



For Immediate Release
December 8, 2010

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REID, MCCONNELL, BAUCUS, GRASSLEY HAIL SENATE PASSAGE OF BILL TO ENSURE SENIORS, MILITARY FAMILIES CONTINUE ACCESS TO HIGH-QUALITY DOCTORS

Senate Leaders' Bill Would Fix Medicare Physician Payment Formula to Ensure Doctors Can Continue Seeing Medicare, Tricare Patients

Washington, DC – Senate Majority Leader Harry Reid (D-Nev.), Minority Leader Mitch McConnell (R-Ky.), Finance Committee Chairman Max Baucus (D-Mont.) and Ranking Member Chuck Grassley (R-Iowa) today applauded Senate passage of legislation extending through 2011 a fix to the Medicare physician payment formula to ensure seniors and military families can be confident they will be able to continue seeing their doctors. The legislation would ensure Medicare and Tricare, the health care program for active-duty service members, National Guard and Reserve members, retirees and their families, will continue to pay physicians who participate in those programs at current levels.

“This bipartisan agreement gives peace of mind to seniors and military families in Nevada and across the nation,” said Senator Reid. **“We ensured that our seniors and veterans can continue seeing their doctors and getting the treatment they need. I appreciate the leadership of Chairman Baucus and Ranking Member Grassley for leading the effort to work across the aisle and reach this common-sense solution.”**

“I’m encouraged that we were able to work together in a bipartisan way and protect access to care for America’s 45 million Medicare beneficiaries in a fiscally responsible manner,” said Senator McConnell. **“This bipartisan accomplishment will help ensure that Kentucky’s seniors and military personnel and their families won’t be denied access to their doctors as a result of inaction in Washington. I’m pleased that the White House is supportive and I hope our colleagues in the House will take up this measure and pass it promptly.”**

“We worked together on this longer-term solution to give seniors and military families in Montana and across the country the peace of mind of knowing they still will be able to see their doctors and get the medicine they need,” said Senator Baucus. **“This bill provides the security patients deserve and the certainty doctors need, ensuring seniors and military families have access to the doctors they know and trust.”**

“With a double-digit payment cut, some doctors would stop seeing Medicare and Tricare patients,” Senator Grassley said. **“This bipartisan legislation will help to ensure that older Americans and military families can continue to get quality health care.”**

The bill, the Medicare and Medicaid Extenders Act of 2010, would avoid a 25-percent cut to Medicare physician payments under the Sustainable Growth Rate (SGR) formula that would otherwise go into effect on January 1, 2011. The proposal also includes extensions of other expiring health care provisions, including protections for rural hospitals and doctors, Transitional Medical Assistance and the Special Diabetes Program. The legislation would be paid for by modifying the policy regarding overpayments of the health care affordability tax credit. This policy does not change the tax credits for which people are eligible based on their income. Instead, the proposal would change the way people pay back overpayments when they have received more credit than they are eligible for because, for example, they earned more money than expected in a given year.

Under current law there is a flat cap of \$250 for individuals and \$400 for families on the amount of the health care affordability tax credit people are required to pay back when they received an overpayment. This payback cap is the same for people earning 160 percent of the federal poverty level and 360 percent of the federal poverty level. Under this proposal for correcting overpayments, the cap on the payback amount would be on a sliding scale based on the income of the recipient of the tax credit, making the policy fairer to both recipients and all taxpayers.

The Finance Committee has jurisdiction over the Medicare program and the physician payment formula, which also sets payment levels for the Tricare program. A summary and legislative text of the Medicare and Medicaid Extenders Act of 2010 can be found on the Finance Committee website <http://finance.senate.gov/legislation/>. The legislation must now be passed by the House and signed into law by the President.

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