

Medicare Cut Reprieve

BUT CONGRESS WILL HAVE TO TACKLE THE ISSUE AGAIN IN JUNE.

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In a move repeated every year since 2003, Congress has once again enacted a last-minute bailout for proposed Medicare cuts in physician payments. Congress held off a proposed 10 percent cut to the Medicare Physician Fee Schedule until the end of June 2008. The new rule will instead result in a 0.5 percent increase in payments for those first six months.

Because physician Medicare payments vary by region and specialty, this is a good news/bad news scenario. Under a 10 percent schedule cut, chiropractors would have faced an overall 12 percent reduction in payments, according to the American Chiropractic Association (ACA). However, because of this last-minute congressional reprieve, DCs will only see a 1.5 percent cut in payment for Medicare services.

ACA President Dr. Glenn Manceaux told the press that this move, while a good short-term solution, does not solve the larger problem: "The ACA is pleased that Congress has at least temporarily halted this portion of the upcoming cuts in physician Medicare payments. We will, however, continue to lobby on behalf of our members for fair reimbursement for doctors of chiropractic under Medicare. Congress and the Department of Health and Human Services must find a permanent solution to the problems with the physician fee schedule, because ultimately, those most affected by this annual dilemma are our patients."

	Medicare Formula	Actual Update	MEI
2003	-5.7%	1.7%	3.0%
2004	-4.4%	1.5%	2.9%
2005	-1.7%	1.5%	3.1%
2006	-4.4%	0.2%	2.8%
2007	-5.0%	0.0%	2.1%
2008	-10.1%	0.5%	1.8%

Once this stop-gap runs out in June, Congress will have to regroup to once again tackle the thorny

issue of keeping budgets under control while at the same time not leaving seniors or the disabled without access to health care.

Resources

1. American Chiropractic Association. "Congress Halts Select Medicare Payment Cuts; DCs Will Experience Small Reductions." Available [here](#).
2. AMA Medical News. "It's Official: 10.1% Medicare Pay Cut for Physicians Unless Congress Acts." Available [here](#).
3. Massachusetts Medical Society. "2008 Medicare Physician Payment Rates: What to Expect in Your Practice." Available [here](#).

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