

108TH CONGRESS  
1ST SESSION

# H. R. 1963

To amend title XVIII of the Social Security Act to provide for the fair treatment of certain physician pathology services under the Medicare Program.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 6, 2003

Mr. FOLEY (for himself, Mr. TANNER, Mr. HERGER, Mr. CAMP, Mr. GORDON, Ms. PRYCE of Ohio, Mr. FLETCHER, Mr. CRAMER, Mr. JOHN, Mr. BERRY, Mr. POMEROY, and Mrs. CAPPS) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend title XVIII of the Social Security Act to provide for the fair treatment of certain physician pathology services under the Medicare Program.

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 “Physician Pathology  
5 Services Continuity Act of 2003”.

1 **SEC. 2. TREATMENT OF CERTAIN PHYSICIAN PATHOLOGY**  
2 **SERVICES.**

3 (a) IN GENERAL.—Section 1848(i) of the Social Se-  
4 curity Act (42 U.S.C. 1395w-4(i)) is amended by adding  
5 at the end the following new paragraph:

6 “(4) TREATMENT OF CERTAIN PHYSICIAN PA-  
7 THOLOGY SERVICES.—

8 “(A) IN GENERAL.—With respect to serv-  
9 ices furnished on or after January 1, 2001, if  
10 an independent laboratory furnishes the tech-  
11 nical component of a physician pathology serv-  
12 ice to a fee-for-service medicare beneficiary who  
13 is an inpatient or outpatient of a covered hos-  
14 pital, the Secretary shall treat such component  
15 as a service for which payment shall be made  
16 to the laboratory under this section and not as  
17 an inpatient hospital service for which payment  
18 is made to the hospital under section 1886(d)  
19 or as a hospital outpatient service for which  
20 payment is made to the hospital under section  
21 1833(t).

22 “(B) DEFINITIONS.—In this paragraph:

23 “(i) COVERED HOSPITAL.—

24 “(I) IN GENERAL.—The term  
25 ‘covered hospital’ means, with respect  
26 to an inpatient or outpatient, a hos-

1           pital that had an arrangement with  
2           an independent laboratory that was in  
3           effect as of July 22, 1999, under  
4           which a laboratory furnished the tech-  
5           nical component of physician pathol-  
6           ogy services to fee-for-service medi-  
7           care beneficiaries who were hospital  
8           inpatients or outpatients, respectively,  
9           and submitted claims for payment for  
10          such component to a carrier with a  
11          contract under section 1842 and not  
12          to the hospital.

13                   “(II) CHANGE IN OWNERSHIP  
14                   DOES NOT AFFECT DETERMINA-  
15                   TION.—A change in ownership with  
16                   respect to a hospital on or after the  
17                   date referred to in subclause (I) shall  
18                   not affect the determination of wheth-  
19                   er such hospital is a covered hospital  
20                   for purposes of such subclause.

21                   “(ii) FEE-FOR-SERVICE MEDICARE  
22                   BENEFICIARY.—The term ‘fee-for-service  
23                   medicare beneficiary’ means an individual  
24                   who is entitled to benefits under part A, or

1 enrolled under this part, or both, but is not  
2 enrolled in any of the following:

3 “(I) A Medicare+Choice plan  
4 under part C.

5 “(II) A plan offered by an eligi-  
6 ble organization under section 1876.

7 “(III) A program of all-inclusive  
8 care for the elderly (PACE) under  
9 section 1894.

10 “(IV) A social health mainte-  
11 nance organization (SHMO) dem-  
12 onstration project established under  
13 section 4018(b) of the Omnibus  
14 Budget Reconciliation Act of 1987  
15 (Public Law 100–203).”.

16 (b) CONFORMING AMENDMENT.—Section 542 of the  
17 Medicare, Medicaid, and SCHIP Benefits Improvement  
18 and Protection Act of 2000 (114 Stat. 2763A–550), as  
19 enacted into law by section 1(a)(6) of Public Law 106–  
20 554, is repealed.

21 (c) EFFECTIVE DATES.—The amendments made by  
22 this section shall take effect as if included in the enact-  
23 ment of the Medicare, Medicaid, and SCHIP Benefits Im-  
24 provement and Protection Act of 2000 (Appendix F, 114

1 Stat. 2763A-463), as enacted into law by section 1(a)(6)  
2 of Public Law 106-554.

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