

Issue Brief

FEDERAL ISSUE BRIEF • February 12, 2018

Congress Adopts and President Signs Spending Agreement

Early on Friday, Feb. 9, Congress enacted and the President signed legislation with the expiration of another continuing resolution that sets out-broad budget numbers for the next two fiscal years. Nonetheless, lawmakers face yet another deadline of March 23 — giving congressional appropriators the time to write a detailed bill doling out funding to government agencies.

The bill – HR 1892 – basically is the same information provided in an earlier [Issue Brief](#) that was based solely on the Senate's actions.

The Congressional Budget Office scored the health care changes as reflected in the table below. Note, that the table does not contain all items in the CBO report, but rather focuses on those pertaining to hospitals. The full CBO report/table is at: <https://www.cbo.gov/publication/53557>

4712 Country Club Drive
Jefferson City, MO 65109

P.O. Box 60
Jefferson City, MO 65102

573/893-3700
www.mhanet.com



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CONGRESSIONAL BUDGET OFFICE

Estimated Direct Spending and Revenue Effects of Division E of Senate Amendments 1930, the Bipartisan Budget Act of 2018

(Outlays in millions of dollars by fiscal year)	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018-2022	2018-2027
TITLE I CHIP												
50101 Funding extension of Children’s Health Insurance Program through FY 2027	0	0	0	0	0	0	239	-12	-195	-292	0	-260
50102 Extension of pediatric quality measures program	included in above											
50103 Extension of outreach and enrollment program	included in above											
TITLE II MEDICARE EXTENDERS												
50201 Extension of work GPCI floor	295	510	175	-25	0	0	0	0	0	0	955	955
50202 Repeal of Medicare payment cap for therapy services; replacement with limitation to ensure appropriate therapy	410	580	610	630	705	705	685	720	715	710	2,935	6,470
50203 Medicare ambulance services	75	135	125	125	135	-70	-140	-160	-180	-200	595	-155
50204 Extension of increased inpatient hospital payment adjustment for certain low-volume hospitals	45	360	420	445	490	55	0	0	0	0	1,760	1,815
50205 Extension of Medicare-dependent hospital program	105	180	185	190	205	25	0	0	0	0	865	890
50206 Extension of funding for quality measure endorsement, input and selection; reporting requirements	5	8	3	0	0	0	0	0	0	0	15	15
50207 Extension of funding outreach and assistance for low-income programs; state health insurance assistance program reporting	38	38		0	0	0	0	0	0	0	75	75
50208 Extension of home health rural add-on	64	125	104	63	19	0	0	0	0	0	375	375



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TITLE III CREATING HIGH-QUALITY RESULTS AND OUTCOMES NECESSARY TO IMPROVE CHRONIC CARE												
50301 Extending the independence at Home demonstration program	0	3	9	10	0	0	0	0	0	0	23	23
50311 Providing continued access to Medicare Advantage special needs plans for vulnerable populations	0	6	13	13	14	14	15	16	16	17	46	125
50321 Adapting benefits to meet the needs of chronically ill Medicare Advantage enrollees	0	0	20	25	0	0	0	0	0	0	45	45
50322 Expanding supplemental benefits to meet the needs of chronically ill Medicare Advantage enrollees	0	0	0	0	0	0	0	0	0	0	0	0
50323 Increasing convenience for Medicare Advantage enrollees through telehealth	0	0	-10	-10	-10	-10	-10	-10	-10	-10	-30	-80
50324 Providing accountable care organizations the ability to expand the use of telehealth	0	0	5	5	5	5	5	5	10	10	15	50
50325 Expanding the use of telehealth for individuals with stroke	0	5	15	20	20	25	30	40	40	35	60	230
50331 Providing flexibility for beneficiaries to be part of an accountable care organization	0	0	5	5	5	5	5	5	10	10	15	50
50341 Eliminating barriers to care coordination under accountable care organizations	0	0	-5	-7	-7	-7	-7	-7	-7	-7	-19	-54
50342 GAO study and report on longitudinal comprehensive care planning services under Medicare Part B	0	0	0	0	0	0	0	0	0	0	0	0
50351 GAO study and report on improving medication synchronization	0	0	0	0	0	0	0	0	0	0	0	0



