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## **New Analysis: Florida Seniors 2<sup>nd</sup> Hardest-Hit from Proposed Obama Administration Medicare Cuts**

*\$78.4 Million Cut in Year-Ahead Nursing Home Funding Harms Patients, Threatens Key Nursing Staff Jobs; State Medicaid Funding Cuts, Weak Economy Compound Medicare Cut Threat*

Tallahassee, FL – Commenting on a newly-released analysis from the American Health Care Association (AHCA) of the Obama Administration’s proposed regulatory changes that will cut Medicare-financed nursing home care in Florida by \$78.4 million in the year ahead – the 2<sup>nd</sup> highest level of cuts in the nation – the Florida Health Care Association (FHCA) today warned the Medicare funding cuts would both harm patient care in Florida’s nursing homes and threaten the key caregiver jobs that make a measurable difference in quality outcomes. The new Obama regulatory proposal is similar to one put forward by the Bush Administration in 2008 but was eventually sidetracked when 40 Democratic and GOP U.S. Senators opposed its implementation.

“The Obama Administration’s proposed regulatory-driven Medicare funding cuts will severely jeopardize Florida’s oldest, sickest seniors – especially when combined with the growing pressure on our state Medicaid budget,” warned Emmett Reed, Executive Director of FHCA. “Considering the fact the Obama Administration’s central policy focus is, correctly, job creation and health care reform, we believe opposition from our congressional delegation is warranted due to the fact this Bush-era regulation would cut facility jobs and further undermine local economic conditions.”

The analysis, computed by the AHCA Reimbursement and Research Department using data from the Centers for Medicare & Medicaid Services (CMS) proposed Skilled Nursing Facilities (SNF) Prospective Payment System (PPS) Update for FY 2010, finds the following:

<u>Rank</u>	<u>State</u>	<u>Total FY 2010 Medicare Reduction</u>
#1	California	\$89,571,336
#2	<b>Florida</b>	<b>\$78,425,424</b>
#3	New York	\$74,986,057
#4	Texas	\$63,491,957
#5	Ohio	\$61,139,821
#6	Illinois	\$58,048,696
#7	Pennsylvania	\$50,927,945
#8	New Jersey	\$48,272,384
#9	Massachusetts	\$38,372,722
#10	Michigan	\$34,737,437
U.S. Total		\$1.05 Billion

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*Representing the Florida Long Term Care Community*

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“The combination of potential Medicare cuts and the additional stress already placed on seniors’ state Medicaid benefits will severely undercut facility staffing efforts and intra-facility quality improvement programs – many of which are being conducted jointly with state and federal governments.” observed Reed. “As a result of the Obama Administration’s regulatory change, Florida seniors are facing the second highest Medicare funding reductions in the nation – on top of the state Medicaid cuts already being handed down in Tallahassee,” Reed said. “Medicare and Medicaid funding are inextricably linked, and the combination of cuts to both programs squeezes facilities in a manner harmful to older residents’ growing care needs and to our local economy and caregiver jobs base.”

**ABOUT THE FLORIDA HEALTH CARE ASSOCIATION**

The Florida Health Care Association (FHCA) is a federation which serves nearly 1,000 members and represents over 500 long term care facilities that provide skilled nursing care, short-term rehab, assisted living and other services to the frail elderly and individuals with disabilities in Florida. FHCA was founded on the premise that its members have a moral obligation to the residents they serve, and since 1954 the Association has worked diligently to improve quality of care and quality of life for the state’s growing elder care population. For more information about the Florida Health Care Association, visit [www.fhca.org](http://www.fhca.org).

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