

JULY 7, 1976

Office of the White House Press Secretary

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NOTICE TO THE PRESS

The President has signed H. R. 13501 -- Medicare Extension Amendments. This bill will make three changes in the Medicare law, with the effect of increasing reimbursement for physicians' services.

H. R. 13501 will:

- delay until October 1, 1977 a change in the method for reimbursing teaching physicians in hospitals.
- permanently allow reimbursement of certain physicians' fees in excess of the fiscal year 1975 "prevailing charge" levels; and
- provide for updating the physician "customary and prevailing" maximum charges each year on July 1 rather than October 1.

The total cost of these amendments is estimated to be \$157 million in the transition quarter and fiscal year 1977, combined, and \$67 million in fiscal year 1978.

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