

109TH CONGRESS
1ST SESSION

S. 1081

To amend title XVIII of the Social Security Act to provide for a minimum update for physicians' services for 2006 and 2007.

IN THE SENATE OF THE UNITED STATES

MAY 19, 2005

Mr. KYL (for himself, Ms. STABENOW, Mr. CORZINE, and Mr. TALENT) 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 provide for a minimum update for physicians' services for 2006 and 2007.

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 “Preserving Patient Ac-
5 cess to Physicians Act of 2005”.

1 **SEC. 2. MINIMUM UPDATE FOR PHYSICIANS' SERVICES FOR**
 2 **2006 AND 2007.**

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

6 “(6) UPDATE FOR 2006.—The update to the
 7 single conversion factor established in paragraph
 8 (1)(C) for 2006 shall not be less than 2.7 percent.

9 “(7) UPDATE FOR 2007.—

10 “(A) IN GENERAL.—The update to the sin-
 11 gle conversion factor established in paragraph
 12 (1)(C) for 2007 shall not be less than the prod-
 13 uct of—

14 “(i) 1 plus the Secretary’s estimate of
 15 the percentage change in the value of the
 16 input price index (as provided under sub-
 17 paragraph (B)(ii)) for 2007 (divided by
 18 100); and

19 “(ii) 1 minus the Secretary’s estimate
 20 of the productivity adjustment factor under
 21 subparagraph (C) for 2007.

22 “(B) INPUT PRICE INDEX.—

23 “(i) ESTABLISHMENT.—Taking into
 24 account the mix of goods and services in-
 25 cluded in computing the medicare economic
 26 index (referred to in the fourth sentence of

1 section 1842(b)(3)), the Secretary shall es-
 2 tablish an index that reflects the weighted-
 3 average input prices for physicians' serv-
 4 ices for 2006. Such index shall only ac-
 5 count for input prices and not changes in
 6 costs that may result from other factors
 7 (such as productivity).

8 “(ii) ANNUAL ESTIMATE OF CHANGE
 9 IN INDEX.—The Secretary shall estimate,
 10 before the beginning of 2007, the change
 11 in the value of the input price index under
 12 clause (i) from 2006 to 2007.

13 “(C) PRODUCTIVITY ADJUSTMENT FAC-
 14 TOR.—The Secretary shall estimate, and cause
 15 to be published in the Federal Register not
 16 later than November 1, 2006, a productivity ad-
 17 justment factor for 2007 that reflects the Sec-
 18 retary's estimate of growth in multifactor pro-
 19 ductivity in the national economy, taking into
 20 account growth in productivity attributable to
 21 both labor and nonlabor factors. Such adjust-
 22 ment may be based on a multi-year moving av-
 23 erage of productivity (based on data published
 24 by the Bureau of Labor Statistics).”.

1 (b) CONFORMING AMENDMENT.—Section
2 1848(d)(4)(B) of the Social Security Act (42 U.S.C.
3 1395w-4(d)(4)(B)) is amended, in the matter preceding
4 clause (i), by striking “and paragraph (5)” and inserting
5 “paragraphs (5), (6), and (7)”.

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