

Part B Insider (Multispecialty) Coding Alert

REIMBURSEMENT: You May Not Have To Cut Costs Next Year After All

But you could have incentives to report quality information

Good news: Congress moved at the very last minute to avert a 5.1-percent cut to physician reimbursement under Medicare that was supposed to take effect in January.

At press time, House and Senate negotiators had agreed to a deal to cancel the Medicare physician cuts as part of a package of popular tax breaks that Congress needed to extend by year's end. Legislators were still hammering out the details of the agreement.

It remained possible that some Senators might try to block the bill because of some other controversial provisions, such as normalization of trade status for Vietnam. Sen. **Judd Gregg** (R-NH) was rumored to want to put the kibosh on the bill because of its high price tag and a provision to provide health benefits to coal workers, according to the Associated Press. Senate rules allowed any Senator to force delays in a bill's passage, which would kill the bill.

Important: The compromise bill would find money to pay for the costs of restoring your pay to 2006 levels, Rep. **Bill Thomas** (R-CA) told Reuters. The Senate had insisted on finding legitimate funding for this pay freeze, while the House had wanted to push the costs into next year. That could have led to a startling 10-percent cut for your 2008 payments.

Pay for reporting: The Senate version of the bill included a provision to pay you an extra 1.5 percent for reporting quality information, according to a summary posted on the **Senate Finance Committee** Web site. You would have to report -consensus quality measures---such as the 151 measures the **American Medical Association** came up with--to receive the 1.5-percent boost between July and December next year.

Not all of the incoming Democrats are as enthusiastic about pay for performance (P4P) as the Republicans. Rep. **Fortney -Pete- Stark** (D-CA) said recently that he remains unconvinced about P4P's cost-saving value, and he doesn't believe low-quality providers should receive any Medicare reimbursement whatsoever.

The Senate bill also extended a provision paying for the technical component (TC) of some physician pathology services, extended a payment -floor- on the Medicare Work Geographic Adjustment to increase rural providers- payments, and extended the Medicare wage index for rural providers located near cities.