



Latest in Health Care



HHS Rescinds Medicaid Regulations

June 29, 2009

Department of Health and Human Services (HHS) Secretary Kathleen Sebelius announced today that the administration will rescind all or part of three Medicaid regulations that were previously issued and delay the enforcement of a fourth regulation. Each of these rules, in whole or in part, had been subject to Congressional moratoria set to expire on July 1, 2009.

Specifically, the Centers for Medicare & Medicaid Services (CMS) and HHS are:

- Rescinding a final rule, published December 28, 2007, that would have eliminated reimbursement for school-based administrative costs and costs of transportation to and from schools. The rescission reflects concern that the rule could limit the Medicaid administrative outreach activities of schools, and that the overall budgetary impact on schools could potentially impact their ability to offer Medicaid services to students.
- Rescinding a rule, published November 7, 2008, that would have limited the outpatient hospital and clinic service benefit for Medicaid beneficiaries to the scope of services recognized as an outpatient hospital service under Medicare. This rule was rescinded because CMS became aware that coverage beyond that scope could not be easily moved to other benefit categories, resulting in great impact than previously anticipated.
- Rescinding provisions of an interim final rule published December 4, 2007, which would have restricted beneficiary access to case management services. These provisions appeared to, in practice, restrict beneficiary access to needed covered case management services, and limit state flexibility in determining efficient and effective delivery systems for case management services.
- Delaying until June 30, 2010, the enforcement of portions of a regulation that clarified limitations on health care related tax programs so that CMS could determine whether states need additional clarification or guidance. CMS may also further review the potential impact of the regulation, and give additional consideration to alternative approaches.

Announcing the rescission, Secretary Sebelius said "By rescinding these rules, we can expect that children will continue receiving services through their schools, beneficiaries will be able to access all available case management resources to help them better manage their health care, and outpatient hospital and clinic services can continue to be covered in the most efficient manner."

Curran Tomko Tarski LLP Attorneys Can Help

Curran Tomko Tarski LLP Health Care Practice leader, Cynthia Marcotte Stamer, has extensive experience advising and assisting health care practitioners and other businesses and business leaders to establish, administer, investigate and defend health care fraud and other compliance and internal control policies and practices to reduce risk under federal and state health care and other laws. You can get more information about her health industry experience [here](#). If you need assistance with these or other compliance concerns, wish to inquire about arranging for compliance audit or training, or need legal representation on other matters please contact Cynthia Marcotte Stamer, at cstamer@cttlegal.com, 214.270.2402 or another Curran Tomko Tarski LLP attorney.

Other Helpful Resources & Other Information

We hope that this information is useful to you. Curran Tomko Tarski LLP offers a variety of updates, publications, training and other resources to assist its business clients and their leaders meet their legal and operational challenges. If you or someone else you know would like to receive future updates about developments on these and other concerns, please be sure that we have your current contact information – including your preferred e-mail – by creating or updating your profile [here](#). You can access other recent updates and other informative publications and resources provided by Curran Tomko Tarski LLP attorneys, get information about their briefings and speeches, and review highlights of their experience and credentials at www.cttlegal.com.

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