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House Ways and Means Committee Announces Bipartisan Medicare Extenders Package

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November 17, 2017

On November 15, House Ways and Means Committee Chairman Kevin Brady (R-TX) and Ranking Member Richard Neal (D-MA) announced a bipartisan agreement on Medicare "extenders," Medicare programs and payment policies that have already expired or will expire by the end of this year. Congress last extended these provisions in the Medicare Access and CHIP Reauthorization Act (MACRA) in 2015. The Ways and Means bipartisan agreement includes many of the same Medicare extenders as in the 2015 MACRA legislation, as well as proposed fiscal offsets. The Senate Finance Committee has also been working on a Medicare extenders package (announced on October 26), but has not outlined fiscal offsets yet. Congress typically addresses these provisions at the last minute (previously as part of annual "doc fix" legislation), and they are likely to be included as part of the year-end spending package in December.

Background and Analysis: The Ways and Means bipartisan agreement includes either two- or five-year extensions of the various Medicare extenders policies, as outlined below by the Committee:

- Two-year straight extension of the Medicare Dependent Hospital Program and the Low-Volume Adjustment Program.
- Five-year straight extension of the Home Health rural add-on.
- Permanent extension of exceptions process for Medicare with the repeal of the therapy caps (part of a previously announced bipartisan agreement).
- Two-year straight extension of the Medicare geographic payment cost index for physician payments.
- Five-year extension of the Ground Ambulance Add-Ons and ground ambulance payment modifications.
- Five-year reauthorization of special needs plans.
- Two-year extension of the State Health Insurance Assistance Programs.
- Two-year extension of funding for consensus based entity work on quality measures.

Regarding fiscal offsets, the Committee outlines that the bipartisan agreement includes a number of offsets that 1) were reported out of the Committee, or 2) build upon the work by the Medicare Payment Advisory Commission (MedPAC) and the Department of Health and Human Services (HHS) Office of the Inspector General (OIG), as listed below:

- Medicare Advantage telehealth, as reported by the Ways and Means Committee.
- Medicare Advantage termination authority, as reported by the Ways and Means Committee in the 114th Congress.
- Extension of the current law policy related to misvalued codes for physician services.
- Non-emergency transportation payment modification reduction related to end stage renal dialysis transportation, as reported by the Ways and Means Committee.
- Medicare Improvement Fund rescission.
- Modifications to skilled nursing facility payment, including MedPAC recommendations and building blocks to payment reform.

- Modifications to home health agency payment, including MedPAC recommendations and building blocks to payment reform.
- Modification of payments for critical access hospital swing beds, including HHS OIG recommendations and regulatory relief.