



For Immediate Release
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**FINANCE COMMITTEE APPROVES BAUCUS'
AMERICA'S HEALTHY FUTURE ACT**

*Landmark Health Care Reform Legislation to Reduce Costs, Provide
Quality, Affordable Coverage Approved by Vote of 14 to 9, Now Heads to Senate Floor*

Washington, DC – The Senate Finance Committee today approved Chairman Max Baucus' (D-Mont.) landmark health reform bill, the America's Healthy Future Act. The legislation would lower costs and provide quality, affordable health care coverage. It would make it easier for families and small businesses to buy health insurance, ensure Americans can choose to keep the health care coverage they have if they like it and slow the growth of health care costs over time. The America's Healthy Future Act would bar insurance companies from discriminating against people based on health status, denying coverage because of pre-existing conditions or imposing annual caps or lifetime limits on coverage. And it would improve the way the health care system delivers care by improving efficiency, quality, and coordination. The Congressional Budget Office has said the bill is fully paid for, estimated to cost \$829 billion dollars and will reduce the federal deficit by \$81 billion within first ten years.

"The bill we passed today puts patients and doctors – not insurance companies – in the driver's seat," said Baucus. **"It includes strong provisions to end insurance company practices that discriminate against those who are sick or have pre-existing conditions. It modernizes our health care system to reduce waste and inefficiency and slows health care costs that stretch families, businesses and our economy to a breaking point. This balanced, common-sense bill begins to shave the federal deficits. The American people deserve a health care system that works for them and this vote is a critical step toward that goal."**

Selections from press release included.
Full article is available at finance.senate.gov

Rural Health Care Protections

The Chairman's Mark includes several provisions to ensure rural health care facilities and providers have the resources they need to continue delivering quality care in their communities. Specifically, the Mark would extend and improve many rural access protections, including the following:

FLEX Grants for Health Care in Rural Communities - The Medicare Rural Hospital Flexibility Program provides grants that rural health care providers can use to improve quality, and to strengthen health care networks. Funds can be used for services ranging from ambulance transport to the development of small local hospitals. The Chairman's Mark will extend the FLEX Grant program through 2012 and will add a new component that Flex grant funding can be used to support rural hospitals' efforts to implement delivery system reform programs, such as value-based purchasing programs, bundling, and other quality programs.

Hospital Outpatient Department Hold Harmless for Small Rural Hospitals - Small rural hospitals that are not sole community hospitals (SCHs) can receive additional Medicare payments if their outpatient payments under a new payment system are less than under the prior reimbursement system. The Chairman's Mark would ensure that small rural hospitals receive 85 percent of the payment difference in 2010 and 2011.

Reasonable Cost Reimbursement for Laboratory Services in Small Rural Hospitals - Certain rural areas with low population densities used to receive reasonable cost reimbursement for laboratory services, but this policy ended in 2008. The Chairman's Mark would reinstate reasonable cost reimbursement, thus improving access to laboratory services for those in rural communities.

Rural Community Hospital Demonstration Program - The Centers for Medicare & Medicaid Services has been conducting a demonstration program to test the feasibility of reasonable cost reimbursement for small rural hospitals. The Chairman's Mark extends the program for two years and expands eligible sites to additional rural states.

Medicare Dependent Hospital Program - Small rural hospitals with a high proportion of patients who are Medicare beneficiaries receive special treatment, including higher payments. This assistance for Medicare dependent hospitals (MDHs) is scheduled to expire in September 2011. In order to protect access to health care in rural communities, the Chairman's Mark will extend crucial support to MDHs for an additional two years. In addition, the Mark would require HHS to study whether certain urban hospitals should qualify for the MDH program.

Temporary Medicare Hospital Payment Improvements - The Chairman's Mark would temporarily increase payment for certain low-volume hospitals, ensuring that rural hospitals are adequately reimbursed for serving their communities.

Technical Correction Related to Critical Access Hospitals (CAHs) – The Chairman’s Mark clarifies that CAHs continue to be eligible to receive 101 percent of reasonable costs for providing outpatient care regardless of eligible billing method the facility uses and for providing qualifying ambulance services.

Community Health Integration Models in Certain Rural Counties - The 2008 demonstration project allowed eligible rural entities to develop and test new models for the delivery of health care services in order to improve access to and integrate the delivery of acute care, extended care and other essential health care services for Medicare beneficiaries. The Chairman’s Mark will expand the 2008 project to more eligible counties and will also allow physicians to participate in the demonstration project.