



The Florida Academy of **PAIN MEDICINE**

Congress Approves 10-Month SGR Patch

On Friday, the House of Representatives approved the Temporary Payroll Tax Cut Continuation Act of 2011 293:132. The Senate approved the package shortly thereafter with a 60:36 vote. The Act was originally approved on December 23 to avert the 27.4 percent payment reduction as part of a broader payroll tax and unemployment benefit package; however, only did so through February 29. A bipartisan group of 20 House and Senate conferees was convened to develop a longer-term extension - the bi-product of their negotiations was a 10-month policy for the remainder of 2012.

Implementation of the 27.4% cut in Medicare physician payments, scheduled to take effect on March 1 has effectively been delayed until January 1. The Congressional agreement extends current physician payment policy through the end of 2012. Medicare-participating physicians will now be subject to a 32 percent cut on January 1.

The \$18 billion cost over 11 years of this short-term delay is offset by cuts to other health care programs, including the Prevention and Wellness Fund - \$5 billion, payments for clinical labs - \$2.7 billion, limitations on Medicare bad debt payments to hospitals - \$ 6.9 billion, rebasing Medicaid State DSH allotments - \$4.1 billion, and a technical correction to the Disaster Recovery FMAP provision - \$2.5 billion. The agreement also includes certain Medicare "extenders," including the continuation of the 1.0 floor on the work GPCI for all geographic locations, therapy caps, certain pathology services, ambulance add-ons, the outpatient hold harmless provision, and Transitional Medical Assistance (TMA).

HHS Announces ICD-10 Compliance Date Delay

HHS announces intent to delay ICD-10 compliance date. As part of President Obama's commitment to reducing regulatory burden, Health and Human Services Secretary Kathleen G. Sebelius announced that HHS will initiate a process to postpone the date by which certain health care entities have to comply with International Classification of Diseases, 10th Edition diagnosis and procedure codes (ICD-10).

The final rule adopting ICD-10 as a standard was published in January 2009 and set a compliance date of October 1, 2013 – a delay of two years from the compliance date initially specified in the 2008 proposed rule. HHS will announce a new compliance date moving forward.

"ICD-10 codes are important to many positive improvements in our health care system," said HHS Secretary Kathleen Sebelius. "We have heard from many in the provider community who have concerns about the administrative burdens they face in the years ahead. We are committing to work with the provider community to reexamine the pace at which HHS and the nation implement these important improvements to our health care system."

ICD-10 codes provide more robust and specific data that will help improve patient care and enable the exchange of our health care data with that of the rest of the world that has long been using ICD-10. Entities covered under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) will be required to use the ICD-10 diagnostic and procedure codes.

