

Eli's Rehab Report

NEWS BRIEFS: Legislation--SCHIP Stirs the Healthcare Pot

Just because Congress is officially on recess doesn't mean there's not a lot to keep your eye on regarding the SCHIP bill.

This highly controversial piece of legislation--which happens to spell a lot of good news for rehab providers--is being pulled in many different directions, even within the medical community. The Bush administration and Congress have continued to wrangle over the State Children's Health Insurance Program (SCHIP) this month, with President Bush again threatening a veto of Congress' CHAMP legislation reauthorizing and expanding SCHIP.

Democrats have launched radio and phone campaigns criticizing Republicans' votes on the SCHIP bill, and the Bush administration has set new requirements for SCHIP expansion that has left states fuming.

The good news: Lucky for rehab providers, the House's SCHIP bill proposes

- halting the scheduled 10 percent cut to the 2008 Medicare fee schedule rates and providing two years of positive updates (0.5 percent in 2008, and 0.5 percent in 2009)
- extending the Medicare therapy cap exceptions process for two years
- allowing private-practice speech-language pathologists to bill Medicare directly (H.R. 1774 and S. 45)
- freezing further implementation of Medicare's "75 Percent Rule" on inpatient rehabilitation facilities.

The bad news: APTA has expressed concern about some of the language that categorizes the type of provider therapists are in the Physician Fee Schedule (see Physical Medicine & Rehab Coding Alert Vol. 8, No. 10 for more information). In addition, if you're in a home health setting, SCHIP calls for a Medicare payment rate freeze for HHAs in 2008, a reinstatement of the 5 percent rural add-on, oxygen payment cuts, and elimination of the first-month purchase option for power wheelchairs.

The National Association for Home Care & Hospice and the Visiting Nurse Associations of America are fighting back with a joint letter to congressional heads decrying the HHA cuts included in the House bill. If CMS implements the rate freeze and payment cut for supposed case mix creep, "more than 46 percent of home health agencies will be paid less than their cost of providing care to Medicare beneficiaries by 2010," the letter from NAHC and the VNAA warns.

The tipping point: Until Congress returns from recess--and the Senate decides whether or not to include Medicare provisions in its version of the bill--it will be hard to predict an outcome. But experts predict that Senate lawmakers are likely to consider a Medicare package in mid-September.

Meanwhile, you should be contacting your professional associations to learn the pros and cons of SCHIP in your settings--and then contacting your representatives with your opinion.