

**ESTIMATED BUDGET
EFFECTS OF THE
BALANCED BUDGET
ADJUSTMENT ACT
OF 1999
Fiscal Years 2000 -
2009
[Billions of Dollars]**

PROVISION	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2000-04	2000-09
Dialysis: 2.4% increase in composite rate, effective FY01	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.8
HOPD stop loss: 90%, 85%, 80%	0.1	0.3	0.3	0.3	0.2	0.1	0.1	0.1	0.1	0.1	1.2	1.8
HOPD: Interaction from reclassifying urban hospitals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
HH: delay 15% reduction until PPS, then phase-in over 3 years	0.0	0.7	0.5	0.1	0.0	0.0	0.0	0.0	0.0	0.0	1.3	1.3
HH: per-visit limit @ 108% of median, retroactive to 10/01/99	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.2
HH: eliminate 15-minute reporting rule	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
HH: exclude DME from consolidated billing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SNF: 7.5% add-on Special Care and Extensive Service RUGs	0.0	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.5	1.5
SNF: Part-B add-on	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SNF: better of fed or transition rate	0.1	0.3	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.6	0.6
Therapy: single \$3500 cap	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.7	1.7
Physicians: SGR and practice expense	Costs/saves less than 50 million/yr, budget neutral over 5 & 10 yrs										0.0	0.0
Hospitals: Update MDH & SCH @ medical market basket	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.7
Hospitals: 96-hour average length of stay for CAHs	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.4
Hospitals: reclassify urban hospitals as rural	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Hospice: Update = Market basket - 0.5%, FY2000-2002	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.2	0.4
Hospice: GAO study	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
IME: 6.5% in 2000-03; 5.5% in 2004 and thereafter	0.2	0.5	0.5	0.5	0.1	0.0	0.0	0.0	0.0	0.0	1.8	1.8
HMO cost contracts: extend to FY04, no new after FY03	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DSH recoupment: suspend one year & recoup over ten	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0
M+C: risk adjustment phase-in (10/10/20/30/55/80/100)	0.0	0.2	0.3	0.5	0.6	0.3	0.1	0.0	0.0	0.0	1.6	2.0
M+C: Evercare	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
M+C: Extend S/HMO demonstration (2 year)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
M+C: Interaction with fee-for-service policies	0.0	0.5	0.5	0.4	0.2	0.2	0.2	0.3	0.3	0.4	1.6	3.1
SUBTOTAL, GROSS OUTLAYS	0.7	2.9	2.9	2.3	1.6	1.3	1.1	1.1	1.2	1.3	10.5	16.5
Part B Premium interaction	0.0	-0.3	-0.5	-0.5	-0.3	-0.2	-0.2	-0.2	-0.2	-0.2	-1.6	-2.7
SUBTOTAL, NET MEDICARE OUTLAYS	0.7	2.6	2.4	1.9	1.4	1.1	0.9	0.9	1.0	1.1	8.9	13.8

PROVISION	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2000-04	2000-09
Medicaid interaction with Part B premium	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.2
Medicaid DSH: modify allotments for MN, WY, NM, DC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.3
Medicaid: lift sunset and limits on Welfare Reform transition funds	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.2
Medicaid: Technical amendments											0.0	0.0
Subtotal: Medicaid	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.5	0.8
SCHIP: allotments for Puerto Rico and territories	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.3
SCHIP: modify allocation formula	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SCHIP: improved data collection and evaluation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.2
Subtotal: CHIP (outlays, BA may differ)	0.0	0.1	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.2	0.5
SUBTOTAL, MEDICAID/CHIP OUTLAYS	0.1	0.3	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.7	1.3
SUBTOTAL, NET MEDICARE OUTLAYS	0.7	2.6	2.4	1.9	1.4	1.1	0.9	0.9	1.0	1.1	8.9	13.8
TOTAL DIRECT SPENDING.....	0.9	2.9	2.5	2.0	1.5	1.2	1.0	1.0	1.1	1.2	9.7	15.2