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50352 GAO study and report on impact of obesity drugs on patient health and spending	0	0	0	0	0	0	0	0	0	0	0	0
50353 HHS study and report on long-term risk factors for chronic conditions among Medicare beneficiaries	0	0	0	0	0	0	0	0	0	0	0	0
TITLE IV PART B IMPROVEMENT ACT AND OTHER PART B ENHANCEMENTS												
50401 Home health infusion therapy services temporary transitional payment	0	-260	-490	-160	0	0	0	0	0	0	-910	-910
50402 Orthotist's and prosthetist's clinical notes as part of the patient's medical record	0	0	0	0	0	0	0	0	0	0	0	0
50403 Independent accreditation for dialysis facilities and assurance of high quality surveys	0	0	0	0	0	0	0	0	0	0	0	0
50404 Modernizing the application of the Stark rule	0	0	0	0	0	0	0	0	0	0	0	0
50411 Making permanent the removal of the rental cap for durable medical equipment under Medicare with respect to speech-generating devices	0	1	1	1	1	1	1	2	2	2	4	12
50412 Increased civil and criminal penalties, and increased sentences for federal health care program fraud and abuse	0	0	0	0	0	0	0	0	0	0	0	0
50413 Reducing the volume of future EHR-related significant hardship requests	0	0	0	0	0	0	0	0	0	0	0	0
50414 Strengthening rules in case of competition for diabetic testing strips	0	0	0	0	0	0	0	0	0	0	0	0



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TITLE IX PUBLIC HEALTH PROGRAMS												
50901 Extension of community health centers, the National Health Service Corps and teaching health centers that operate GME programs	1,041	2,761	2,893	1,331	16	0	0	0	0	0	8,042	8,042
50902 Extension of special diabetes program	54	192	188	41	8	5	0	0	0	0	483	488
TITLE X MISCELLANEOUS HEALTH CARE POLICIES												
51001 Home health payment reform	0	0	0	0	0	0	0	0	0	0	0	0
51002 Information to satisfy documentation of Medicare eligibility for home health services	0	0	0	0	0	0	0	0	0	0	0	0
51004 Expanded access to Medicare intensive cardiac rehabilitation programs	included in estimate for section 51008											
51005 Extension of blended site neutral payment rate for certain long-term care hospital dis-charges; temporary adjustment to site neutral payment rates	210	290	-65	-70	-75	-80	-80	-85	-90	0	290	-45
51006 Recognition of attending physician assistants as attending physicians to serve hospice patients	0	15	25	25	30	30	30	35	35	35	95	260
51007 Extension of enforcement instruction on supervision requirements for outpatient therapeutic services in critical access and small rural hospitals through 2017	0	0	0	0	0	0	0	0	0	0	0	0
51008 Allowing physician assistants, nurse practitioners and clinical nurse specialists to supervise cardiac, intensive cardiac and pulmonary rehabilitation programs	0	10	10	10	5	5	40	65	70	75	35	290



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TITLE XI PROTECTING SENIOR'S ACCESS TO MEDICARE ACT												
52001 Repeal of the Independent Payment Advisory Board	0	0	0	0	800	220	5,160	1,560	6,600	3,150	800	17,490
TITLE XII OFFSETS												
53101 Modifying reductions in Medicaid DSH allotments	1,356	2,275	0	-1,408	-1,003	-593	-349	-463	0	0	1,220	-185
53104 Rebate obligation with respect to line extension drugs	0	-132	-548	-581	-616	-657	-601	-652	-806	-861	-1,877	-5,654
53106 Physician Fee Schedule update	0	-105	-170	-185	-205	-210	-215	-235	-255	-275	-665	-1,855
53107 Payment for outpatient physical therapy services and outpatient occupational therapy services furnished by a therapist assistant	0	0	0	0	-135	-185	-190	-215	-230	-255	-135	-1,210
53109 Hospital transfer policy for early discharges to hospice care	0	-485	-500	-515	-545	-545	-540	-575	-585	-605	-2,045	-4,895
53110 Medicare payment update for home health services	0	0	-225	-375	-425	-425	-450	-500	-525	-575	-1,025	-3,500
53111 Medicare payment update for skilled nursing services	0	-140	-170	-180	-205	-210	-220	-245	-265	-290	-695	-1,925
53112 Preventing the artificial inflation of star ratings after the consolidation of MA plans offered by the same organization	0	0	190	-160	-70	-30	-25	-15	-15	-15	-420	-520
53114 Adjustments to Medicare Part B and Part D premium subsidies for higher income individuals	0	-90	-125	-140	-160	-175	-195	-220	-245	-275	-515	-1,625
53119 Prevention of Public Health Fraud	0	20	61	112	60	0	-154	-295	-394	-408	253	-998



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*Analysis provided for MHA
by Larry Goldberg,
Goldberg Consulting*

Comment

The CHIP program has now been funded for 10 years. This bill extends by four years CHIP funding contained in the previous CR bill.

Community health centers are funded, but for only four years.

Overall, CBO says the Medicare extender provisions will add \$10.4 billion to program outlays.

The repeal of the independent advisory board, which has yet to be staffed or in operation, will cost Medicare nearly \$17.5 billion over the 10-year period ending in 2027. One must realize that reductions in the growth of Medicare payments will always be in play. This change will focus future items back to Congress.
