

Congress Slams Door on Latest Medicare Fee Cut

Editorial Staff

After delaying the daunting 21.2 percent Medicare fee cut twice this year, [first until March 1](#) and then until June 1, Congress waited until well past the last minute - 23 days after the reimbursement cut technically went into effect, in fact - to pass legislation delaying the cut until December and giving providers a 2.2 percent fee increase instead. President Obama immediately signed the legislation into law, two days after the House of Representatives passed the bill following similar approval by the Senate a week earlier.

The legislation is retroactive to the implementation deadline of June 1, which should come as a relief to providers who submitted claims after June 17. While Medicare delayed implementation of the cut for several weeks after the June 1 implementation deadline passed without definitive congressional action, contractors then began paying claims at the reduced rate per Medicare instructions. With the legislation retroactive, providers reimbursed at the reduced rate can contact their Medicare provider to have claims reprocessed at the new (2.2 percent higher) rate.



**NO MEDICARE
FEE CUT...YET!**

Of course, Dec. 1 is right around the corner considering how quickly Congress generally acts and the specific steps that must be taken to avert the next and future fee increases, as determined by the much-maligned Sustainable Growth Rate (SGR) formula. The SGR formula ties Medicare reimbursement to the U.S. gross domestic product, modifying provider payments on an annual basis. For years, chiropractors and other providers who care for Medicare patients have faced annual cuts, but Congress has always stepped in, delaying each scheduled cut for a few months or more (and occasionally replacing the cut with a slight increase in reimbursement). This year has been no different, with Congress delaying the 21.2 percent cut three times thus far.

Health care providers across all disciplines have criticized the SGR formula as inaccurate and inappropriate while calling for a long-term solution. Moreover, while congressional action has been effective at delaying the cuts, the result is that providers face an increasingly significant cut with each passing year. Thus far, attempts to pass legislation repealing the SGR formula and replacing it with a more prudent method of determining Medicare fee rates have proven unsuccessful. For example, in October 2009, Sen. Debbie Stabenow (D-Mich.) introduced the [Medicare Physician Fairness Act of 2009](#) (S.1776), legislation intended to "amend title XVIII of the Social Security Act to provide for the update under the Medicare physician fee schedule for years beginning with 2010 and to sunset the application of the sustainable growth rate formula." The bill, which received support from the American Chiropractic Association and a number of other health care provider organizations, [never made it to a full vote in the Senate or House](#).

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