

Senate fails to spare doctors from Medicare cuts

June 19 2010, By STEPHEN OHLEMACHER and RICARDO ALONSO-ZALDIVAR , Associated Press Writers

(AP) -- After a week of partisan wrangling, the Senate on Friday passed legislation to spare doctors a 21 percent cut in Medicare payments looming for months. But the last-ditch effort came too late.

Moments after the Senate acted, Medicare announced it would begin processing claims it has already received for June at the lower rate. The reason: the House cannot act on the fix until next week.

That means [doctors](#), [nurse practitioners](#), physical therapists and other providers who bill under Medicare's physician fee schedule will have to resubmit their claims if they want to be made whole, with added paperwork costs both for the providers and for taxpayers.

"Congress is playing Russian roulette with seniors' [health care](#)," Dr. Cecil B. Wilson, president of the American Medical Association, said in a statement. "This is no way to run a major [health coverage](#) program."

AARP, the seniors' lobby, called the cut "unprecedented" and "dangerous" even if it's only temporary. Nancy LeaMond, the group's executive vice president, warned it would undermine confidence in the stability of the giant health care program for 46 million elderly and disabled people.

"This cut creates a dangerous atmosphere for seniors and their doctors, and will contribute to more doctors making the decision already made by

some physicians to stop taking Medicare patients," she said.

The billings affected by the cut cover the early part of this month. An earlier congressional reprieve expired May 31. Medicare had been holding off on processing claims in the hopes lawmakers would act, but the agency said it can no longer do that without hurting doctors' cash flow.

The Medicare cuts are required under a 1990s budget-cutting law that Congress has routinely waived. This time, lawmakers' concerns about adding to the deficit held up a deal to allow an exception to enforcement of the law.

The bill passed by the Senate delays the cuts until the end of November - after congressional elections - when [lawmakers](#) hope the political climate is better for passing a more permanent, and expensive, solution.

The bill would also increase payments to providers by 2.2 percent. The legislation, which costs about \$6.5 billion, is paid for with a series of health care and pension changes that both Democrats and Republicans agreed to.

The Senate approved the measure by voice vote Friday after failing the night before to pass a larger package that included the funds.

The larger package included jobless benefits for the long-term unemployed, aid to cash-strapped states and the extension of dozens of popular tax breaks for businesses and individuals that expired at the end last year. The package failed to generate enough votes Thursday evening to end a Republican filibuster.

Vice President Joe Biden, speaking before the Senate acted, blamed Republicans for being unwilling go along with a permanent fix to the

doctor cuts - which would cost tens of billions more. He said the underlying physician payment formula is unworkable, and should be repealed.

"The failure to deal with this problem adds to the anxiety of seniors...and complicates the planning for medical practice," Biden said. "It's just not fair to keep this anxiety level constantly in play here."

He called it "a shameful example of business as usual."

The political gridlock has angered doctors. The AMA says continuing financial uncertainty may lead some doctors to stop taking new [Medicare](#) patients, and others may drop out of the program altogether.

"It is astounding that Congress has let seniors down through their inability to deal with this problem on time and in a responsible fashion," Wilson said.

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