Medicare Improvement Act Provides Rx for Seniors

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"The Medicare Improvement for Patients and Providers Act, passed overwhelmingly today in the House of Representatives, takes several important steps to improve the delivery of Medicare and Medicaid services in Hawaii," said U.S. Representative Neil Abercrombie.

The legislation stops a planned 10.6% cut in the amount doctors are reimbursed for Medicare patient services. Cuts in Medicare's reimbursement rates for doctors and other health care providers has led to fewer doctors willing to accept and treat Medicare patients.

At the same time, the legislation addresses one of the most serious Medicaid issues facing Hawaii: hospitals that treat large numbers of uninsured or Medicaid patients are losing money, which eventually could threaten their ability to remain open. The states of Hawaii and Tennessee were inadvertently left out of a federal program that reimburses hospitals for treating indigent and Medicaid patients. Today's legislation continues interim reimbursement funding for Hawaii and allows more time to change the program permanently.

"This bill also provides needed help to lower income Medicare recipients," said Abercrombie. "We've raised the amount of income or assets a senior citizen can have and still qualify for Medicare premium assistance."

The Medicare Improvement Act also makes these changes:

- Payment to Medicare Advantage plans, private Medicare providers that cost 12% more than regular Medicare services, will be lowered;
- Doctors and other medical service providers who are delinquent in their federal income taxes will have their back taxes deducted from any Medicare reimbursements they receive.
- Mental health services will have the same co-payment as any other doctor visit.