

Changes to the Medicare Program Effective July 1, 2008

Congress adjourned on June 27 without passing legislation to address the Medicare changes scheduled to go into effect on July 1, 2008. They will return on July 7, 2008. Below is a brief summary of each issue, APTA's legislative efforts on behalf of our members, and links to resources created by APTA to help our members understand these changes and implement them in their practices. Join PTeam to keep informed and receive Breaking News Updates, Information Bulletins and Action Alerts for updates as these issues develop.

[APTA FAQs on how to implement changes occurring July 1, 2008](#)

Therapy Cap Exceptions Process Expires

Starting July 1, 2008, there will be no exceptions process to the therapy cap. This means that Medicare beneficiaries will either pay out of pocket for outpatient therapy services once they have met or exceeded the cap for calendar year 2008 (\$1810 for physical therapy and speech language pathology combined and a separate \$1810 cap for occupational therapy) or receive therapy services in an outpatient hospital department.

Legislative Updates

Legislation (S 3118, S3101, and HR 6331) has been introduced in both the House and Senate to extend the therapy cap exceptions process. This legislation did not pass before Congress adjourned for the July 4 recess. Therefore, the cap will go into effect without an exceptions process on July 1. APTA will continue to work with Congress to address Medicare legislation. Click [here](#) to contact your member of Congress.

Additional Resources Links:

[CMS MLN Matters Article on Expiration of the Exceptions Process](#)

[APTA Advocacy Page -Learn about this issue](#)

[APTA 'Resources for Challenging Times'-Learn about the resources to help your practice](#)

[PTs: Contact your member of Congress](#)

[Patients: Contact your member of Congress](#)

[S. 3101](#)

[S. 3118](#)

[HR 6331](#)

10.6% Cut in Medicare Payments under the Fee Schedule

Due to Medicare's flawed payment methodology, there will be an average cut of 10.6% in payment, effective July 1, 2008 unless Congress acts.

Legislative Updates

Legislation (S 3118, S3101, and HR 6331) has been introduced in both the House and Senate to prevent fee schedule cuts. This legislation did not pass before Congress adjourned for the July 4 recess. As a result, physical therapists will see on average a 10.6% reduction in payments starting July 1. APTA will continue to work with Congress to address Medicare legislation. Click [here](#) to contact your member of Congress.

Additional Resources Links:

[Medicare Policy Resource Page - Learn about Medicare policy on this issue](#)

[APTA Medicare Fee Schedule Calculator - Calculate Medicare payments](#)

[APTA 'Resources for Challenging Times'-Learn about the resources to help your practice](#)

[PTs: Contact your member of Congress](#)

[HR 6331](#)

[S 3101](#)

[S 3118](#)

1.0 Floor on Geographic Practice Cost Index (GPCIs) Expires

Due to expiration of a 1.0 floor on GPCIs, 54 localities will experience reductions in payment in addition to the 10.6% cuts.

Legislative Updates

Legislation (S 3118, S3101, and HR 6331) has been introduced in both the House and Senate to prevent these cuts. This legislation did not pass before Congress adjourned for the July 4 recess. Consequently, physical therapists in 54 localities will see an additional reduction in payments starting July 1. APTA will continue to work with Congress to address Medicare legislation when. Click [here](#) to contact your member of Congress.

Additional Resources Links

[Medicare Policy Resource Page - Learn about Medicare policy on this issue](#)

[APTA Medicare Fee Schedule Calculator - Calculate Medicare payments](#)

[APTA 'Resources for Challenging Times'-Learn about the resources to help your practice](#)

[PTs: Contact your member of Congress](#)

[S. 3101](#)

[S. 3118](#)

[HR 6331](#)

Durable Medical Equipment, Prosthetic, Orthotic, & Supplies (DMEPOS) Competitive Bidding

Medicare beneficiaries who live within 10 Metropolitan Statistical Areas (MSAs) identified by the Centers for Medicare and Medicaid Services (CMS) will be required to get certain types of DMEPOS items (such as wheelchairs and walkers) from a DMEPOS supplier that submitted a winning bid. This means that physical therapists in these MSAs may need to obtain these items from a different supplier for their patients.

Legislative Updates

Legislation (HR 6252, HR 6331, and S 3144) has been introduced in both the House and Senate to delay implementation of the DMEPOS competitive bidding program in the 10 Metropolitan Statistical Areas. Congress did not pass legislation delaying the implementation of the competitive bidding program before adjourning for the July 4 recess. APTA will continue to work with Congress to address Medicare legislation. Click [here](#) to contact your member of Congress.

Additional Resources Links

[DMEPOS Policy Resource Page- Learn about Medicare policy on this issue](#)

[APTA 'Resources for Challenging Times'-Learn about the resources to help your practice](#)

[*PTs: Contact your member of Congress*](#)

[S 3144](#)

[HR 6252](#)

[HR 6331](#)

Revision of Personnel Qualifications for Part A Settings

Skilled nursing facilities and hospitals must ensure that physical therapists and physical therapist assistants who provide services to Medicare beneficiaries in their facilities meet the new qualifications of physical therapist or physical therapist assistant at 42 CFR section 484.4 of the Code of Federal Regulations. APTA is working with officials at CMS to get further clarification regarding the provision of services by students in these settings.

New Medicare Enrollment Applications Must be Used

The Centers for Medicare and Medicaid Services has revised the 855 Enrollment Forms. Physical therapists enrolling for the first time as a provider in the Medicare program or updating their information with CMS on or after July 1, 2008 must use these new forms.

Additional Resources Links

[APTA Resources on Medicare Enrollment](#)

[CMS Resources on Enrollment](#)