Affordable Care Act provision helps Iowa hospitals receive fair reimbursement from Medicare

Washington, DC – Rep. Bruce Braley (IA-01) today announced that 20 Iowa hospitals have received over $20.8 million in additional Medicare reimbursements under a provision of the Affordable Care Act known as the "Lowest Quartile Provision." These Iowa hospitals have historically been underpaid because Medicare bases payments largely on geography.

During the healthcare reform debate in 2010, Braley led efforts to save taxpayers' money by eliminating geographic disparities and changing the way Medicare reimburses doctors and hospitals. In a late-night negotiating session with Congressional leaders, Braley successfully added a provision to the Affordable Care Act to provide catch-up payments to hospitals located in the lowest 25 percent of counties receiving Medicare reimbursements.

"For decades, Iowa's doctors and hospitals have been punished for no reason other than geography," said Rep. Braley. "These payments are one more step toward ending these geographic disparities and reforming our Medicare system so it finally rewards quality of care instead of the number of procedures performed. Successfully implementing these reforms will save taxpayers billions of dollars."

Last year, the same 20 hospitals received a total of $12.5 million in catch-up payments under

this law. Under the “Lowest Quartile Provision”, Iowa has received the 4th highest amount of payments of any state.

Iowa doctors and hospitals have long received lower Medicare reimbursements than providers in other states because of a Medicare reimbursement formula that focused on geographic location over quality of care. Despite offering some of the highest-quality, lowest-cost care in the nation, Iowa hospitals and doctors have historically been among some of the lowest-reimbursed providers in the country.

The following Iowa hospitals are receiving the funds:

Name

County

Estimated Payment

Broadlawns Medical Center

Polk

$75,000

Grinnell Regional Medical Center

Poweshiek

$150,000

Iowa Lutheran Hospital

Polk

$800,000

Iowa Methodist Medical Center

Polk

$2,850,000

Lakes Regional Healthcare

Dickinson

$125,000

Marshalltown Medical & Surgical Center

Marshall

$275,000

Mary Greeley Medical Center

Story

$800,000

Mercy Hospital

Johnson

$850,000

Mercy Medical Center - Cedar Rapids

Linn

$975,000

Mercy Medical Center-Des Moines

Polk

$3,550,000

Mercy Medical Center-North Iowa

Cerro Gordo

$1,675,000

Mercy Medical Center-Sioux City

Woodbury

$1,300,000

Skiff Medical Center

Jasper

$175,000

Spencer Municipal Hospital

Clay

$275,000

St. Anthony Regional Hospital

Carroll

$175,000

St. Luke's Hospital-Cedar Rapids

Linn

$1,325,000

St. Luke's Regional Medical Center

Woodbury

$625,000

Trinity Regional Medical Center

Webster

$725,000

Trinity Hospital

Muscatine

$125,000

University Of Iowa Hospital & Clinics

Johnson

$4,000,000

TOTAL

$20,850,000

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