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(Original Signature of Member)

110TH CONGRESS  
1ST SESSION

# H. R.

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To amend the Internal Revenue Code of 1986 to allow a bad debt deduction to doctors to partially offset the cost of providing uncompensated care required to be provided under the amendments made by the Emergency Medical Treatment and Labor Act.

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## IN THE HOUSE OF REPRESENTATIVES

Mrs. BONO introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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# A BILL

To amend the Internal Revenue Code of 1986 to allow a bad debt deduction to doctors to partially offset the cost of providing uncompensated care required to be provided under the amendments made by the Emergency Medical Treatment and Labor Act.

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 “Mitigating the Impact  
5 of Uncompensated Service and Time Act of 2007”.

1 **SEC. 2. BAD DEBT DEDUCTION FOR DOCTORS TO PAR-**  
2 **TIALLY OFFSET THE COST OF PROVIDING UN-**  
3 **COMPENSATED CARE REQUIRED TO BE PRO-**  
4 **VIDED UNDER AMENDMENTS MADE BY THE**  
5 **EMERGENCY MEDICAL TREATMENT AND**  
6 **LABOR ACT.**

7 (a) IN GENERAL.—Section 166 of the Internal Rev-  
8 enue Code of 1986 (relating to bad debts) is amended by  
9 redesignating subsection (f) as subsection (g) and by in-  
10 serting after subsection (e) the following new subsection:

11 “(f) BAD DEBT TREATMENT FOR DOCTORS TO PAR-  
12 TIALLY OFFSET COST OF PROVIDING UNCOMPENSATED  
13 CARE REQUIRED TO BE PROVIDED.—

14 “(1) AMOUNT OF DEDUCTION.—

15 “(A) IN GENERAL.—For purposes of sub-  
16 section (a), the basis for determining the  
17 amount of any deduction for an eligible  
18 EMTALA debt shall be treated as being equal  
19 to the Medicare payment amount.

20 “(B) MEDICARE PAYMENT AMOUNT.—For  
21 purposes of subparagraph (A), the Medicare  
22 payment amount with respect to an eligible  
23 EMTALA debt is the fee schedule amount es-  
24 tablished under section 1848 of the Social Secu-  
25 rity Act for the physicians’ service (to which  
26 such debt relates) as if the service were pro-

1           vided to an individual enrolled under part B of  
2           title XVIII of such Act.

3           “(2) ELIGIBLE EMTALA DEBT.—For purposes  
4           of this section, the term ‘eligible EMTALA debt’  
5           means any debt if—

6                   “(A) such debt arose as a result of physi-  
7                   cians’ services—

8                           “(i) which were performed in an  
9                           EMTALA hospital by a board-certified  
10                          physician (whether as part of medical  
11                          screening or necessary stabilizing treat-  
12                          ment and whether as an emergency depart-  
13                          ment physician, as an on-call physician, or  
14                          otherwise), and

15                           “(ii) which were required to be pro-  
16                          vided under section 1867 of the Social Se-  
17                          curity Act (42 U.S.C. 1395dd), and

18                          “(B) such debt is owed—

19                                   “(i) to such physician, or

20                                   “(ii) to an entity if—

21   “(I) such entity is a corporation  
22   and the sole shareholder of such cor-  
23   poration is such physician, or

24   “(II) such entity is a partnership  
25   and any deduction under this sub-

1 section with respect to such debt is al-  
2 located to such physician or to an en-  
3 tity described in subclause (I).

4 “(3) BOARD-CERTIFIED PHYSICIAN.—For pur-  
5 poses of this subsection, the term ‘board-certified  
6 physician’ means any physician (as defined in sec-  
7 tion 1861(r) of the Social Security Act (42 U.S.C.  
8 1395x(r)) who is certified by the American Board of  
9 Emergency Medicine or other appropriate medical  
10 specialty board for the specialty in which the physi-  
11 cian practices, or who meets comparable require-  
12 ments, as identified by the Secretary of the Treasury  
13 in consultation with Secretary of Health and Human  
14 Services.

15 “(4) OTHER DEFINITIONS.—For purposes of  
16 this subsection—

17 “(A) EMTALA HOSPITAL.—The term  
18 ‘EMTALA hospital’ means any hospital having  
19 a hospital emergency department which is re-  
20 quired to comply with section 1867 of the So-  
21 cial Security Act (42 U.S.C. 1395dd) (relating  
22 to examination and treatment for emergency  
23 medical conditions and women in labor).

24 “(B) PHYSICIANS’ SERVICES.—The term  
25 ‘physicians’ services’ has the meaning given

1           such term in section 1861(q) of the Social Se-  
2           curity Act (42 U.S.C. 1395x(q)).”.

3       (b) **EFFECTIVE DATE.**—The amendments made by  
4 this section shall apply to debts arising from services per-  
5 formed in taxable years beginning after the date of the  
6 enactment of this Act.