

House Medicare Improvements for Patients and Providers Act of 2008

S. 3101(Baucus) is the base bill, and provides:

- Physician fix – prevents 10.6% pay-cut, provides payment freeze for 2008, and 1.1 % update for 2009;
- Improvements and extension of payments to rural providers;
- Beneficiary investments (\$4 billion over 5 years; \$16.6 billion over ten years) such as increasing asset levels to help more beneficiaries qualify for premium assistance, Medicare mental health parity and increased coverage for preventive services;
- Additional provisions for pharmacies, dialysis patients and providers, community health centers, ambulances, rural providers, e-prescribing, psychologists, social workers and others;
- Offsets including a balance between Medicare Advantage IME cuts and Private-Fee-for-Service changes that impact network requirements, not payment levels.

Includes Improvements to the Baucus Bill:

- Adds Stark-Camp-Rangel-Dingell-Pallone-Boehner provisions that postpone competitive bidding for durable medical equipment (DME);
- Eliminates cuts to oxygen and wheelchairs.

To pay for these improvements, the bill:

- Takes \$1.1 billion from Medicare Improvement Fund (this is a new fund the Senate created for the Secretary to make improvements to the Medicare fee-for-service program in the future.);
- Includes Medicare Payment Levy which makes sure Medicare providers are not delinquent on taxes;
- Includes County-Organized Health System update (allows certain County-run Medicaid health systems to increase enrollment);
- Drops physician scarcity bonus for primary care from S. 3101;
- Drops premium offset from S. 3101;
- Shortens length of extension for Transitional Medicaid Assistance and Abstinence Education from 18 months to 12 months;
- Includes coverage of barbiturates and benzodiazepines under Part D like S. 3101 but begins in 2013, same timing as in the CHAMP Act.