

Eli's Rehab Report

NEWS BRIEFS: House Takes a Swing at Medicare Cuts -- For Years to Come

A longer-term lifeboat for your 2010 Medicare pay is broaching the horizon. On Nov. 19, the House of Representatives voted 243-183 to stop a 21.2 percent cut to Medicare payments taking effect on January 1, 2010, according to PT Bulletin Online. The bill would also update the 2010 physician fee schedule conversion factor by the 1.2 percent increase in the Medicare Economic Index.

But this bill calls for more than just the usual year-end Band-aid. The Medicare Physician Payment Reform Act of 2009 (HR 3961) mandates annual updates beginning in 2011 determined by a new sustainable growth rate (SGR) methodology with two categories of physician services:

- Evaluation and management services and Medicare-covered preventive services (updated annually by the gross domestic product plus 2 percent)
- All other services (updated annually by the gross domestic product plus 1 percent).

These two categories would have separate allowed expenditure targets, update adjustment factors, and conversion factors, the Bulletin explained.

Important: The Senate still must review and vote on this legislation. Meanwhile, the Senate is addressing short-term fixes to Medicare cuts in its overall health care reform legislation (see story below).