

Eli's Rehab Report

Industry News: Bank On 2010's Pay Rate In 2011

New legislation pushes pay cut back to 2012.

Worried about the 25-percent cut to Medicare rates set to take effect Jan. 1? Relax -- you have a one-year reprieve.

On Wednesday, Dec. 15, President Obama signed the Medicare and Medicaid Extenders Act of 2010, a one-year "doc fix" bill that averts the rate cut. Lawmakers drew funds for the fix from other parts of the health care reform law's provisions instead of other Medicare providers' reimbursement rates.

Important: The legislation extends the therapy cap exceptions process, which affects patients receiving outpatient therapy from home health agencies under Part B. (Patients receiving therapy under a home health plan of care are not affected by the \$1,860 cap.)

Bottom line: "Providers of therapy services will be reimbursed at the same rate in 2011 as they were in 2010" except for the negative impact (4- to 6-percent pay reduction) that will result from the Multiple Procedure Payment Reduction policy, says **Rick Gawenda**, president of **Gawenda Seminars & Consulting** in Detroit.