

established beginning with 2016, reduced expenditures attributable to the application of the quality incentives for computed tomography under section 1834(p)".

(b) PROMOTING EVIDENCE-BASED CARE.—

(1) IN GENERAL.—Section 1834 of the Social Security Act (42 U.S.C. 1395m), as amended by subsection (a), is amended by adding at the end the following new subsection:

“(q) RECOGNIZING APPROPRIATE USE CRITERIA FOR CERTAIN IMAGING SERVICES.—

“(1) PROGRAM ESTABLISHED.—

“(A) IN GENERAL.—The Secretary shall establish a program to promote the use of appropriate use criteria (as defined in subparagraph (B)) for applicable imaging services (as defined in subparagraph (C)) furnished in an applicable setting (as defined in subparagraph (D)) by ordering professionals and furnishing professionals (as defined in subparagraphs (E) and (F), respectively).

“(B) APPROPRIATE USE CRITERIA DEFINED.—In this subsection, the term ‘appropriate use criteria’ means criteria, only developed or endorsed by national professional medical specialty societies or other provider-led entities, to assist ordering professionals and furnishing professionals in making the most appropriate treatment decision for a specific clinical condition for an individual. To the extent feasible, such criteria shall be evidence-based.

“(C) APPLICABLE IMAGING SERVICE DEFINED.—In this subsection, the term ‘applicable imaging service’ means an advanced diagnostic imaging service (as defined in subsection (e)(1)(B)) for which the Secretary determines—

“(i) one or more applicable appropriate use criteria specified under paragraph (2) apply;

“(ii) there are one or more qualified clinical decision support mechanisms listed under paragraph (3)(C); and

“(iii) one or more of such mechanisms is available free of charge.

“(D) APPLICABLE SETTING DEFINED.—In this subsection, the term ‘applicable setting’ means a physician’s office, a hospital outpatient department (including an emergency department), an ambulatory surgical center, and any other provider-led outpatient setting determined appropriate by the Secretary.

“(E) ORDERING PROFESSIONAL DEFINED.—In this subsection, the term ‘ordering professional’ means a physician (as defined in section 1861(r)) or a practitioner described in section 1842(b)(18)(C) who orders an applicable imaging service.

“(F) FURNISHING PROFESSIONAL DEFINED.—In this subsection, the term ‘furnishing professional’ means a physician (as defined in section 1861(r)) or a practitioner described in section 1842(b)(18)(C) who furnishes an applicable imaging service.

“(2) ESTABLISHMENT OF APPLICABLE APPROPRIATE USE CRITERIA.—

Deadline.
Regulations.
Consultation.

“(A) IN GENERAL.—Not later than November 15, 2015, the Secretary shall through rulemaking, and in consultation with physicians, practitioners, and other stakeholders, specify applicable appropriate use criteria for applicable imaging services only from among appropriate use criteria developed or endorsed by national professional medical specialty societies or other provider-led entities.

“(B) CONSIDERATIONS.—In specifying applicable appropriate use criteria under subparagraph (A), the Secretary shall take into account whether the criteria—

“(i) have stakeholder consensus;

“(ii) are scientifically valid and evidence based;

and

“(iii) are based on studies that are published and reviewable by stakeholders.

Review.
Deadline.

“(C) REVISIONS.—The Secretary shall review, on an annual basis, the specified applicable appropriate use criteria to determine if there is a need to update or revise (as appropriate) such specification of applicable appropriate use criteria and make such updates or revisions through rulemaking.

“(D) TREATMENT OF MULTIPLE APPLICABLE APPROPRIATE USE CRITERIA.—In the case where the Secretary determines that more than one appropriate use criterion applies with respect to an applicable imaging service, the Secretary shall apply one or more applicable appropriate use criteria under this paragraph for the service.

“(3) MECHANISMS FOR CONSULTATION WITH APPLICABLE APPROPRIATE USE CRITERIA.—

“(A) IDENTIFICATION OF MECHANISMS TO CONSULT WITH APPLICABLE APPROPRIATE USE CRITERIA.—

“(i) IN GENERAL.—The Secretary shall specify qualified clinical decision support mechanisms that could be used by ordering professionals to consult with applicable appropriate use criteria for applicable imaging services.

“(ii) CONSULTATION.—The Secretary shall consult with physicians, practitioners, health care technology experts, and other stakeholders in specifying mechanisms under this paragraph.

“(iii) INCLUSION OF CERTAIN MECHANISMS.—Mechanisms specified under this paragraph may include any or all of the following that meet the requirements described in subparagraph (B)(ii):

“(I) Use of clinical decision support modules in certified EHR technology (as defined in section 1848(o)(4)).

“(II) Use of private sector clinical decision support mechanisms that are independent from certified EHR technology, which may include use of clinical decision support mechanisms available from medical specialty organizations.

“(III) Use of a clinical decision support mechanism established by the Secretary.

