

**MOA MEMBERS
FROM SUE A. WEINGARTNER, EXECUTIVE DIRECTOR
DECEMBER 10, 2010**

CONGRESS APPROVES AOA-BACKED 1-YEAR PLAN TO AVERT MEDICARE PHYSICIAN PAYMENT CUTS

Statement from Dr. Ellis on yesterday's final passage vote on a 1-year Medicare physician payment fix:

Statement of Joe E. Ellis, OD, President of the American Optometric Association, on the Medicare Payment Fix Just Approved by Congress and sent to the President to be signed:

The AOA is proud of its leadership role in the coalition of national physician and patients groups that has succeeded in making Congress and the President finally get serious about Medicare physician payment reform. The one-year, fully paid-for \$19.2 billion fix, approved by the U.S. Senate on Wednesday night and the House yesterday, will avert massive Medicare cuts of nearly 25% due to take effect on January 1st.

After Congress needed five short-term Medicare "patches" to block huge doctor cuts during 2010, we're now seeing Washington, DC take a long-overdue step toward the Medicare payment stability that our doctors and patients need and deserve. We know from experience however, that the AOA must make full use of our hard-won seat at the table in nation's capital to keep up the fight for meaningful and fair long-term payment reform that fully reflects the essential role of optometrists and other physicians in Medicare.

Here's background info:

Yesterday, following up Tuesday night's approval by the U.S. Senate, the House of Representatives passed an AOA-backed bill to provide a one-year extension of Medicare physician payment rates, giving Members of Congress up to a year before they revisit the matter, which they already considered several times this year. The measure will freeze current payment rates until Dec. 31, 2011, and would avert a 25 percent cut in the rates scheduled to take effect Jan. 1. President Obama is expected to sign it shortly.

Until this breakthrough, Congress and the President has only been able to agree to five short-term delays this year, often just before the extensions expired, and sometimes afterward. The AOA and other physician and patient groups have been urging a lengthier extension, or permanent changes to the underlying payment formula, to provide more stability for the Medicare program. Democrats and Republicans have not been able to agree on how to offset the cost of those proposals.

The \$19.2 billion payment fix is fully paid for, mostly by changing a provision in the health care overhaul to recoup more money from consumers who will be receiving excessive insurance subsidies. That provision is to provide tax credits to help individuals and families afford

insurance on state-run insurance exchanges when they take effect in 2014. If a tax credit recipient misstates income, or if it changes over the course of the year, he or she has to pay back part of the subsidy — up to \$250 for an individual or \$400 for families. Under the new plan, that flat repayment will be replaced with a sliding-scale structure, requiring smaller repayments at lower incomes and dramatically increasing the maximum amount for high earners.