



Quality Benefits, Targeted Advocacy & Education for Today's Seniors  
**1-800-906-ASBA (2722)**

## **Medicare, Medicaid, and ACA Issues Included in House Bill Addressing End-of-Session Priorities**

*AHIP, Washington Update, 12/9/2011*

Today, December 9, House Republican leaders announced the introduction of the "Middle Class Tax Relief and Job Creation Act of 2011," which will be considered on the House floor next week.

The House Rules Committee is scheduled to meet on Monday to formulate a resolution that will prescribe the terms and conditions for the House floor debate on this bill. In addition to extending unemployment benefits and the Social Security payroll tax holiday, the bill includes the following provisions addressing Medicare, Medicaid, and other health policy issues:

A one percent update would be provided in both 2012 and 2013 for the Medicare physician payment fee schedule. (cost: \$38.9 billion over ten years)

A one-year extension, through December 2012, would be provided for the Qualifying Individual (QI) program under which Medicaid pays Part B premiums for low-income Medicare beneficiaries with incomes between 120 percent and 135 percent of poverty. (cost: \$700 million over ten years)

A one-year extension, through December 2012, would be provided for the Transitional Medical Assistance (TMA) program which allows low-income families to maintain their Medicaid coverage as they transition into employment and increase their earnings. (cost: \$1.2 billion over ten years)

The rules surrounding the Affordable Care Act (ACA) health insurance subsidies that become available in 2014 would be revised by increasing the amount of overpayments the federal government can recover in cases where individuals receive excess subsidies because their income turns out to be higher than the amount that was used to calculate the advanced premium tax credit. (savings: \$13.4 billion over ten years)

Funding for the ACA Prevention and Public Health Fund would be reduced. (savings: \$8 billion over ten years)

Medicare Part B and Part D premiums would increase for beneficiaries with incomes exceeding \$80,000 for individuals and \$160,000 for couples. (savings: \$31 billion over ten years)

Other provisions of the House Republican bill address Medicaid DSH allotments and Medicare policies for ambulance add-on payments, outpatient therapy caps, the physician work geographic adjustment, relaxing of restrictions on physician-



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owned hospitals, payments for services provided in outpatient hospital departments, and bad debt payments.

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