

House passes bill stopping Medicare premium hikes

24 September 2009, By STEPHEN OHLEMACHER , Associated Press Writer

(AP) -- Millions of Medicare patients would be spared monthly premium increases next year under a bill passed by the House Thursday.

The House voted 406 to 18 to eliminate all premium increases for Medicare Part B, which provides coverage for doctor's visits. The bill now goes to the Senate, where the Finance Committee is expected to take it up soon, though no hearings were scheduled.

Lawmakers said older Americans shouldn't have to pay higher Medicare Part B premiums because they are not expected to get a cost of living increase from Social Security. Most seniors have their Medicare premiums deducted from their Social Security payments.

Under the law, the vast majority of Medicare recipients already are exempt from Part B premium increases whenever there is no increase in Social Security payments.

Still, without congressional action, several million would face monthly premium increases of \$8 to \$23. The standard monthly premium is \$96.40 this year.

"Our nation's seniors are already experiencing difficult financial times," said Rep. Charles Rangel, D-N.Y., chairman of the House Ways and Means Committee, which oversees Medicare. "The prospect that some may face a disproportionate increase in their Medicare premiums is inherently unfair."

The bill would not affect scheduled increases in premiums for the Medicare prescription drug program, known as Part D. Average monthly premiums for the drug program will increase slightly, from \$28 this year to \$30 in 2010.

House Majority Leader Steny Hoyer of Maryland, in a rare break with fellow Democrats, voted against

the measure, saying it would mainly help wealthy Medicare recipients.

"If we take care of everybody, we won't be able to take care of those who need us most," Hoyer said.

About 42 million seniors and people with disabilities are enrolled in Medicare Part B. By law, about three-fourths are exempt from premium increases when there is no increase in Social Security payments.

The Social Security Administration projects no cost-of-living increases for the next two years because the adjustments are pegged to inflation, which has been negative this year, largely because energy prices are below 2008 levels. It will mark the first time without an increase since automatic adjustments were adopted in 1975.

Most of the 11 million or so patients who are not exempt from premium increases are low-income people who also qualify for Medicaid. Medicaid, the state-federal health insurance program for the poor, pays their Medicare premiums, meaning states would bear some of the costs.

Among the rest who are not exempt, a little more than 2 million are high-income seniors - singles making more than \$85,000 a year and couples making more than \$170,000. Also, about 1.3 million new enrollees would not be exempt.

Without congressional action, the Medicare trustees have projected that standard Medicare Part B premiums would go from \$96.40 a month this year to \$104.20 a month in 2010. The Congressional Budget Office projects premiums could go to \$119.40.

The House bill would eliminate all Part B premium increases, using \$2.8 billion in other Medicare funding.

"All Medicare beneficiaries should be treated fairly

and one group should not bear an excessive burden, particularly in these difficult economic times," said Rep. Henry Waxman, D-Calif., chairman of the House Energy and Commerce Committee, which also oversees [Medicare](#).

Democrats said they had to act on a bill quickly so the administration could set premium rates for next year and inform seniors this fall.

Republican lawmakers complained about the short notice of the vote. The bill was unveiled Wednesday and a vote was scheduled for a day later, with no public hearings.

"We're very upset that it's been done so cavalierly," said Joe Barton, R-Texas, the top Republican on the energy committee.

Barton noted that officials have known for months there would be no [Social Security](#) increases. Nevertheless, Barton voted for the bill.

"We do need to do something," he said.

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