

Washington D.C. - Today, Congressman Kevin McCarthy voted in support of S. 2499, which passed the House of Representatives by a vote of 411-3. Generally, the bill would reverse the scheduled 10.1% reduction in Medicare payments for physician services for the first six months of 2008, replace that cut with a 0.5% increase in payments, and extend the State Children's Health Insurance Program (SCHIP) until March 2009.

"Congress can address the needs of the American people when Washington politicking is set aside," said McCarthy. "With only a few days before the House adjourned for the year, I joined 79 of my colleagues asking the Speaker to work with us to adopt an 18-month extension of the SCHIP program, a policy we cosponsored in September. I am pleased that today's legislation extends the SCHIP program through March 2009, a sign that Republicans and Democrats can work together to ensure that low-income children do not lose their SCHIP health coverage. In the meantime, we now have a second chance to listen to all Members of Congress, work together in a bipartisan fashion, and pass a long-term extension for this program."

McCarthy added, "I was disappointed that Congress procrastinated until today regarding the scheduled 10.1% cut in Medicare physician payments. This unreasonable reduction, at a time when medical expenses are going up, could have had the effect of forcing doctors to stop seeing and treating older Americans. While I am pleased that we passed this legislation so that physicians and their patients will not have to face this 10.1% cut, it is only a temporary reprieve. We must work together and fundamentally reform the Medicare physician payment system."

S. 2499 would extend the SCHIP program through March 2009, and provide an additional \$800 million in funding to make up for expected shortfalls that could cause some states to stop covering low-income children currently on the program. Extending SCHIP through 2009 is similar to the policies in H.R. 3584, a bill that McCarthy cosponsored on September 17, 2007 with 141 of his colleagues, intended to push the House leadership to diffuse the partisan bickering on children's health insurance, and ensure that low-income children could continue to keep their health coverage. In a letter to House Speaker Pelosi dated December 12, McCarthy joined 79 of his colleagues asking for an 18-month extension of the SCHIP program to be voted on the House floor before the year ended.

With respect to Medicare, for the first six months of 2008, the bill would reverse the scheduled 10.1% cut in Medicare payments for physician services and replace it with a 0.5% increase in payments. The bill would also extend, for six months, other Medicare programs that are set to expire at the end of this year, such as the physician scarcity area program and the therapy caps

exceptions process. Finally, the bill would extend funding for the Special Diabetes Program, which funds research related to juvenile diabetes, through September 2009.

Because House passage of S. 2499 today follows Senate passage of the bill yesterday, the bill will be sent to the President for his signature. President Bush has indicated that he will sign S. 2499 into law.