

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 9642
OFFERED BY MR. SMITH OF MISSOURI**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Medicare Access to
3 Rural Anesthesiology Act”.

4 SEC. 2. MEDICARE PART A PAYMENT FOR ANESTHESIOLOGIST SERVICES IN CERTAIN RURAL HOSPITALS AND CRITICAL ACCESS HOSPITALS.

7 (a) SUBSECTION (D) HOSPITALS.—

8 (1) IN GENERAL.—Section 1886(d)(5) of the
9 Social Security Act (42 U.S.C. 1395ww(d)(5)) is
10 amended by adding at the end the following new
11 subparagraph:

12 “(N)(i) For cost reporting periods beginning on or
13 after the date that is 1 year after the date of the enactment of the Medicare Access to Rural Anesthesiology Act,
14 in the case of a subsection (d) hospital described in clause
15 (ii), payment to such hospital for physicians’ services that
16 are anesthesia services furnished by a physician who is
17

1 an anesthesiologist in such hospital shall be made on a
2 reasonable cost basis.

3 “(ii) (I) Subject to subclause (II), for purposes of
4 clause (i), a subsection (d) hospital described in this clause
5 is, with respect to a year (beginning with 2027), a sub-
6 section (d) hospital that is located in a rural area (as de-
7 fined in paragraph (2)(D)) (but not including any hospital
8 that is treated as being located in such an area pursuant
9 to paragraph (8)(E)) that establishes, at any time before
10 the year, to the satisfaction of the Secretary, that—

11 “(aa) as of the date of the enactment of the
12 Medicare Access to Rural Anesthesiology Act, the
13 hospital employed or contracted with a physician
14 who is an anesthesiologist (but not more than one
15 full-time equivalent physician);

16 “(bb) in 2026, the hospital had a volume of
17 surgical procedures (including inpatient and out-
18 patient procedures) requiring anesthesia services
19 that did not exceed 800 (or such higher number as
20 the Secretary determines to be appropriate); and

21 “(cc) each physician who is an anesthesiologist
22 employed by, or under contract with, the hospital
23 has agreed not to bill under part B for professional
24 services furnished by the anesthesiologist at the hos-
25 pital.

1 “(II) With respect to a year (after 2027), a hospital
2 is not a subsection (d) hospital described in this clause
3 unless the hospital establishes, before the beginning of the
4 year, that the hospital has had a volume of surgical proce-
5 dures (including inpatient and outpatient procedures) re-
6 quiring anesthesia services in the previous year that did
7 not exceed 800 (or such higher number as the Secretary
8 determines to be appropriate).”.

9 (2) TREATED AS PART OF INPATIENT HOSPITAL
10 SERVICES.—Section 1861(b) of the Social Security
11 Act (42 U.S.C. 1395x(b)) is amended—

12 (A) in paragraph (6), by striking “or” at
13 the end;

14 (B) in paragraph (7), by striking the pe-
15 riod at the end and inserting “; or”; and

16 (C) by adding at the end the following new
17 paragraph:

18 “(8) a physician who is an anesthesiologist
19 where the hospital is a subsection (d) hospital de-
20 scribed in section 1886(d)(5)(N)(ii).”.

21 (3) EXCLUDED FROM OPERATING COSTS OF IN-
22 PATIENT HOSPITAL SERVICES.—Section 1886(a)(4)
23 of the Social Security Act (42 U.S.C. 1395ww(a)(4))
24 is amended in the second sentence by inserting “for
25 cost reporting periods beginning on or after the date

1 that is 1 year after the date of the enactment of the
2 Medicare Access to Rural Anesthesiology Act, costs
3 of physicians’ services that are anesthesia services
4 furnished by a physician who is an anesthesiologist
5 in a subsection (d) hospital described in subsection
6 (d)(5)(N)(ii),” before “or costs with respect to ad-
7 ministering blood clotting factors”.

8 (b) CRITICAL ACCESS HOSPITALS.—Section
9 1861(mm) of the Social Security Act (42 U.S.C.
10 1395x(mm)) is amended—

11 (1) in paragraph (2), by adding at the end the
12 following new sentence: “For cost reporting periods
13 beginning on or after the date that is 1 year after
14 the date of the enactment of the Medicare Access to
15 Rural Anesthesiology Act, such term includes physi-
16 cians’ services that are anesthesia services furnished
17 by a physician who is an anesthesiologist in a critical
18 access hospital described in paragraph (4).”; and

19 (2) by adding at the end the following new
20 paragraph:

21 “(4)(A) Subject to subparagraph (B), for purposes
22 of paragraph (2), a critical access hospital described in
23 this paragraph is, with respect to a year (beginning with
24 2027), a critical access hospital that establishes, at any

1 time before the year, to the satisfaction of the Secretary,
2 that—

3 “(i) as of the date of the enactment of the
4 Medicare Access to Rural Anesthesiology Act, the
5 critical access hospital employed or contracted with
6 a physician who is an anesthesiologist (but not more
7 than one full-time equivalent physician);

8 “(ii) in 2026, the critical access hospital had a
9 volume of surgical procedures (including inpatient
10 and outpatient procedures) requiring anesthesia
11 services that did not exceed 800 (or such higher
12 number as the Secretary determines to be appro-
13 priate); and

14 “(iii) each physician who is an anesthesiologist
15 employed by, or under contract with, the critical ac-
16 cess hospital has agreed not to bill under part B for
17 professional services furnished by the anesthesiol-
18 ogist at the critical access hospital.

19 “(B) With respect to a year (after 2027), a critical
20 access hospital is not a critical access hospital described
21 in this paragraph unless the critical access hospital estab-
22 lishes, before the beginning of the year, that the critical
23 access hospital has had a volume of surgical procedures
24 (including inpatient and outpatient procedures) requiring
25 anesthesia services in the previous year that did not exceed

1 800 (or such higher number as the Secretary determines
2 to be appropriate).”.

3 (c) EXCLUDED FROM MEDICAL AND OTHER HEALTH
4 SERVICES.—Section 1861(s)(1) of the Social Security Act
5 (42 U.S.C. 1395x(s)(1)) is amended by inserting “(other
6 than physicians’ services that are anesthesia services fur-
7 nished during a cost reporting period beginning on or after
8 the date that is 1 year after the date of the enactment
9 of the Medicare Access to Rural Anesthesiology Act by a
10 physician who is an anesthesiologist in a subsection (d)
11 hospital described in section 1886(d)(5)(N)(ii) or a critical
12 access hospital described in section 1861(mm)(4))” before
13 the semicolon.

14 (d) REGULATIONS.—The Secretary of Health and
15 Human Services shall revise the regulations promulgated
16 for purposes of section 1862(a)(14) of the Social Security
17 Act (42 U.S.C. 1395y(a)(14)) such that, for cost reporting
18 periods beginning on or after the date that is 1 year after
19 the date of the enactment of this section, such regulations
20 define the term “physicians’ services” to exclude physi-
21 cians’ services that are anesthesia services furnished by
22 a physician who is an anesthesiologist in—

23 (1) a subsection (d) hospital described in sub-
24 paragraph (N)(ii) of section 1886(d)(5) of such Act

1 (42 U.S.C. 1395ww(d)(5)), as added by subsection
2 (a); or
3 (2) a critical access hospital described in para-
4 graph (4) of section 1861(mm) of such Act (42
5 U.S.C. 1395x(mm)), as added by subsection (b).

