

June 18, 2010

To: HBMA Membership  
From: The HBMA Government Relations Committee  
Re: SGR Update

**The Senate, via unanimous consent, has passed a 6 month SGR "fix". The legislation was broken out from the larger tax extenders/unemployment legislation to which it had been attached.**

Here is a summary of the proposal passed by the Senate:

**Medicare Physician Payment:** Provides a 2.2% increase in reimbursement levels for June-November of 2010. **Spends \$6.4 billion over five and ten years.**

**Hospital Payments:** Prohibits Medicare from reopening or adjusting claims made by hospitals during the three days preceding a patient's inpatient admission.

**Pension Relief:** Offers the same relief from pension funding obligations for companies that will result in fewer tax-preferred contributions to pension plans and therefore more taxable income for the firms, and generates \$675 million in outlay savings due to lower than expected payments by the Pension Benefit Guarantee Corporation (PBGC). **Saves \$2.8 billion over ten years.**

**IRS Data Match:** Includes provisions allowing the IRS and CMS to coordinate data matching efforts with regard to delinquent tax debts owed by Medicare providers, and to take such information into account when releasing reimbursement payments and accepting new providers. **Saves \$175 million over five years and \$425 million over ten.**

The legislation has been sent to the House for consideration but the House has adjourned for the day. The soonest the House will be able to take up this proposal - assuming they can get the votes - would be Monday or Tuesday.

**HBMA will continue to keep the membership abreast of any developments as they occur.**