“(B) QUALIFIED CLINICAL DECISION SUPPORT MECHANISMS.—

“(i) IN GENERAL.—For purposes of this subsection, a qualified clinical decision support mechanism is a mechanism that the Secretary determines meets the requirements described in clause (ii).

“(ii) REQUIREMENTS.—The requirements described in this clause are the following:

“(I) The mechanism makes available to the ordering professional applicable appropriate use criteria specified under paragraph (2) and the supporting documentation for the applicable imaging service ordered.

“(II) In the case where there is more than one applicable appropriate use criterion specified under such paragraph for an applicable imaging service, the mechanism indicates the criteria that it uses for the service.

“(III) The mechanism determines the extent to which an applicable imaging service ordered is consistent with the applicable appropriate use criteria so specified.

“(IV) The mechanism generates and provides to the ordering professional a certification or documentation that documents that the qualified clinical decision support mechanism was consulted by the ordering professional.

“(V) The mechanism is updated on a timely basis to reflect revisions to the specification of applicable appropriate use criteria under such paragraph.

“(VI) The mechanism meets privacy and security standards under applicable provisions of law.

“(VII) The mechanism performs such other functions as specified by the Secretary, which may include a requirement to provide aggregate feedback to the ordering professional.

“(C) LIST OF MECHANISMS FOR CONSULTATION WITH APPLICABLE APPROPRIATE USE CRITERIA.— Deadlines.

“(i) INITIAL LIST.—Not later than April 1, 2016, the Secretary shall publish a list of mechanisms specified under this paragraph. Publication.

“(ii) PERIODIC UPDATING OF LIST.—The Secretary shall identify on an annual basis the list of qualified clinical decision support mechanisms specified under this paragraph.

“(4) CONSULTATION WITH APPLICABLE APPROPRIATE USE CRITERIA.—

“(A) CONSULTATION BY ORDERING PROFESSIONAL.— Beginning with January 1, 2017, subject to subparagraph (C), with respect to an applicable imaging service ordered by an ordering professional that would be furnished in an applicable setting and paid for under an applicable payment system (as defined in subparagraph (D)), an ordering professional shall— Effective date.

“(i) consult with a qualified decision support mechanism listed under paragraph (3)(C); and

Effective date.

“(ii) provide to the furnishing professional the information described in clauses (i) through (iii) of subparagraph (B).

“(B) REPORTING BY FURNISHING PROFESSIONAL.—Beginning with January 1, 2017, subject to subparagraph (C), with respect to an applicable imaging service furnished in an applicable setting and paid for under an applicable payment system (as defined in subparagraph (D)), payment for such service may only be made if the claim for the service includes the following:

“(i) Information about which qualified clinical decision support mechanism was consulted by the ordering professional for the service.

“(ii) Information regarding—

“(I) whether the service ordered would adhere to the applicable appropriate use criteria specified under paragraph (2);

“(II) whether the service ordered would not adhere to such criteria; or

“(III) whether such criteria was not applicable to the service ordered.

“(iii) The national provider identifier of the ordering professional (if different from the furnishing professional).

“(C) EXCEPTIONS.—The provisions of subparagraphs (A) and (B) and paragraph (6)(A) shall not apply to the following:

“(i) EMERGENCY SERVICES.—An applicable imaging service ordered for an individual with an emergency medical condition (as defined in section 1867(e)(1)).

“(ii) INPATIENT SERVICES.—An applicable imaging service ordered for an inpatient and for which payment is made under part A.

“(iii) SIGNIFICANT HARDSHIP.—An applicable imaging service ordered by an ordering professional who the Secretary may, on a case-by-case basis, exempt from the application of such provisions if the Secretary determines, subject to annual renewal, that consultation with applicable appropriate use criteria would result in a significant hardship, such as in the case of a professional who practices in a rural area without sufficient Internet access.

“(D) APPLICABLE PAYMENT SYSTEM DEFINED.—In this subsection, the term ‘applicable payment system’ means the following:

“(i) The physician fee schedule established under section 1848(b).

“(ii) The prospective payment system for hospital outpatient department services under section 1833(t).

“(iii) The ambulatory surgical center payment systems under section 1833(i).

“(5) IDENTIFICATION OF OUTLIER ORDERING PROFESSIONALS.—

Effective date.
Determination.

“(A) IN GENERAL.—With respect to applicable imaging services furnished beginning with 2017, the Secretary shall determine, on an annual basis, no more than five percent

of the total number of ordering professionals who are outlier ordering professionals.

“(B) OUTLIER ORDERING PROFESSIONALS.—The determination of an outlier ordering professional shall—

“(i) be based on low adherence to applicable appropriate use criteria specified under paragraph (2), which may be based on comparison to other ordering professionals; and

“(ii) include data for ordering professionals for whom prior authorization under paragraph (6)(A) applies.

