

S. 2785, the “Save Medicare Act of 2008”

Sen. Stabenow (D-MI) has introduced S. 2785, the “Save Medicare Act of 2008.” This legislation is a critical step in helping to preserve the Medicare program and ward off steep pending cuts in physician payment rates that threaten access for our senior and disabled patients. The major provisions of the bill are as follows:

- Replaces cuts totaling more than 15 percent with positive Medicare physician payment updates from July 1, 2008, through Dec. 31, 2009:
 - Extends the 0.5 percent update through Dec. 31, 2008 (averting the 10.6 percent cut scheduled to occur on July 1, 2008)
 - Provides physicians with a 1.8 percent update for 2009, which corresponds to the final 2008 Medicare Economic Index (MEI), which is the government’s measure of annual medical practice cost increases
- Payment update for remainder of 2008 and 2009 is fully funded—it does not increase the size or duration of future cuts.
- Extends certain rural provisions through 2009 (these provisions were extended in the Medicare, Medicaid and SCHIP Extension Act of 2007—S. 2499 and are scheduled to expire on July 1, 2008):
 - The Work GPCI Floor—extends the work geographic index (GPCI) floor of 1
 - Bonus for Physician Scarcity Areas—extends a provision that provides a 5 percent bonus payment to physicians practicing in physician shortage areas
 - Accommodation of Physicians Ordered to Active Duty in the Armed Services —extends a provision that permits physicians in the armed services to engage in substitute billing arrangements for longer than 60 days when they are ordered to active duty
- Extends the Medicare “Physician Quality Reporting Initiative” (PQRI) through 2010, with eligibility for a 1.5 percent bonus payment for participating physicians in 2009.
- A “Sense of the Senate” provision calls for quality reporting programs to provide positive incentives for voluntary participation and be nonpunitive.
- A “Sense of the Senate” provision reflects the existence of Senate budget rules by expressing that the bill should be deficit neutral over five years and Congress should address the challenges facing Medicare in a fiscally responsible manner.

Urge your senators to cosponsor S. 2785.

