

CASTLE: HEALTH CARE BILL MAINTAINS MEDICARE AND CHILDREN'S HEALTH COVERAGE -- December 19, 2007

Washington, DC-- Today, Congressman Michael N. Castle supported an important health care bill, the Medicare, Medicaid, and SCHIP Extension Act, S. 2499. Passage of this legislation, by a vote of 411-3 in the House, before the end of Congressional session was a victory for millions of Americans.

A leader of diabetes research in Congress, Rep. Castle has been pushing for inclusion of the Special Diabetes Programs for type-1 research at the National Institutes of Health (NIH) and the outreach program for Native Americans and Alaska Natives in this bill, which also includes an 18-month extension of the State Children's Health Insurance Program (SCHIP), and delays for 6-months a 10.1% cut to Medicare's physician payment rates that had been scheduled for Jan.1, 2008.

"Passage of this bill will prevent disruptions to health care services that are reimbursed under Medicare," Rep. Castle said. "In addition, we can continue our medical research gains in the fight against Diabetes and continue to provide health insurance to children in need. Consideration of this bill is long overdue, and we can all feel relieved that it will be sent to the President's desk before the end of the year."

Summary of S. 2499

SCHIP

Extends the authorization for the State Children's Health Insurance Program (SCHIP) until March 31, 2009.

Medicare

Delays for 6-months a 10.1% cut to Medicare's physician payment rates that is scheduled for Jan.1, 2008, and instead provides Medicare physicians with a 0.5% increase in those rates during the same time period; extends a system in which doctors report data on the quality of their care;

- Extends 5% bonus payment to physicians serving areas with a shortage of doctors through June 30, 2008;
- Extends the process for obtaining exceptions to payments caps on rehabilitation therapy (6-months);
- Extends a Medicare service that reimburses small rural hospitals for clinical lab tests used for outpatient services;
- Allows physicians serving in the armed forces to use alternative billing arrangements for longer than 60 days when they report for active duty;
- Extends a methodology that provides a separate payment for "brachytherapy" services, a treatment that relies on implanting radioactive seeds to counter prostate cancer;
- Provide "reasonable" cost reimbursement for clinical labs tests performed by certain small rural hospitals as part of their outpatient services;

- Calls for a "limited" moratorium on new long-term acute-care hospitals, which treat some of the most medically complex cases;
- Permanently freezes at 60% the proportion of patients that must fall into certain medical categories in order for facilities to qualify for inpatient rehabilitation payments. That threshold is now scheduled to rise to 75 percent, which hospitals assert will shrink access of Medicare patients to inpatient rehab care. Permits comorbid conditions to count toward the threshold;
- State Health Insurance Assistance Programs (SHIPs) would receive \$15 million in the measure for Medicare beneficiary outreach and assistance; and
- Area Agencies on Aging and Aging Disability Resource Centers would receive \$5 million.

Medicaid

- Extends Medicaid program that helps low-income seniors and individuals pay their Medicare premiums;
- Extends the transitional medical assistance program that helps low-income individuals move from welfare to work by maintaining health care for their children; and
- Extends the current abstinence-only education program until June 30, 2008.

Diabetes

- Extends the Special Diabetes program through Sept. 30, 2009 to fund type 1 diabetes research and type 2 treatment and prevention programs for Native Americans and Alaska Natives.

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