

Part B Insider (Multispecialty) Coding Alert

REGULATORY NEWS: Lawmakers Agree to 2009 Budget Plan Without Medicare Cuts

Plan would create budget surplus by 2012 without Medicare cuts--but June -08 cuts are left hanging

Lawmakers on Capitol Hill seem to have Medicare budget concerns on their minds this week, with a surprising budget plan that reveals no cuts to the Medicare program.

Both the House of Representatives and the Senate agreed earlier this week to a \$3.07 trillion budget conference agreement for 2009.

Notably absent from the budget agreement were several steep Medicare cuts that President Bush had requested earlier this year when he proposed his \$3.1 trillion budget. Instead, the agreement doesn't put into place the \$178 billion in cuts that the president had asked to trim from Medicare over the next five years.

-This most likely means that President Bush's original plan to link Medicare drug premiums to the beneficiaries' salaries will no longer happen, which is great news,- says **Heather Corcoran** with **CGH Billing** in Louisville, Ky. -This will open up some dialogue about logical places to save money in the budget, rather than taking from Medicare.-

In addition, the figures outlined allow the federal budget to return to a surplus by 2012, and stay at a surplus in 2013.

-This is a significant achievement,- said Senate Budget Committee Chairman **Kent Conrad** (D-N.D.) in a statement. -This is a fiscally responsible plan that returns the budget to balance.-

As of press time, the Senate and House had not yet voted on the budget, but the vote was expected to take place within the next few days. Keep an eye on the Insider for more on the 2009 budget.

June -08 Pay Cut Still Not Resolved

The 2009 budget blueprint does not address what will happen to the 10.1 percent Medicare pay cut that's due to hit physicians on July 1.

Lawmakers intended to hammer out an agreement to halt the rate cuts by the Hill's Memorial Day recess, but were unable to reach a bipartisan consensus, said **Senate Finance Committee Chair Max Baucus (D-Mont.)** in a May 21 statement.

Baucus intends to craft his own legislation that boosts Medicare pay for an additional 18 months and expects to have it on the Senate floor for a vote by early June, according to his May 21 statement.