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REPRESENTATIVE SCHAKOWSKY SUPPORTS PRESIDENT'S PLAN TO USE BUDGET SURPLUS TO SAVE MEDICARE & OPPOSES FURTHER CUTS IN PROVIDER REIMBURSEMENTS WITHOUT REVIEW

Washington, D.C. -- In a letter today to President Clinton, U.S. Representative Jan Schakowsky (D-IL) voiced her support for the President's proposal to use 15 percent of the budget surplus to protect Medicare and joined him in opposing any reduction in Medicare benefits.

However, Rep. Schakowsky expressed concern that additional cuts in hospital and home health care payments would greatly jeopardize the quality of service and care available to millions of seniors and persons with disabilities. Schakowsky also said that if further cuts in provider payments take place, nonprofit home health agencies could face severe problems, and hospitals serving disadvantaged and special needs communities are likely to be the hardest hit by reduced payments.

"I am greatly concerned that effects of recent cutbacks in provider reimbursements, particularly in the area of home health service and hospital payments, may have already adversely affected beneficiaries' access to services," wrote Schakowsky.

Schakowsky said that using a portion of the budget surplus for Medicare would not only protect beneficiaries, but would provide an opportunity to review the impact of recent Medicare payment changes to providers before any new cuts are put in place.

Schakowsky specifically called on the president to "delay the 15 percent additional cut in home health service payments scheduled for next October, to eliminate the additional \$7.5 billion reductions included in the Administration's Fiscal Year 2000 budget, and to oppose any cuts in Graduate Medical Education and Disproportionate Share Hospital programs under Medicare."