H. R. ______

To phase out certain services designated as inpatient-only services under the Medicare program.

IN THE HOUSE OF REPRESENTATIVES

M. ______ introduced the following bill; which was referred to the Committee on __________________________

A BILL

To phase out certain services designated as inpatient-only services under the Medicare program.

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

SECTION 1. PHASE OUT OF INPATIENT-ONLY SERVICE LIST.

(a) DESIGNATION OF MUSCULOSKELETAL HOSPITAL SERVICES.—Beginning January 1, 2025, the Secretary of Health and Human Services (hereinafter referred to as the “Secretary”) may not refuse to designate a musculoskeletal hospital service as a hospital outpatient service
pursuant to section 1833(t)(1)(B)(i) of the Social Security Act (42 U.S.C. 1395l(t)(1)(B)(i)).

(b) Study and Report on Inpatient-Only Service List; Subsequent Designations.—

(1) Study of Inpatient-Only Service List.—Not later than January 1, 2026, the Secretary shall study and make publicly available on a website of the Department of Health and Human Services a report on hospital services designated as inpatient-only services pursuant to section 1833(t)(1)(B)(i) of the Social Security Act (42 U.S.C. 1395l(t)(1)(B)(i)) that were furnished to individuals entitled to benefits under part A of title XVIII of such Act in the 10 calendar years immediately preceding the date of enactment of this Act. Such report shall include an analysis of—

(A) clinical health outcomes and patient safety, including changes in patient health, function, quality of life, and mortality;

(B) provider autonomy, including the ability for physicians, health care providers, and suppliers to make clinical health care decisions reflecting the clinical judgment of such physician, provider, or supplier;
(C) patient out-of-pocket spending on such hospital services; and

(D) total spending under the Medicare program on hospital services designated as inpatient-only services pursuant to section 1833(t)(1)(B)(i) of such Act.

For purposes of collecting and evaluating the information required to complete the study and report under paragraph (1), the Secretary may utilize publicly available data, voluntary surveys of physicians, and other data sources as the Secretary determines necessary. To the extent possible, the Secretary shall collect the information described in subparagraphs (A) through (D) of paragraph (1) with respect to such hospital services furnished in an outpatient setting to individuals not entitled to benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), and may include such information in the report under paragraph (1) for purposes of data comparison.

(2) Subsequent designations.—Not later than January 1, 2027, the Secretary may not refuse to designate an outpatient hospital service pursuant to section 1833(t)(1)(B)(i) of the Social Security Act (42 U.S.C. 1395l(t)(1)(B)(i)) unless, based on
the results of the study conducted under paragraph (1), the Secretary determines there is conclusive clinical evidence that such service may not be performed safely in an outpatient setting.