To amend title XVIII of the Social Security Act to revise certain physician self-referral exemptions relating to physician-owned hospitals.

IN THE HOUSE OF REPRESENTATIVES

Mr. Burgess introduced the following bill; which was referred to the Committee on

A BILL

To amend title XVIII of the Social Security Act to revise certain physician self-referral exemptions relating to physician-owned hospitals.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “___________ Act of 2023”.

[DISCUSSION DRAFT]

118TH CONGRESS
1ST SESSION

H. R. _______

October 12, 2023
SEC. 2. REVISIGN CERTAIN PHYSICIAN SELF-REFERRAL EXEMPTIONS RELATING TO PHYSICIAN-OWNED HOSPITALS.

(a) IN GENERAL.—Section 1877 of the Social Security Act (42 U.S.C. 1395nn) is amended—

(1) in subsection (d)—

(A) in paragraph (2)(C), by inserting “(other than a covered rural hospital (as defined in subsection (h)))” after “a hospital”; and

(B) in paragraph (3)(D), by inserting “in the case of a hospital other than a covered rural hospital (as defined in subsection (h)),” before “the hospital”; and

(2) in subsection (h), by adding at the end the following new paragraph:

“(8) COVERED RURAL HOSPITAL.—The term ‘covered rural hospital’ means a hospital that—

“(A) is located in a rural area (as defined in section 1886(d)(2)(D)) or is treated as being located in a rural area pursuant to section 1886(d)(8)(E); and

“(B) as of the date that such hospital enrolls under this title, is located more than a 35-mile drive (or, in the case of mountainous terrain or in areas with only secondary roads...
available, a 15-mile drive) from a hospital or a

critical access hospital.”.

(b) ALLOWING FOR EXPANSION OF EXISTING PHYSICI-
AN-OWNED HOSPITALS.—Section 1877(i) of the Social

Security Act (42 U.S.C. 1395nn(i)) is amended—

(1) in paragraph (1)(B), by striking “in para-

graph (3)” and inserting “in paragraphs (3) and

(7)”; and

(2) by adding at the end the following new

paragraph:

“(7) SUNSET OF EXPANSION PROHIBITION.—

The requirement described in paragraph (1)(B) shall

not apply beginning on the date of the enactment of

this paragraph.”.