

## Part B Insider (Multispecialty) Coding Alert

### MEDICARE OVERHAUL: Physicians, Brace Yourselves for Medicare Reform

A Medicare reform plan could pass as soon as this summer, but you're not likely to see the mass exodus to private health plans that the Bush administration had in mind.

Bills may include a PPO option with slightly enhanced benefits such as more catastrophic or preventive-care coverage. But with Grassley and Baucus already producing a draft bill that contains both of the White House's big drug no-nos - private plans offering drug-only coverage and an equal prescription-drug benefit for all beneficiaries - it looks as if **President Bush** will have to bend if he is to sign a bill.

What will happen in Congress is itself unclear. For one thing, neither Republicans nor Democrats are likely to happily sign on wholesale to the Finance bill. Fueled by administration criticism of past Medicare overhaul plans, as well as cost concerns, conservative Republicans in both houses have been aggressive this year about espousing the administration's comprehensive private plan approach and are seeking ways to strictly curtail costs. Ideas such as asking higher-income beneficiaries to pay more for care, phasing in a drug benefit slowly starting with low-income beneficiaries, and raising the Medicare eligibility age continue to surface.

It's "very difficult" to gather Republicans around a bipartisan bill, said Grassley at a June 5 press conference unveiling the Finance package. He added that he "can't claim" he has unified support even among Finance's GOP members.

Democrats, meanwhile, may continue to argue that the benefit is too small. And some may balk at voting for legislation that could give the president a leg up for re-election in 2004.

Nevertheless, Baucus said on June 5 that there are a "good number of Democrats on and off the Committee that will support" the bipartisan plan.

Asked about the White House stance at a June 2 press briefing, **Centers for Medicare and Medicaid Services** Administrator **Tom Scully** continued to straddle the fence. The administration still "feels very strongly" about having different drug benefits in traditional Medicare and in private plans and about avoiding drug-only plans, he said. He added, nevertheless: "I think we're doing great on the Hill."