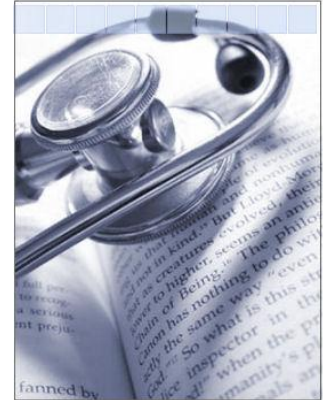


Medicare Ends Reimbursement Freeze Extension

Prior to adjourning for its two week spring recess, the Senate failed to approve [H.R. 4851](#), the **Temporary Extension Act of 2010**, which would have extended the current freeze on Medicare's current physician payment rates through April 30, 2010. As a result, the 21.3% cut to Medicare physician payments will take effect April 1. The extension was argued strongly by several senators because it is unfunded and includes an extension of unemployment benefits and COBRA insurance as emergency spending. The Senate returns on April 12 to close the debate by voting on the 30-day extension bill.



In past similar situations Centers for Medicare & Medicaid Services (CMS) has instructed carriers to temporarily hold claims. While CMS has not made this announcement yet, we expect that recommendation will come within a few days.

Recommendations

- Prepare for possible Medicare payment delays in early April
- If you have not done so already, we recommend all practices quantify the amount of their total Medicare reimbursement to quantify the financial effect of any cut
- Review payer contracts that could potentially result in lower reimbursement
- Be prepared for possible slowdown of cash receipts

We will keep you informed of any other legislative changes that may come up in the near future.