**Summary of HR 4994 – Medicare & Medicaid Extenders Act**

**Important Provision for Nursing Facility Providers**

**Repeal of delay of RUG–IV.** Under current law, implementation of Version four of the Resource Utilization Groups ("RUG IV") for purposes of reimbursing skilled nursing facilities under Medicare is delayed until October 1, 2011. The provision would repeal the delay and allow RUG IV to go into effect on October 1, 2010, consistent with the final SNF payment regulation for FY2011. *This provision does not score.*

**Extension of exceptions process for Medicare therapy caps.** Current law places annual per beneficiary payment limits for all outpatient therapy services provided by non-hospital providers. The Secretary was required to implement an exceptions process for cases in which the provision of additional therapy services was determined to be medically necessary. The provision would extend the therapy caps exception process through December 31, 2011. *The estimated cost of the provision is $900 million over ten years.*

**Funding for claims reprocessing.** Extensions of Medicare payment policies for calendar year 2010 were enacted into law on March 23, 2010, requiring the Centers for Medicare & Medicaid Services (CMS) to reprocess Medicare claims back to January 1, 2010. The provision allocates funding for CMS to reprocess these claims. *The estimated cost of the provision is $200 million over ten years.*

**Extension of the qualifying individual (QI) program.** This program allows Medicaid to pay the Medicare part B premiums for low-income Medicare beneficiaries with incomes between 120 percent and 135 percent of poverty. QI expires December 31, 2010. *The estimated cost of the provision is $600 million over ten years.*

**Extension of Transitional Medical Assistance (TMA).** Transitional Medical Assistance (TMA) allows low-income families to maintain their Medicaid coverage as they transition into employment and increase their earnings. TMA expires December 31, 2010. *The estimated cost of the provision is $1 billion over ten years.*