

Temporary SCHIP Extension and Health Extenders Package Signed into Law



On Saturday, September 29th, President Bush signed into law a temporary funding extension of the State Children's Health Insurance Program (SCHIP), as well as a separate bill that will continue several health care programs that were set to expire on September 30th.

The provision temporarily extending SCHIP was included in a continuing resolution, H.J. Res. 52, which will fund all government programs through November 16, 2007. Federal funding for the SCHIP program was set to expire on September 30th. Lawmakers included the SCHIP provision in the continuing resolution so the program would continue

to be funded while Congress works to enact legislation to reauthorize the program for five years. Although the House and Senate approved SCHIP reauthorization legislation in late September, President Bush has vowed to veto the bill.

President Bush also signed a "health extenders package" into law on September 29th. Among other provisions, the TMA, Abstinence Education, and QI Programs Extension Act of 2007 (H.R. 3668) lessens the anticipated payment cuts faced by hospitals under the Centers for Medicare & Medicaid Services' (CMS') inpatient prospective payment system (IPPS) rule.

Without the legislative intervention, CMS' fiscal intermediaries would have begun implementing the IPPS rule on Oct. 1, which called for reductions to hospital payment rates. The bill lessens hospital payment cuts by decreasing the 1.2 percent reimbursement reduction scheduled for fiscal year 2008 to 0.6 percent, and the 1.8 percent cuts scheduled for fiscal year 2009 to 0.9 percent.

In addition, H.R. 3668 increases funding for the Medicare Physician Assistance and Quality Initiative Fund. The bill extends a Medicare low-income premium assistance program as well as Medicaid's Transitional Medical Assistance Program and the Abstinence Education Program. Furthermore, it extends a web-based asset verification demonstration project in New York and New Jersey, which is currently used to determine Supplemental Security Income eligibility in these states, to Medicaid eligibility determinations in these states. H.R. 3668 also delays for six months a requirement that physicians use tamper resistant pads for prescriptions for Medicaid beneficiaries.

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