

## NEWS BREAK

*March 3, 2010*

### Medicare Cuts Postponed-CMS Stops 10 Day Hold

Late in the evening on March 2, the Senate voted 78-19 to pass H.R. 4691, the "Temporary Extension Act of 2010," which included provisions to extend 2009 Medicare physician payment rates through the end of the month. As a result, the 21% payment cut that took effect on March 1 has been postponed until April 1.

The bill passed the House on February 25, only to encounter opposition on the Senate floor by Senator Jim Bunning (R-KY), who objected to the legislation being considered as an emergency measure that would not require budgetary offsets. In addition to postponing Medicare physician payment cuts, the bill extended a variety of other expiring programs including unemployment insurance and premium subsidies for COBRA continuation coverage for those whose employment was involuntarily terminated.

Discussions are still underway in the House and Senate on the next steps that will be taken to address the Medicare payment crisis. Proposals are being circulated that would implement still another short-term patch to the sustainable growth rate (SGR) formula, including proposals that would postpone cuts for 90 days, 7 months, or through the end of 2010. CMA, AMA and those currently attending AMA's 2010 National Advocacy Conference in Washington, DC, continue to press for permanent repeal of the SGR, rather than repeating the pattern of short-term remedies that serve to make future payment cuts more severe and increase the cost of permanent Medicare payment reform.

### What Can You Do?

Members of organized medicine are urged to keep up the pressure, especially in the Senate, for enacting legislation to permanently resolve the Medicare physician payment crisis.

Call California Senators Dianne Feinstein and Barbara Boxer and your House Representative TODAY to let them know the impact these cuts would have had on your practice. Use the AMA Hotline to contact your Members of Congress: (800) 833-6354. If the AMA hotline is busy, contact information for senators is available at <http://www.senate.gov> and for House Representatives at <https://writerep.house.gov>.

Send CMA your personal stories about how the Medicare cuts will impact your practice and how your offices will handle the cuts. If you have already made changes because of the uncertainty in the system this information would be helpful. CMA will share the stories with Members of Congress and the press to highlight the impact of these cuts on real physicians and the seniors and military families they care for.

E-mail your stories to CMA at: [memberservice@cmanet.org](mailto:memberservice@cmanet.org) If you have any questions, you can call CMA's member help line: (800) 786-4CMA (4262).

## CMS Stops the 10 Day Hold

Today, CMS released the following notice announcing its intention to stop the 10-day hold on physicians' Medicare claims in light of last night's legislative action to extend current Medicare payment rates through March 31, 2010:

**The "Temporary Extension Act of 2010" Extends the Zero Percent Medicare Physician Fee Schedule Update and the Therapy Cap Exception Process** – March 2, 2010, President Obama signed into law the "Temporary Extension Act of 2010." Among other things, this law extends through March 31, 2010, the zero percent update to the Medicare Physician Fee Schedule that was in effect for claims with dates of service January 1, 2010, through February 28, 2010. Consequently, effective immediately, claims with dates of service March 1 and later which were being held by Medicare contractors will be released for processing and payment. Please keep in mind that the statutory payment floors still apply and, therefore, clean electronic claims cannot be paid before 14 calendar days after the date they are received by Medicare contractors (29 calendar days for clean paper claims). In addition, the new law extends through March 31, 2010, the exception process for therapy claims reaching the annual cap, retroactive to January 1, 2010. Affected providers may submit claims for exceptions to the annual therapy caps, with dates of service January 1 through March 31, 2010, using the KX modifier, following the pre-January 1, 2010, requirements for therapy cap exceptions. Please watch your listserv and contractor's website for more information about the new legislation.

