curred in carrying out the purpose described in such
16 subsection, to provide non-Federal contributions to-
17 ward such costs in an amount equal to \$3 for each
18 \$1 of Federal funds provided in the grant.

19 “(2) WAIVER OR REDUCTION.—The Secretary
20 is authorized to waive or reduce the non-Federal
21 contribution if the State office of rural health can
22 demonstrate that requiring matching funds would
23 limit its ability to carry out the purpose described in
24 subsection (a).

25 “(3) DETERMINATION OF AMOUNT OF NON-
26 FEDERAL CONTRIBUTION.—Non-Federal contribu-

1 tions required in paragraph (1) may be in cash or
 2 in kind, fairly evaluated, including plant, equipment,
 3 or services. Amounts provided by the Federal Gov-
 4 ernment, or services assisted or subsidized to any
 5 significant extent by the Federal Government, may
 6 not be included in determining the amount of such
 7 non-Federal contributions.

8 “(c) CERTAIN REQUIRED ACTIVITIES.—Recipients of
 9 a grant under subsection (a) shall use the grant funds for
 10 purposes of—

11 “(1) maintaining within the State office of
 12 rural health a clearinghouse for collecting and dis-
 13 seminating information on—

14 “(A) rural health care issues;

15 “(B) research findings relating to rural
 16 health care; and

17 “(C) innovative approaches to the delivery
 18 of health care in rural areas;

19 “(2) coordinating the activities carried out in
 20 the State that relate to rural health care, including
 21 providing coordination for the purpose of avoiding
 22 redundancy in such activities; and

23 “(3) identifying Federal and State programs re-
 24 garding rural health, and providing technical assist-

1 ance to public and nonprofit private entities regard-
 2 ing participation in such programs.

3 “(d) REQUIREMENT REGARDING ANNUAL BUDGET
 4 FOR OFFICE.—The Secretary may not make a grant
 5 under subsection (a) unless the State involved agrees that,
 6 for any fiscal year for which the State office of rural
 7 health receives such a grant, the office operated pursuant
 8 to subsection (a) of this section will be provided with an
 9 annual budget of not less than \$150,000.

10 “(e) CERTAIN USES OF FUNDS.—

11 “(1) RESTRICTIONS.—The Secretary may not
 12 make a grant under subsection (a) unless the State
 13 office of rural health involved agrees that the grant
 14 will not be expended—

15 “(A) to provide health care (including pro-
 16 viding cash payments regarding such care);

17 “(B) to conduct activities for which Fed-
 18 eral funds are expended—

19 “(i) within the State to provide tech-
 20 nical and other nonfinancial assistance
 21 under section 330A(f);

22 “(ii) under a memorandum of agree-
 23 ment entered into with the State office of
 24 rural health under section 330A(h); or

1 “(iii) under a grant under section
2 338I;

3 “(C) to purchase medical equipment, to
4 purchase ambulances, aircraft, or other vehicles,
5 or to purchase major communications equip-
6 ment;

7 “(D) to purchase or improve real property;
8 or

9 “(E) to carry out any activity regarding a
10 certificate of need.

11 “(2) AUTHORITIES.—Activities for which a
12 State office of rural health may expend a grant
13 under subsection (a) include—

14 “(A) paying the costs of maintaining an
15 office of rural health for purposes of subsection
16 (a);

17 “(B) subject to paragraph (1)(B)(iii), pay-
18 ing the costs of any activity carried out with re-
19 spect to recruiting and retaining health profes-
20 sionals to serve in rural areas of the State; and

21 “(C) providing grants and contracts to
22 public and nonprofit private entities to carry
23 out activities authorized in this section.

24 “(3) LIMIT ON INDIRECT COSTS.—The Sec-
25 retary may impose a limit of no more than 15 per-

1 cent on indirect costs claimed by the recipient of the
2 grant.

3 “(f) REPORTS.—The Secretary may not make a
4 grant under subsection (a) unless the State office of rural
5 health involved agrees—

6 “(1) to submit to the Secretary reports or per-
7 formance data containing such information as the
8 Secretary may require regarding activities carried
9 out under this section; and

10 “(2) to submit such a report or performance
11 data not later than than September 30 of any fiscal
12 year for which the State office of rural health has
13 received such a grant.

