

Part B Insider (Multispecialty) Coding Alert

Medicare Reform: Medicare Bill Gathers Momentum

AMA, AARP campaigns set to move ball past goal

By the time you read this, the Medicare reform bill may already have passed. After conference negotiators unveiled their final legislative language on Nov. 20, observers predicted a speedy passage for the bill.

HHS Secretary Tommy Thompson told a meeting of the National Press Club that "every day, every hour, we're getting closer" and supporters are now "at the five-yard line." He predicted the bill would pass with a comfortable majority, because he "can't believe" Congress would "leave \$400 billion on the table."

The legislation's success may have been sealed when the American Association of Retired Persons not only endorsed the bill but mounted a heavy campaign for its passage. The American Medical Association and American College of Physicians also came out strongly for the bill.

It's probably too soon to tell, long-term, how some provisions of the bill will affect physicians' bottom line, such as the "premium support" provision that will involve up to 15 percent of Medicare beneficiaries in managed-care plans, plus a provision that calls for possible cuts if Part B spending rises too fast.

But even with this uncertainty, supporting the bill made sense for physician associations, says **Rich Trachtman**, ACP director of congressional affairs. "It's kind of premature to say just how it'll all play as far as what effect it'll have on physicians," but the 1.5 percent increase and other benefits are a "tangible" benefit, he says.

He cites electronic prescriptions with voluntary standards, regulatory reform, increases in payments for teaching hospitals and preventive care as provisions that please physicians in the new bill. Weighed against all those gains, the potential for more managed care seems less important, he argues.

The managed-care provisions in the bill are "more likely to be an issue when those legislative battles come up in the future," says attorney **Chris Crosswhite** with Duane Morris in Washington. Associations are looking at the immediate future, including avoiding next year's 4.5 percent cut. "The premium support provision is fairly limited and, I think, to proponents of that approach, is somewhat disappointing," Crosswhite says. Physician groups may see it as another demonstration project that may not go very far, and in any case it won't have much impact unless Congress acts further to expand on it, he says.