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Protect the Funding for Nursing Home Residents' Quality Care

Florida nursing homes serve our most vulnerable citizens: frail elders who need complex medical care, 24-hours a day. Medicaid is an important safety net for those individuals, as nearly 60 percent of nursing home residents rely on Medicaid for their long term care services. If Medicaid funding is cut, people's jobs are cut, since nursing homes devote a full 70 percent of operating expenses to wages, benefits and other labor costs. Florida's already struggling economy will weaken; individual workload increases could result in increased turnover; resident quality care will suffer.

Since 2001, Florida has experienced steady improvements to nursing home quality care as a result of tougher regulation, including mandated increased minimum staffing requirements related to the hours of care per resident. Those staffing mandates have resulted in the creation of over 11,100 new nursing and CNA positions, and today, Florida's nursing homes employ nearly 272,000 direct- and indirect-care workers.

Wages and employee benefits, as well as energy, fuel and other vendor costs have increased at rates greater than Medicaid reimbursement. Lack of adequate funding prevents many of our 30+ year old facilities from modernizing their settings in anticipation of a better delivery system for the aging baby boomer population.

Florida has a moratorium on the issuance of Certificates of Need for additional community nursing home beds that was extended through 2011 because the Legislature found that the continued growth in the Medicaid budget for nursing home care constrained the state's ability to meet the needs of its elderly residents through less restrictive and less institutional long term care methods.

The Nursing Home Quality Assessment Program, which was established in 2009 to help nursing home care avert devastating Medicaid funding cuts, has allowed Florida to draw down an additional \$596 million in federal dollars and save more than \$193 million in General Revenue annually.

In order to protect the care of nursing home residents and the jobs of frontline caregivers vital to providing that high quality care, legislators must preserve current Medicaid funding levels.

Florida Legislators should:

- **Fully fund the appropriate staffing standards.**
- **Protect the Nursing Home Quality Assessment Program** to ensure its use to offset current and future rate reductions that could negatively impact quality care.
- **Extend the Certificate of Need moratorium on new nursing home beds, but continue to allow limited construction by existing providers when nursing home occupancy in a subdistrict equals or exceeds 94 percent.**
- **Modify the Certificate of Need conditions that require nursing homes to maintain a minimum Medicaid occupancy** as it conflicts with the rise in home and community-based programs and the emphasis on moving the maximum number of eligible Medicaid recipients out of nursing homes.
- **Establish a permanent provision that suspends the nursing home lease bond requirements** as long as the balance in the fund remains at or above \$25 million.

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