“(C) USE OF TWO YEARS OF DATA.—The Secretary shall use two years of data to identify outlier ordering professionals under this paragraph.

“(D) PROCESS.—The Secretary shall establish a process for determining when an outlier ordering professional is no longer an outlier ordering professional.

“(E) CONSULTATION WITH STAKEHOLDERS.—The Secretary shall consult with physicians, practitioners and other stakeholders in developing methods to identify outlier ordering professionals under this paragraph.

“(6) PRIOR AUTHORIZATION FOR ORDERING PROFESSIONALS WHO ARE OUTLIERS.—

“(A) IN GENERAL.—Beginning January 1, 2020, subject to paragraph (4)(C), with respect to services furnished during a year, the Secretary shall, for a period determined appropriate by the Secretary, apply prior authorization for applicable imaging services that are ordered by an outlier ordering professional identified under paragraph (5).

Effective date.

“(B) APPROPRIATE USE CRITERIA IN PRIOR AUTHORIZATION.—In applying prior authorization under subparagraph (A), the Secretary shall utilize only the applicable appropriate use criteria specified under this subsection.

“(C) FUNDING.—For purposes of carrying out this paragraph, the Secretary shall provide for the transfer, from the Federal Supplementary Medical Insurance Trust Fund under section 1841, of \$5,000,000 to the Centers for Medicare & Medicaid Services Program Management Account for each of fiscal years 2019 through 2021. Amounts transferred under the preceding sentence shall remain available until expended.

“(7) CONSTRUCTION.—Nothing in this subsection shall be construed as granting the Secretary the authority to develop or initiate the development of clinical practice guidelines or appropriate use criteria.”

(2) CONFORMING AMENDMENT.—Section 1833(t)(16) of the Social Security Act (42 U.S.C. 1395l(t)(16)) is amended by adding at the end the following new subparagraph:

“(E) APPLICATION OF APPROPRIATE USE CRITERIA FOR CERTAIN IMAGING SERVICES.—For provisions relating to the application of appropriate use criteria for certain imaging services, see section 1834(q).”

(3) REPORT ON EXPERIENCE OF IMAGING APPROPRIATE USE CRITERIA PROGRAM.—Not later than 18 months after the date of the enactment of this Act, the Comptroller General of the United States shall submit to Congress a report that includes

a description of the extent to which appropriate use criteria could be used for other services under part B of title XVIII of the Social Security Act (42 U.S.C. 1395j et seq.), such as radiation therapy and clinical diagnostic laboratory services.

SEC. 219. USING FUNDING FROM TRANSITIONAL FUND FOR SUSTAINABLE GROWTH RATE (SGR) REFORM.

Section 1898(b)(1) of the Social Security Act (42 U.S.C. 1395iii(b)(1)) is amended by striking “\$2,300,000,000” and inserting “\$0”.

SEC. 220. ENSURING ACCURATE VALUATION OF SERVICES UNDER THE PHYSICIAN FEE SCHEDULE.

(a) **AUTHORITY TO COLLECT AND USE INFORMATION ON PHYSICIANS’ SERVICES IN THE DETERMINATION OF RELATIVE VALUES.—**

(1) **IN GENERAL.—**Section 1848(c)(2) of the Social Security Act (42 U.S.C. 1395w–4(c)(2)) is amended by adding at the end the following new subparagraph:

“(M) **AUTHORITY TO COLLECT AND USE INFORMATION ON PHYSICIANS’ SERVICES IN THE DETERMINATION OF RELATIVE VALUES.—**

“(i) **COLLECTION OF INFORMATION.—**Notwithstanding any other provision of law, the Secretary may collect or obtain information on the resources directly or indirectly related to furnishing services for which payment is made under the fee schedule established under subsection (b). Such information may be collected or obtained from any eligible professional or any other source.

“(ii) **USE OF INFORMATION.—**Notwithstanding any other provision of law, subject to clause (v), the Secretary may (as the Secretary determines appropriate) use information collected or obtained pursuant to clause (i) in the determination of relative values for services under this section.

“(iii) **TYPES OF INFORMATION.—**The types of information described in clauses (i) and (ii) may, at the Secretary’s discretion, include any or all of the following:

“(I) Time involved in furnishing services.

“(II) Amounts and types of practice expense inputs involved with furnishing services.

“(III) Prices (net of any discounts) for practice expense inputs, which may include paid invoice prices or other documentation or records.

“(IV) Overhead and accounting information for practices of physicians and other suppliers.

“(V) Any other element that would improve the valuation of services under this section.

“(iv) **INFORMATION COLLECTION MECHANISMS.—**Information may be collected or obtained pursuant to this subparagraph from any or all of the following:

“(I) Surveys of physicians, other suppliers, providers of services, manufacturers, and vendors.

“(II) Surgical logs, billing systems, or other practice or facility records.

“(III) Electronic health records.