## 115TH CONGRESS 1ST SESSION H.R. 3817

To amend title XVIII of the Social Security Act to improve the accuracy of geographic adjustment factors under the Medicare program and to permanently extend certain adjustments to such factors for certain localities, and for other purposes.

## IN THE HOUSE OF REPRESENTATIVES

## SEPTEMBER 21, 2017

Mr. YOUNG of Iowa (for himself, Mr. KIND, Mr. BLUM, Mr. DUFFY, Mr. LOEBSACK, Mr. POCAN, and Mr. GALLAGHER) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be sub-sequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

## A BILL

- To amend title XVIII of the Social Security Act to improve the accuracy of geographic adjustment factors under the Medicare program and to permanently extend certain adjustments to such factors for certain localities, 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,

2ADJUSTMENT FACTORS.3Section 1848(e)(1)(D) of the Social Security Act (42)4U.S.C. 1395w-4(e)(1)(D)) is amended to read as follows:5"(D) USE OF ACCURATE DATA.—6"(i) IN GENERAL.—In establishing in-7diees and index values under this para-8graph, the Secretary shall use the most re-9cent data available relating to practice ex-10penses, malpractice expenses, and physi-11cian work effort in each fee schedule area.12"(ii) PRACTICE EXPENSE AND WORK13INDICES.—In establishing indices and14index values under clause (i) or (iii) of15subparagraph (A), the Secretary shall—16"(I) use the most recent market17data available on physician wages, or18if available, actual cost data for physi-19cian labor; and20"(II) not use nonphysician pro-21fessional wage data as a proxy for22physician wage data.23"(iii) PRACTICE EXPENSE CALCULA-24TION.—In calculating index values under25clause (i) of subparagraph (A), the Sec-26retary shall use the most recent office rent	1	SECTION 1. IMPROVING THE ACCURACY OF GEOGRAPHIC
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26 retary shall use the most recent office rent	25	clause (i) of subparagraph (A), the Sec-
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1	data available on data fram. Fadarally
1	data available or data from Federally
2	qualified health centers (as defined in sec-
3	tion 1861(aa)(4)) expense reports.".
4	SEC. 2. FLOOR FOR WORK AND PRACTICE EXPENSE GEO-
5	GRAPHIC INDICES FOR SERVICES FUR-
6	NISHED IN WISCONSIN AND IOWA.
7	(a) Work Geographic Index.—Section
8	1848(e)(1)(E) of the Social Security Act (42 U.S.C.
9	1395w-4(e)(1)(D)) is amended to read as follows:
10	"(E) FLOOR AT 1.0 ON WORK GEOGRAPHIC
11	INDEX.—
12	"(i) For 2004 Through 2017.—After
13	calculating the work geographic index in
14	subparagraph (A)(iii), for purposes of pay-
15	ment for services furnished on or after
16	January 1, 2004, and before January 1,
17	
	2018, the Secretary shall increase the work
18	2018, the Secretary shall increase the work geographic index to 1.00 for any locality
18 19	
	geographic index to 1.00 for any locality
19	geographic index to 1.00 for any locality for which such work geographic index is
19 20	geographic index to 1.00 for any locality for which such work geographic index is less than 1.00.
19 20 21	geographic index to 1.00 for any locality for which such work geographic index is less than 1.00. "(ii) FOR 2018 AND SUBSEQUENT
19 20 21 22	geographic index to 1.00 for any locality for which such work geographic index is less than 1.00. "(ii) FOR 2018 AND SUBSEQUENT YEARS.—After calculating the work geo-

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1	1, 2018, the Secretary shall increase any
2	such index to 1.00 if such index would oth-
3	erwise be less than 1.00.".
4	(b) Practice Expense Geographic Indices.—
5	Section 1848(e)(1) of the Social Security Act (42 U.S.C.
6	1395w-4(e)(1)) is amended—
7	(1) in subparagraph (A), by striking "(B), (C),
8	(E), (G), (H), and (I)" and inserting "(B), (C), (E),
9	(G), (H), (I), and (J)"; and
10	(2) by adding at the end the following new sub-
11	paragraph:
12	"(J) FLOOR FOR PRACTICE EXPENSE GEO-
13	GRAPHIC INDICES FOR SERVICES FURNISHED IN
14	WISCONSIN OR IOWA.—For purposes of pay-
15	ment for services furnished in Wisconsin or
16	Iowa on or after January 1, 2018, after calcu-
17	lating the practice expense index in subpara-
18	graph (A)(i), the Secretary shall increase any
19	such index to 1.00 if such index would other-
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