

Altmire Helps Broker Deal to Save Pennsylvania's Hospitals \$74 Million

(Washington, DC) - U.S. Representative Jason Altmire worked to successfully include a provision in H.R. 3668, legislation to extend health care programs scheduled to expire on September 30, 2007, that will save Pennsylvania's hospitals \$74 million over the next two years and protect access to health care for millions of seniors nationwide. H.R. 3668 was approved by voice vote this afternoon and the Senate is expected to pass it later today. Congressman Altmire was a leader among the freshman class in urging the Democratic leadership to bring this issue to a vote.

"The Centers for Medicare and Medicaid Services has put forth a misguided rule that would restrict health care access not only for seniors, but for all patients," said Congressman Altmire. "Congress has repeatedly expressed its intent that Medicare payments to hospitals should not be reduced. Yet the administration intends to move forward, circumventing Congress through the regulatory process."

The Centers for Medicare and Medicaid Services is scheduled to implement the Inpatient Prospective Payment System (IPPS) regulation on October 1, 2007. The IPPS regulation adopts the Medicare Severity Diagnosis Related Groups (MS-DRG), which bases hospital reimbursements on the complexity of medical diagnoses and services. The regulation would have also imposed a 1.2 percent behavioral offset cut to total payments for services provided to Medicare patients in FY08 and a 1.8 percent reduction in FY09, resulting in a \$20.3 billion cut in operating and capital payments to hospitals over the next five years. However, the provision limits the behavioral offset cuts to 0.6 in FY08 and 0.9 in FY09.

"I am pleased that our efforts last week and throughout this year led to the inclusion of this provision to significantly reduce the cuts put forth by the administration," added Congressman Altmire. "Ensuring that seniors and patients continue to have access to health care services is of critical importance to me."

Last week, Congressman Altmire initiated a letter co-signed by 37 members of the freshmen class to Speaker Nancy Pelosi. The letter urged Speaker Pelosi to, "consider legislative avenues, including the Continuing Resolution, to protect seniors by preventing certain provisions of this regulation from becoming effective on October 1."

According to the letter, Congress has consistently expressed concerns about the administration's steps to move forward with the IPPS regulation. In June, 269 bipartisan members voiced opposition to the regulation in a letter sent to CMS. The Senate followed suit with a similar letter of opposition that was signed by 64 Senators. In addition, an amendment offered by Representatives John Lewis (GA), Peter Welch (VT), and Jerry Weller (IL) to the Labor-HHS-Education Appropriations bill to avert the damaging IPPS provisions passed by an overwhelming majority of 412 to 12 in July.