14 “(g) REQUIREMENT OF APPLICATION.—The Sec-
15 retary may not make a grant under subsection (a) unless
16 an application for the grant is submitted to the Secretary
17 and the application is in such form, is made in such man-
18 ner, and contains such agreements, assurances, and infor-
19 mation as the Secretary determines to be necessary to
20 carry out such subsection.

21 “(h) NONCOMPLIANCE.—The Secretary may not
22 make payments under subsection (a) to a State office of
23 rural health for any fiscal year subsequent to the first fis-
24 cal year of such payments unless the Secretary determines
25 that, for the immediately preceding fiscal year, the State

1 office of rural health has complied with each of the agree-
 2 ments made by the State office of rural health under this
 3 section.

4 “(i) AUTHORIZATION OF APPROPRIATIONS.—

5 “(1) IN GENERAL.—For the purpose of making
 6 grants under subsection (a), there are authorized to
 7 be appropriated such sums as may be necessary for
 8 each of fiscal years 2017 through 2021.

9 “(2) AVAILABILITY.—Amounts appropriated
 10 under paragraph (1) shall remain available until ex-
 11 pended.”.

12 **SEC. 25. REMOVING MEDICARE 96-HOUR PHYSICIAN CER-**
 13 **TIFICATION REQUIREMENT FOR INPATIENT**
 14 **CRITICAL ACCESS HOSPITAL SERVICES.**

15 (a) IN GENERAL.—Section 1814(a) of the Social Se-
 16 curity Act (42 U.S.C. 1395f(a)), is amended—

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

19 (2) in paragraph (7), at the end of subpara-
 20 graph (E), by striking “; and” and inserting a pe-
 21 riod; and

22 (3) by striking paragraph (8).

23 (b) APPLICATION.—The amendments made by sub-
 24 section (a) shall apply with respect to items and services
 25 furnished on or after January 1, 2017.

1 **SEC. 26. EXTENSION OF ENFORCEMENT INSTRUCTION ON**
 2 **SUPERVISION REQUIREMENTS FOR OUT-**
 3 **PATIENT THERAPEUTIC SERVICES IN CRIT-**
 4 **ICAL ACCESS AND SMALL RURAL HOSPITALS**
 5 **THROUGH 2017.**

6 Section 1 of Public Law 113–198, as amended by sec-
 7 tion 1 of Public Law 114–112, is amended—

8 (1) in the section heading, by striking “**AND**
 9 **2015**” and inserting “, **2015, 2016, AND 2017**”; and

10 (2) by striking “and 2015” and inserting “,
 11 2015, 2016, and 2017”.

12 **SEC. 27. MEDICARE PAYMENT FOR CERTAIN RURAL**
 13 **HEALTH CLINIC AND FEDERALLY QUALIFIED**
 14 **HEALTH CENTER SERVICES FURNISHED TO**
 15 **HOSPICE PATIENTS.**

16 (a) IN GENERAL.—Section 1812(d)(2) of the Social
 17 Security Act (42 U.S.C. 1395d(d)(2)) is amended—

18 (1) in subparagraph (A)—

19 (A) in the matter preceding clause (i), by
 20 striking “subparagraphs (B) and (C)” and in-
 21 serting “the succeeding provisions of this para-
 22 graph”;

23 (B) in clause (ii)(II), by striking the semi-
 24 colon at the end and inserting a period; and

25 (C) by striking the flush matter following
 26 clause (ii)(II); and

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

3 “(E) Subparagraph (A)(ii) shall not apply to—

4 “(i) physicians’ services furnished by the
5 individual’s attending physician (as defined in
6 section 1861(dd)(3)(B)), if not an employee of
7 the hospice program;

8 “(ii) services provided by (or under ar-
9 rangements made by) the hospice program; or

10 “(iii) rural health clinic services (as de-
11 fined in paragraph (1) of section 1861(aa)) and
12 Federally qualified health center services (as
13 defined in paragraph (3) of such section) if
14 such services—

15 “(I) would otherwise be physicians’
16 services if furnished by an individual not
17 affiliated with a rural health clinic (as de-
18 fined in paragraph (2) of such section) or
19 a Federally qualified health center (as de-
20 fined in paragraph (4) of such section);
21 and

22 “(II) are—

23 “(aa) furnished by the individ-
24 ual’s attending physician (as so de-

1 fined), if not an employee of the hos-
2 pice program; or

3 “(bb) provided under arrange-
4 ments made by the hospice program.”.

5 (b) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to services furnished on or after
7 the date that is six months after the date of the enactment
8 of this Act.

○