

## Max Baucus, Chairman

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## H.R. 6331 THE MEDICARE IMPROVEMENTS FOR PATIENTS AND PROVIDERS ACT: QUALITY CARE FOR RURAL SENIORS

Many Medicare beneficiaries living in rural areas have a hard time getting quality health care services. Their challenges include long distances to the nearest health facility and fewer health care providers than urban seniors might have.

Congress has enacted special protections to make sure that rural health care facilities and providers have the resources they need to deliver quality care in their communities. H.R. 6331, the Medicare Improvements for Patients and Providers Act, would extend and improve many of these rural access protections, including the following:

- ➤ Improvements for Sole Community and Critical Access Hospitals: In rural towns, inpatient care facilities can be few and far between. These facilities can be sole community hospitals the only hospital within 35 miles or critical access hospitals, small hospitals also serving a large area. H.R. 6331 includes provisions that update the data used to reimburse sole community hospitals for care. This will mean, in most cases, an increase in payments to these facilities. The bill also directly increases payments for critical access hospitals, particularly for critical lab services such as blood testing and other diagnostic services.
- ➤ Maximizing Health Services to Rural Communities through Coordination: Many rural communities are losing specialty health care services that seniors need close to home. H.R. 6331 establishes a demonstration project that would allow rural communities to explore ways to better coordinate care among critical access hospitals, home health, nursing homes, and other providers improving access to all these services and making sure that rural Americans have a full complement of health care options.
- FLEX Grants for Health Care in Rural Communities: The Medicare Rural Hospital Flexibility Program provides grants that rural health care providers can use to improve the quality of care facilities provide, and to strengthen health care networks. Funds can be used for services ranging from ambulance transport to the development of small local hospitals. H.R. 6331 will extend the FLEX Grant program through 2010, and will add a new component making mental health services more accessible to rural veterans and rural residents.
- ➤ Improving Access to Ambulance Services: Ground ambulances frequently cover longer distances and sometimes more difficult terrain in rural areas than in urban, and costs for providing emergency transport can be high. H.R. 6331 increases Medicare payments for ground ambulance services in rural areas by 3 percent, and recognizes the importance of ambulance services to urban seniors with a two percent increase. The bill also protects rural air ambulance providers by requiring more consideration of a physician's recommendation for air ambulance services when Medicare seeks justification for the expense, and by stopping payment cuts to rural providers that have been reclassified as urban air ambulance providers

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- **➤** Making Sure Doctors are Available to Seniors in Need:
  - Paying Rural Doctors Fairly: Extends the 1.0 floor on the work geographic practice cost index (GPCI) for 18 months. Under a formula that adjusts physician payments to reflect local income levels, physicians in rural areas tend to be paid less than their urban counterparts. H.R. 6331 extends a provision that sets a "floor," or minimum payment adjustment, for physicians under this calculation.
  - Special Treatment of Certain Physician Pathology Services: Many rural hospitals do not have their own laboratories. Congress has allowed independent labs to bill Medicare directly for the physician pathology services they provide to hospitals, if the hospital was using such a lab prior to the issuance of a particular physician payment rule by the Center for Medicare and Medicaid Services in November 1999. H.R. 6331 would extend this allowance for direct Medicare billing by independent labs, ensuring that rural hospitals can continue to work with the labs to provide health analysis and care.
  - Extension of Exceptions Process for Therapy Caps: Medicare sets caps for total expenditures on physical, occupational and speech-language therapies in order to control costs. However, some patients legitimately need more therapy than is allowed under the cap. So that providers are properly paid when they give seniors the therapy they need, H.R. 6331 extends an exceptions process for the therapy caps through 2009.
  - **Speech-Language Pathology Services:** Permits speech language pathologists in private practice to bill Medicare directly for their services rather than through a doctor's office making it easier for speech language pathologists to be paid, and to continue delivering services to seniors in rural areas where doctors may be scarce.
- ➤ Improving Access to Telehealth Services: When medical facilities are few and far between, and fewer providers serve a larger region, telemedicine can bring faraway resources close to rural seniors in need. H.R. 6331 will make telehealth services to seniors available through Medicare at more types of health facilities including hospital-based renal dialysis facilities, skilled nursing facilities, and community mental health centers.