

March 11, 2014

The Medicare SGR Repeal and Beneficiary Access Improvement Act

Repeals the SGR and provides payment stability

- Repeals the SGR and replaces it with a temporary 0.5 percent annual update.
- Transitions to a system that rewards providers who deliver high-value, high-quality care.

Improves the existing fee-for-service system

- Consolidates three existing quality programs into a streamlined and improved program that rewards providers who meet performance thresholds, improves care for seniors, and provides certainty for providers.
- Implements a process to improve payment accuracy for individual provider services.
- Incentivizes care coordination efforts for patients with chronic care needs.
- Introduces clinical care guidelines to reduce inappropriate care that harms patients and wastes money.
- Provides critical funding for quality measures development.

Incentivizes movement to alternative payment models (APMs)

- Provides a 5 percent bonus to providers who receive a significant portion of their revenue from an APM or patient centered medical home (PCMH).

Expands the use of Medicare data for quality improvement

- Publicizes quality and utilization data to enable patients to make more informed decisions about their care.

Addresses Medicare Extenders

Makes Permanent

- Physician work geographic adjustment floor
- Medicare dependent hospital add-on payments
- Low-volume hospitals add-on payments
- Funding for outreach efforts for low-income beneficiaries
- Special needs plans for institutionalized beneficiaries
- Funding for, and improves the quality of, the measure endorsement process.

Repeals

- Outpatient therapy caps and establishes a new medical review program
- Certain Medicare cost plans

Extends

- Ground ambulance add-ons payments
- Special needs plans for dual-eligibles and beneficiaries with specific conditions

Addresses Medicaid Extenders

Extends

- The Qualifying Individuals program
- The Transitional Medical Assistance program
- The Express-Lane Eligibility program
- Dedicated funding for pediatric quality measures
- Funding for the special diabetes program

Addresses Human Services Extenders

Extends

- The abstinence-only education program
- The personal responsibility education program
- Family-to-family counseling grants
- The health professionals opportunities grant program through 2015.

Other Provisions

- Includes other provisions approved by the Senate Finance Committee during its December 12, 2013 markup.

Prepared by the Senate Committee on Finance Majority Staff