

Talking Points – Facility Perspective

*Use the following points to help drive discussions with Members of Congress and staff.
Also talk about funding cuts' impact on residents, staffing and quality of care in your own facility.*

- I support health care reform, but not at the expense of our most vulnerable seniors and disabled citizens and American jobs.
 - Providing insurance coverage for the 47 million uninsured in this country is an important goal and one that I support.
 - Meaningful reform is needed in order to improve overall patient care quality, drive greater efficiencies and address rising health care costs.
 - I also understand that reform is not without shared sacrifice among care providers.
- Clearly, Congress has to focus on the big numbers – like the billions of dollars that are going to pay for health care reform. But, I'm concerned about a much smaller set of numbers – like the number of patients I can care for and the number of workers I can hire, or keep employed.
- I'm concerned that the Medicare cuts to nursing home care proposed in the U.S. House of Representatives' health care reform bill are unrealistic and too severe. Here's why:
 - 80% of the patients and residents I care for rely on Medicare and Medicaid to pay for the long term care and services they need.
 - 70% of my operating costs are labor-related.
 - In long term care, cuts to Medicare are magnified by the fact that Medicare funding helps to balance out Medicaid's chronic underfunding of skilled nursing care, which is a growing problem as many states are squeezing or freezing Medicaid rates.
 - Our facility operates on very slim margins, literally about 1 or 2%; so, cuts at the federal level have a major impact here at the community level in terms of patients and jobs.
- On average, for a skilled nursing facility caring for 100 residents, including 14 Medicare patients, the recent Centers for Medicare & Medicaid Services' (CMS') final rule will mean a cut of \$15.88 per Medicare patient day or just under \$81,150 per year starting October 1, 2009. Moreover, if the current House bill became law, then the combined impact of the CMS final rule and the House bill would mean a cut of \$31.09 per Medicare patient day or \$158,870 per year starting January 1, 2010.

Talking Points – Facility Perspective – *continued*

- I worry that the deep cuts being talked about in Washington, DC would force reductions in jobs and negatively impact quality in our community. It is an unfair burden to place on care of our most vulnerable seniors.
 - Proposed cuts to nursing home care are highly disproportionate compared to other areas of health care. For example, in the current House bill, providers of skilled nursing facility care are set to shoulder cuts totaling 9.47% of total Medicare revenues over the next ten years. While the so-called hospital deal would cut only 6.56% of total hospital Medicare revenues over the same ten years. That's a third less than what nursing homes are being asked to bear.
- Congress must take another look at the deep cuts to nursing home care being proposed, and factor in the \$12 billion in cuts just imposed by CMS along with freezes or reductions in state Medicaid rates.
- While Congress must address the cost of care, Americans are rightfully concerned about the quality of care. CMS recently launched its Five Star Rating System to help consumers assess quality and now rates facilities – in part – by comparing facility staffing levels to CMS' ideal standard. The cuts imposed by CMS, along with those proposed in health care reform legislation, will prevent providers like me from reaching this ideal. Please help me to protect the resources that I need to ensure that I can continue providing – and improving – the quality of care that my patients and residents deserve and that Americans want as part of health care reform.
- I support health care reform and believe it can be done in a way that ensures adequate funding for care of America's seniors.
- Again, we are counting on you and your colleagues in Congress to reform health care – and to do so in a way that protects both care of America's seniors and tens of thousands of caregiver jobs.

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