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INFECTION CONTROL

LEGISLATIVE NEWS

Medicare-Medicaid Reimbursement Reforms

After more than a year of negotiating, Congressional packages of Medicare-Medicaid reimbursement reforms appear headed for final approval.

The Senate Finance Committee and the House Ways and Means Committee made some adjustments in their respective bills and agreed to send them to their respective budget committees as part of a broad reconciliation bill required by the first budget resolution for fiscal year 1981.

The House version saw health concerns fare better than in the Senate bill. The Senate version contains several new health cuts, including an Administration proposal requiring Medicare to reimburse physicians according to the rate schedule in effect when services are provided rather than when a claim is processed. The Administration estimates this could save as much as $147 million annually.

The Senate version contains some slight easing from last year's decision to repeal the controversial 8½% Medicare bonus for hospital-provided nursing care. Elimination would be delayed until the middle of fiscal 1981 while substitute formulas are studied.

Medicaid Community Care Act

A bill to provide additional Medicaid funding to states that offer non-institutional community care has received strong support from state lawmakers and representatives of the aged and minorities.

The National Conference of State Legislators said that the Medicaid Community Care Act would help to develop a rational long term care system. Representatives of the National Council of Senior Citizens, the American Association of Retired Persons, the National Council on Aging, and the National Center on Black Aged also support the bill.

The legislation provides for comprehensive assessments and community-based services for individuals who otherwise would be at risk of institutionalization. The measure contains new authority permitting states with approved community care plans to apply for Federal payments with respect to home health care services and certain other services at a rate higher than that provided under the general Medicaid program.

Infant Formulas

A panel of parents has delivered an emotional appeal for Congress to move quickly on legislation setting safety and nutritional requirements for infant formulas.

The group indicated, however, that it is not entirely satisfied with either the House or Senate versions of the legislation. It said that the House bill is inadequate because it does not provide for routine testing of formulas, which it claimed is the only way a mechanical malfunction or processing error can be detected.

The Senate bill was criticized because it does not contain a list of specific nutrient requirements. Sen. Howard Metzenbaum (D, Ohio), chief sponsor of the Senate bill, said he would agree to amending the bill to include a nutrient table.

Medicare Funding

The first budget resolution for fiscal year 1981—the government accounting year beginning October 1—includes a directive to reduce Medicare-Medicaid costs by $1.4 billion for the year through legislative action.

The Senate Finance Committee and the House Ways and Means Committee will be mainly responsible for making cuts. Among the proposals that will at least be considered are hospital cost containment, elimination of the Medicare bonus paid to hospitals for provision of routine nursing services, and other reimbursement reforms.

In the health field, House-Senate conferees split the difference between the $71.5 billion in the House measure and the $70.7 billion in the Senate. The $71.5 billion includes $9.55 billion for discretionary health programs—only 6% more than the fiscal 1980 amount.

National Health Insurance

Sen. Russell B. Long (D, LA), chairman of the Senate Finance Committee, continues to insist that he has not discarded plans for national health insurance legislation, despite the constraints of the tight budget.

Long offered some health care cost-cutting initiatives that would provide a financial foundation for a modest national health insurance plan. The basis of the Long plan is employer-sponsored catastrophic coverage and

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Medicare-Medicaid benefit improvements.

Mental Health Centers Act

The House is ready to vote on legislation extending the life of the Mental Health Centers Act, which is due to expire October 1.

The measure, cleared by the House Commerce Committee, extends the community mental health centers program for another year and authorizes a new system for three years beyond that.

Several amendments were adopted. One tightens the criteria for awarding mental health grant money. Another requires that an applicant for a priority population service grant provide, during the first three years of funding, outpatient services, inpatient services, screening, followup services, consultation and education, and emergency care. The bill originally required that only three of those services be provided.

The bill also prohibits the Secretary of health and Human Services from awarding grants for services to the chronically mentally ill or grants for services to severely mental disturbed children to any entity other than a state health authority if that area is served by a community mental health center

Laboratory Fraud

Passage of the Carter Administration's Medicare and Medicaid amend ments would help reduce fraud in the nation's clinical laboratories, an official of the Department of Health and Human Resources told Congress recently.

In testimony to the House Aging Committee, HHR Acting Inspector General Richard Lowe said that the legislation would allow the department to negotiate exclusive supplier agreements with laboratories, encourage competitive bidding, clarify the penalties faced by Medicaid abusers and help states combat fraud. He said enactment could save the Federal government more than $100 million by 1985.

Also testifying was the FBI's assistant director of criminal investigations. He said that undercover operations by his unit show that fraud and abuse in laboratories have permeated every area of the Medicare-Medicaid health care industry.

We Invite Your Contributions

To encourage active participation by the readers of INFECTION CONTROL, we invite you to contribute in the following ways:

1. **Original articles**—see "Information for Authors" in this issue for further details.
2. **Brief Reports**—case presentations or reports of small epidemics or pseudoepidemics. A Brief Report should include history and physical examination findings, laboratory studies, how the problem was handled, and final outcome. Complete references should be included, following the style noted in "Information for Authors."
3. **Questions** about problems in infection control will be answered by Editorial Board members or other experts they may designate.
4. **Letters**—commenting about articles published in INFECTION CONTROL or general comments about the specialty of infection control.

These contributions should be submitted to:

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