

[DISCUSSION DRAFT]

118TH CONGRESS
1ST SESSION

H. R. _____

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.

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 “_____ Act
5 of 2023”.

1 **SEC. 2. REVISING CERTAIN PHYSICIAN SELF-REFERRAL EX-**
2 **EMPTIONS RELATING TO PHYSICIAN-OWNED**
3 **HOSPITALS.**

4 (a) IN GENERAL.—Section 1877 of the Social Secu-
5 rity Act (42 U.S.C. 1395nn) is amended—

6 (1) in subsection (d)—

7 (A) in paragraph (2)(C), by inserting
8 “(other than a covered rural hospital (as de-
9 fined in subsection (h)))” after “a hospital”;
10 and

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

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

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

19 “(A) is located in a rural area (as defined
20 in section 1886(d)(2)(D)) or is treated as being
21 located in a rural area pursuant to section
22 1886(d)(8)(E); and

23 “(B) as of the date that such hospital en-
24 rolls under this title, is located more than a 35-
25 mile drive (or, in the case of mountainous ter-
26 rain or in areas with only secondary roads

1 available, a 15-mile drive) from a hospital or a
2 critical access hospital.”.

3 (b) ALLOWING FOR EXPANSION OF EXISTING PHYSI-
4 CIAN-OWNED HOSPITALS.—Section 1877(i) of the Social
5 Security Act (42 U.S.C. 1395nn(i)) is amended—

6 (1) in paragraph (1)(B), by striking “in para-
7 graph (3)” and inserting “in paragraphs (3) and
8 (7)”; and

9 (2) by adding at the end the following new
10 paragraph:

11 “(7) SUNSET OF EXPANSION PROHIBITION.—
12 The requirement described in paragraph (1)(B) shall
13 not apply beginning on the date of the enactment of
14 this paragraph.”.