

Part B Insider (Multispecialty) Coding Alert

LEGISLATION: Medicare Escapes Narrowly From Cuts

The Medicare program has made a narrow escape from huge budget cuts proposed by Republican leadership in the House of Representatives.

In its 2004 budget resolution, which is the blueprint for final budget negotiations later in the session, Republican lawmakers at first proposed more than \$200 billion in cuts to Medicare spending and more than \$110 billion in cuts to Medicaid spending. They also proposed a \$400 billion prescription drug benefit.

After outcry from legislators including moderate Republicans, leadership revised the resolution to eliminate the Medicare cuts. But the Medicaid cuts stayed in place and passed in the March 20 vote approving the measure 215 to 212.

Observers predict the Senate resolution won't include the Medicaid cuts, and they'll be dropped in negotiations between the two chambers.