



Information Bulletin

American Physical Therapy Association

Current Status of Therapy Cap Extension and Payment Cuts

This afternoon, the U.S. House of Representatives passed H.R. 4851, the Continuing Extension Act of 2010 by a voice vote. This bill delays the scheduled 21.2% cut in Medicare physician fee payments and extends the Medicare therapy cap exceptions process through **April 30, 2010**. In addition to these very important APTA provisions, the bill also provides a one month extension for other vital issues like unemployment insurance and COBRA. During floor debate, Rep. Lois Capps (D-CA) spoke on the importance of the bill for Medicare beneficiaries; "H.R. 4851 also provides a crucial extension to the current arbitrary Medicare beneficiary therapy caps exception process. When outpatient therapy is considered medically necessary for a patient, we should never put an arbitrary limit on the dollar amount that can be spent to provide this important care. And I support the provisions of this bill to allow Medicare beneficiaries to continue receiving the outpatient therapy care that they need." **Possible Next Steps:** H.R. 4851 must be passed by the Senate and signed by President Obama before becoming law.

If you've been counting, we now have 3 pieces of legislation that could get passed in the next few weeks that extend the Medicare therapy caps exception process and 2 pieces of legislation to delay the scheduled 21.2% cut in Medicare physician fee payments.

1. The above bill as mentioned, H.R. 4851.
2. On March 10th, the U.S. Senate passed H.R. 4213, the Tax Extenders Act of 2009 by a vote of 62-36. This legislation includes APTA's three priorities of extending the therapy cap exception process until December 31, 2010, freezing payments at the 2009 level under the Medicare Physician Fee Schedule preventing the 21.2% reduction until September 30, 2010 and re-instating the Geographical Practice Cost Indices (GPCI) floor at 1.0 for the remainder of 2010. **Possible Next Steps:** The bill now has to be passed by the House of Representatives and signed by President Obama before becoming law.
3. In the past few weeks, President Obama has vowed that Congress will pass health care reform legislation. **Possible Next Steps:** To do this, the House must pass the Senate passed health care reform bill, H.R. 3590, the Patient Protection and Affordable Care Act – which will be coupled with reconciliation language (a separate piece of legislation that makes changes to the Senate bill). For this procedure to work, the House must pass H.R. 3590 and the reconciliation package, then the President must sign H.R. 3590 into law and the reconciliation package will then be sent to the Senate, where they will have to pass and then send to President Obama for his signature to become law. And just a reminder, H.R. 3590 would extend the therapy cap exceptions process until December 31, 2010 and re-instate the Geographical Practice Cost Indices (GPCI) floor at 1.0 for the remainder of 2010.

As you can see – there are a lot of moving parts right now in Congress and we will update you as soon as there is action on any of the bills mentioned above.