



**AMERICAN COLLEGE
OF RHEUMATOLOGY**
EDUCATION • TREATMENT • RESEARCH

ACTION ALERT

November 21, 2003

URGE CONGRESS TO VOTE YES ON MEDICARE BILL TODAY

Details of the 1000+ page Medicare Reform/Prescription Drug bill were released at approximately 2:30 PM EST yesterday. After reviewing the legislative language in areas of particular importance to rheumatologists, the ACR recommends that members support this bill and contact their legislators today.

Although the bill does not contain all of the provisions advocated for by the ACR, its overall positive impact as outlined below outweighs its limitations. In addition, it is the *only* vehicle for addressing these critical issues in this legislative Session. From a procedural standpoint, members of Congress have the opportunity to vote only "yes" or "no" on this legislation; no modifications will occur on the House or Senate floor.

Positive Provisions

- ✓ Reverses the Medicare payment reduction with a 1.5% payment increase. Since private insurers often base their fee schedules on Medicare rates, this will have a far-reaching impact. Failure to pass this bill guarantees that all physicians face unknown reductions in private carrier reimbursement and a 4.5% overall reduction in Medicare reimbursement effective Jan. 1, 2004.
- ✓ Provides a new prescription drug benefit that will have particular value to patients with large annual prescription expenses, including many of our patients with rheumatic diseases.
- ✓ Provides regulatory relief for physicians in the form of improved carrier education and performance; independent determination of fault before physicians must repay money to Medicare; prohibiting extrapolation except in situations with a sustained payment error or educational intervention has failed; and pilot-testing of alternatives to E/M documentation.
- ✓ Does not mandate e-prescribing but, instead, has voluntary recommendations and offers some implementation subsidies.
- ✓ Protects the use of ICD-9 coding as opposed to earlier recommendations that would have required physicians to change to an ICD-10 system.

- ✓ Includes \$500 million for pilot testing a self-injectable drug benefit for 50,000 beneficiaries over two years. The ACR had urged a larger scope; however this represents the first positive move for self-injectable drug coverage in many years and opens the door for future increases.
- ✓ Increases payments for infusion therapy administration (practice expense) while also revising the drug reimbursement methodology. The reimbursement for drugs will change to an 85% of AWP (average wholesale price) rate in 2004 and a 106% of ASP (average sales price) rate in 2005 and 2006. The ACR gauges the overall financial impact to be small-to-moderate based on projections of practice expense increases of \$500 million, \$440 million and \$440 million in 2004, 2005 and 2006, respectively. In addition, legislative changes will be implemented by CMS, with whom the ACR has had on-going positive discussions about the high complexity infusions performed in rheumatologists' offices.

Congress may vote as early as today, November 21. The ACR urges you to contact your U.S. House and Senate members **today** via e-mail or phone and say, "**Vote yes on the Medicare/Prescription Drug Reform bill.**"

Sample e-mails, legislative contact information and other easy-to-use grass roots advocacy tools are available on the home page of the ACR Web site. Go to www.rheumatology.org to personalize and send your message of support to Congress. To reach your members of Congress by phone, call the Congressional switchboard at (202) 224-3121 or the AMA Grassroots Hotline at (800) 833-6354.

**Support the most progressive changes to Medicare since its inception
with your e-mails and advocacy calls today.**