

Medicaid rate increase needed

Eddie Lucio Jr. represents Texas Senate District 27, which includes Cameron County.

To cope with a declining birthrate that has resulted in fewer young caregivers for the elderly, Japanese nursing homes are using robotic teddy bears with sensors that alert staff for assistance. Another is a robot bathtub that closes around patients seated in wheelchairs.

In South Texas, not only can we not afford robotics, but we work hard to ensure that we maintain that personal contact when caring for the elderly and disabled in our nursing homes.

Our challenge partially stems from a system-wide nursing shortage created primarily by the lack of adequate Medicaid reimbursement dollars. While this lack of funds is preventing our nursing homes from strengthening staffing efforts, it is also a roadblock to enhancing ongoing programs that ensure our elderly receive the best attention.

The entire state is dealing with underpaid and over-utilized direct care staff. Texas ranks a dismal 49th in the nation for nursing home funding. We can do better!

The current Medicaid reimbursement rates for nursing homes of \$106.59 per patient, per day, fall well below the national average of \$153.83, and well below actual care costs. This gap in funding disproportionately hurts nursing homes in my Senate District 27, where we have even higher levels of Medicaid residents, and homes cannot compensate for this loss from higher paying private-pay residents.

In Texas, 75 percent of nursing homes are losing money, and since more than three-quarters of nursing home beds in Texas are paid through Medicaid, many face bankruptcy and closure. And to worsen matters, Medicare does not pay for long-term care, creating a dire situation for many of our elderly, as well the disabled requiring similar services.

In 2005, the Legislature funded nursing homes that serve both private-pay and Medicaid-assisted residents so insufficiently they almost closed down if not for an emergency appropriation by the Legislative Budget Board.

During the subsequent legislative session, we were able to increase Medicaid funding by 3 percent for 2008 and 5 percent for 2009. However, these increases covered only direct care services, so aging facilities, the lack of support staff and other important aspects of daily operations went unaddressed.

These conditions, plus low wages, contribute greatly to high staffing turnovers, which can compromise the quality of care, especially if the employees are required to work overtime. In our rural areas, nursing facilities don't just care for the elderly, they also contribute to the local jobs base and greatly assist residents who would otherwise have to travel miles for high quality care.

We can't seem to get beyond the Catch 22 situation that lack of proper funding for the nursing home industry has created. Another concern is the continued threat of Medicaid funding reductions at the federal level.

So it will be my priority during the 81st Legislative Session as a member of the Senate Finance Committee to ensure that my colleagues are not just aware of the worsening Medicaid funding crisis, but that we place this matter on our budget's list of high priorities.

The current Medicaid rate that inhibits our goals of providing the utmost of elderly care must be re-evaluated. It is unrealistic to expect our nursing homes to sustain the highest degree of services with a reimbursement rate that fails to fully cover the costs involved.

The Texas Health Care Association and others are pleading with us to increase the daily Medicaid rate to \$140 per day to bring Texas closer to the national average, and to look for alternative revenue sources or financing methods to help fund nursing homes. They're asking us to back programs that can reduce the nursing shortage, especially those that help support bedside and direct care professionals. To address staff turnover, they suggest continuing education programs to create new opportunities and upward mobility for existing staff. And I join them and the thousands of our senior residents in asking Congress to vote down any proposals to reduce federal Medicaid funding.

During the upcoming 81st Legislative Session, robotics probably won't be part of this discussion, but taking proper care of our elderly and disabled certainly will.

As always, if you have any input or questions regarding these or other matters, please do not hesitate to contact Doris Sanchez, my press secretary, 512-463-0385.