

109TH CONGRESS  
1ST SESSION

# S. 1574

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

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## IN THE SENATE OF THE UNITED STATES

JULY 29, 2005

Ms. CANTWELL (for herself, Mr. BINGAMAN, Mr. ROCKEFELLER, Mrs. LINCOLN, Mrs. MURRAY, and Mr. CORZINE) introduced the following bill; which was read twice and referred to the Committee on Finance

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## 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 “Affordable Access to  
5 Medicare Providers Act of 2005”.

6 **SEC. 2. MINIMUM UPDATE FOR PHYSICIANS' SERVICES FOR**  
7 **2006 AND 2007.**

8 (a) MINIMUM UPDATE.—

1           (1) IN GENERAL.—Section 1848(d) of the So-  
2           cial Security Act (42 U.S.C. 1395w-4(d)) is amend-  
3           ed by adding at the end the following new para-  
4           graphs:

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

8           “(7) UPDATE FOR 2007.—

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

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

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

21          “(B) INPUT PRICE INDEX.—

22                 “(i) ESTABLISHMENT.—Taking into  
23                 account the mix of goods and services in-  
24                 cluded in computing the medicare economic  
25                 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           (2) 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 pre-  
4           ceding clause (i), by striking “and paragraph (5)”  
5           and inserting “paragraphs (5), (6), and (7)”.

6           (b) EXCLUSION OF COSTS FROM DETERMINATION OF  
7 PART B MONTHLY PREMIUM.—Section 1839(g) (42  
8 U.S.C. 1395r(g)) is amended—

9           (1) in paragraph (1), by striking “and” at the  
10          end;

11          (2) in paragraph (2), by striking the period at  
12          the end and inserting “; and”; and

13          (3) by adding at the end the following new  
14          paragraph:

15               “(3) the application of the amendments made  
16          by section 2(a) of the Affordable Access to Medicare  
17          Providers Act of 2005 (relating to a minimum up-  
18          date for physicians’ services in 2006 and 2007).”.

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