

Committee on Finance
United States Senate
U.S. Senator Chuck Grassley of Iowa, Chairman

For Immediate Release
Thursday, December 22, 2005

Grassley seeks to keep access to therapy services for Medicare beneficiaries
Patients at risk due to Senate Democrats delaying final action on deficit reduction bill

WASHINGTON — Sen. Chuck Grassley today urged the administration to delay enforcing therapy caps that will harm stroke victims and other Medicare beneficiaries if the caps take effect as scheduled on January 1, 2006, due to Senate Democrat leaders delaying final congressional action on a comprehensive deficit reduction bill.

Grassley has long worked to ensure that Medicare beneficiaries who rely on medically necessary therapy services are not denied access. Grassley said that access to such services for Medicare beneficiaries is one example of why the partisan maneuver used yesterday to stop reconciliation legislation from taking effect this year put politics ahead of people.

The text of Grassley's letter to the Secretary of Health and Human Services Michael Leavitt follows here. Grassley is Chairman of the Senate Committee on Finance.

December 22, 2005

The Honorable Michael Leavitt
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Mr. Secretary,

As you know, the Congress was unable to pass the *Deficit Reduction Act of 2005* due to objections raised by the Senate Democratic leadership on a number of small provisions in the bill which did not have a budgetary effect. And because the House Democratic leadership refused to permit the House of Representatives to take up the modified version of the bill when it was returned to the House, numerous provisions of the bill which would have provided aid and assistance to our citizens have been stalled at least until the end of January.

Among those is a provision to implement a new process that would permit those beneficiaries who exceed the two therapy caps to access medically necessary therapy

services. The Balanced Budget Act created two financial caps on the amount of outpatient Part B therapy services that Medicare covers per beneficiary per year. Under current law, these caps will go into effect on January 1, 2006. I am asking that you impose an administrative moratorium on its implementation. Congress has consistently enacted moratoria to prevent therapy caps from going into effect and we are on the verge of doing so now, but the legislation will likely not be signed into law until next year due to procedural actions taken on the floor of the Senate. I am concerned that if you proceed with implementing the current law and Congress does not conclude passage of this provision prior to the imposition of the caps, a significant number of beneficiaries may be harmed.

Implementation of the therapy caps will cause beneficiaries undue hardship, especially for those recovering from strokes or suffering from chronic illnesses such as Parkinson's and Alzheimer's disease. The Centers for Medicare and Medicaid Services (CMS) contracted a study that estimated that over a half million Medicare beneficiaries in 2002 would have exceeded the financial caps if a moratorium had not been in place. Approximately 17 percent of beneficiaries receiving occupational therapy and 15 percent of beneficiaries receiving physical therapy and speech-language pathology would have exceeded the caps. In the interim, I urge you to provide beneficiaries and providers with guidance and direction regarding how the exceptions process will be implemented. As you can see, a significant number of beneficiaries who need therapy services will be turned away due to the delay of passage of the *Deficit Reduction Act of 2005*. This is unacceptable.

Congress may act within the first few weeks of 2006 to get the bill passed, but an individual with intense rehabilitation needs could easily exceed the cap by the middle of January. This could result in longer lengths of stay, which is not in the best interest of beneficiaries or taxpayers. Thank you for consideration of this request.

Sincerely,

Charles E. Grassley
United States Senator
Chairman, Committee on Finance