



Title IV – Summary of Other Medicare Provisions

Ensuring Continued Reimbursement for Teaching Hospital Capital Costs

The final Medicare regulation for the Inpatient Hospital Prospective Payment System (IPPS) for fiscal year 2008 eliminated part of the Medicare payment for capital costs received by teaching hospitals, known as “capital indirect medical education”. The capital IME payment will be entirely zeroed out by October 1, 2011 under current regulations. With the turmoil in today’s capital markets, now is not the time to cut Medicare reimbursement for capital to our nation’s teaching hospitals. This legislation places a one-year moratorium on the Medicare regulation for fiscal year 2009.

Helping Hospice Providers with Wage Costs

Hospice programs served 850,000 Medicare beneficiaries and their families in 2005, providing compassionate end of life care. The final Medicare hospice regulation for fiscal year 2009 included a three-year phase-out of an adjustment that is applied to wage costs for hospices. This regulatory change results in a cut in Medicare’s reimbursement to hospices. The legislation places a one-year moratorium on the Medicare regulation for fiscal year 2009 ensuring that hospices continue to receive the same reimbursement rate for wages.

Long-Term Care Hospital Technical Corrections

The Medicare, Medicaid and SCHIP Extension Act of 2007 included a package of policies affecting long-term care hospitals (LTCHs), including three years of regulatory relief, a three-year moratorium on new LTCHs with certain exceptions, and enactment of recommendations by the Medicare Payment Advisory Commission to create patient and facility criteria. The provisions first passed the House in the Children’s Health and Medicare Protection Act on August 1, 2007.

This legislation corrects various technical errors that came to light after enactment of MMSEA and during the regulatory process. These technical corrections will ensure LTCHs receive the regulatory relief intended by Congress, securing jobs in most long-term care hospitals and creating new employment for LTCH bed expansions allowed under the moratorium exception.