

News Release



Contact: Anne L. Songy, Director of Communications
225.927.5642
asongy@lnha.org ♦ www.lnha.org

August 25, 2009
FOR IMMEDIATE RELEASE

New Study of House Health Reform Bill: Louisiana Faces \$561 Million in Medicare-Funded Nursing Home Cuts Over Ten Years
Proposed Medicare Cuts Will Harm Seniors' Care, Place More than 757 Louisiana Nursing Staff Jobs in Jeopardy

Baton Rouge, LA - A new American Health Care Association analysis of the pending House health reform bill, combined with the impact of a recently-enacted Medicare regulation cutting Medicare-funded nursing home care by \$12 billion over ten years, finds seniors in Louisiana in need of nursing and rehabilitative care will face total funding cuts of \$ 561 million over that same time period. Nationally, the study finds seniors' Medicare cuts will total \$44 billion over ten years, prompting Louisiana's long term care community to warn that the state's seniors' care needs are endangered by the House bill, as are the jobs of more than 757 caregivers in Louisiana alone.

"The bottom line is that Louisiana seniors' Medicare-funded nursing care will be substantially undermined by the pending health reform bill in the U.S. House of Representatives, and we urge lawmakers to use the last two weeks of the August district work period to revise its plan to ensure seniors are helped by the reform measure - not hurt by it," said Joseph Donchess, Executive Director of Louisiana Nursing Home Association. "Arguments being made that seniors' benefits will not be reduced by the House bill ignore the fact that when Medicare cuts provider reimbursement, providers, in turn, are forced to cut staff because labor expenses comprise 70 percent of facility costs. Cutting staff within a facility has a direct, immediate, negative impact on patients and their care - and that is what the House bill will do."

—MORE—

The new analysis of the House bill's Medicare funding reductions over ten years (combined with the \$12 billion ten year Medicare cuts just put into effect by the Centers for Medicare and Medicaid Services) is computed by the AHCA Reimbursement and Research Department using the Congressional Budget Office score of both HR 3200 and the recent CMS funding rule, along with Medicare Skilled Nursing Facility (SNF) utilization data.

All 50 State Cut Data Available at www.ahca.org.

###