



Legislative Update

March 23, 2010

House Passes Health Care Bill

On Sunday night, The House of Representatives approved historic legislation which purports to extend health care to 32 million uninsured Americans, while cracking down on certain insurance company practices.

The Senate-passed bill, widely viewed as dead just two months ago, awaits signature from President Obama. Debate on a companion "reconciliation" bill with a series of fixes is expected in the Senate on Tuesday.

Overview of the Health Bill:

- Covers an additional 32 million Americans by expanding Medicaid and providing federal subsidies to purchase insurance.
- Requires most American citizens and legal residents to buy health insurance.
- Creates a health care exchange where uninsured individuals and small businesses can comparison shop for insurance policies.
- Employers with 50 or more employees would face a \$750 fine if it does not offer health care coverage to full-time workers who qualify for health care subsidies.
- Increases Medicare payroll tax and expands it to include investment income.
- Prohibits insurers from denying coverage for pre-existing medical conditions.
- Reduces out-of-pocket prescription expenses for seniors on Medicare.

The provisions affecting home care and hospice are identical to the Senate bill passed in December.

Items of particular interest to home care include:

- Rebasement of the Medicare PPS Rates starting in 2014, with a maximum reduction of 3.5% a year for 4 years.
- Market Basket Reduction of 1 percentage point for Home

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- Medicare Demonstration Project based on results of the home health agency costs study involving providing ongoing access of care to low-income Medicare beneficiaries. Up to \$500 million is provided for additional payments from 2015 to 2019.
- Reinstatement of rural add-on at 3% starting April 1, 2010 and running through January 1, 2016. Affects Litchfield and Windham Counties.
- Imposes annual productivity adjustment (estimated at 1 percentage point reduction) beginning in 2015.
- Requires Secretary of HHS to commence bundling pilot program by January 1, 2013.
- Establishes voluntary national home and community based long term care insurance program.

Items of particular interest for hospice include:

- Incorporates a productivity adjustment reduction into the market basket update beginning in FY 2013.
- The HHS Secretary would collect data and update Medicare hospice claims forms and cost reports by 2011. Based on the information, the secretary will implement revisions to the methodology for determining payment rates for routine home care and other services no earlier than FY 2013.
- Directs the HHS secretary to establish a three-year demonstration program to allow eligible hospice care patients to also receive all other Medicare covered services.
- Allows children enrolled in Medicaid or CHIP to receive hospice services without foregoing curative treatment related to terminal illness.
- Requires hospice to report on quality measures determined by the Secretary or face a 2% reduction in their market basket update.
- Authorizes an Institute of Medicine Conference on Pain Care to evaluate the adequacy of pain assessment, treatment and management; identify and address barriers to appropriate pain care; increase awareness; and report to Congress on findings and recommendations.
- Secretary may make grants available to hospices and others to develop and implement pain care education and training programs for health care professionals.

CAHCH will continue to monitor developments in health care legislation and pass it along to members as it becomes available.

What Comes Next?

President Obama is expected to sign the Senate health care legislation, currently on his desk, today. Then, the Senate will look at the package of "fixes" passed by the House Sunday night and begin the process of reconciliation, the fast-track legislative process specifically designed to reduce deficits.

Every line in a reconciliation bill must adhere to strict rules to ensure a

amount of amendments can be offered and voted upon.

Reconciliation the best chance Republicans have of killing the smaller bill or making changes to it. Because the House and Senate must pass the same bills - word for word - even a minor tweak would send the legislation back to the House for another vote.

CAHCH Goes to Washington

In April, CAHCH will be going to Washington as part of various national associations hill visit day. CAHCH has set up a joint hill briefing session with the Home Care Alliance of Massachusetts on **Monday, April 12** at 11:30 a.m. to 1:30 p.m.

Please [email](#) Kristen Archibald if you are planning to come to the NAHC Policy Conference or are able to fly in for this meeting. CAHCH will keep you posted of our plans.

The Connecticut Association for Home Care & Hospice is the leading advocate for home care and hospice patients and providers throughout Connecticut.

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