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Medicaid is a prudent investment

[By Tim Graves](#)- Special to the Express-News

With the 2009 legislative session in Austin underway, it has never been more important to improve the way we fund and provide care to Texas' oldest, most vulnerable seniors — and to invest in a modern, efficient long-term care system that addresses today's needs and tomorrow's growing challenges.

Making the appropriate investment in Medicaid can help reduce the number and frequency of hospital admissions by improving resident health, and increasing the capability of skilled nursing facilities themselves to successfully treat more complex medical conditions and incidents — at lower cost to taxpayers.

But this benefit can only be achieved by meeting the Health and Human Services Commission (HHSC) Consolidated Budget target stating \$368 million in new general revenue spending is needed in the 2010-2011 biennium to address the operating and staffing needs of Texas nursing homes — which serve 60,000 Medicaid nursing home residents 24 hours a day, 7 days a week, 365 days a year.

This is not a Cadillac solution — it is a baseline necessity to increasing the number and skill level of direct care staff in nursing facilities across Texas. Since 1999, the Texas Legislature has failed to appropriately fund the rising costs related to caring for Medicaid nursing home residents — Texas' most vulnerable seniors who are typically in their 80s and have severe chronic care issues. Consider these facts:

- 68 percent of nursing home providers lose money caring for Medicaid nursing home residents.
- Texas ranks 49th nationally in Medicaid funding, even on a regional basis trailing our neighboring states of New Mexico, Oklahoma, Arkansas and Louisiana.
- 60 Texas nursing homes have closed since January 2006. A destabilized long-term care sector, which is often the largest local employer in many areas of Texas, means care access problems for seniors, loss of jobs for key staff responsible for hands-on care, and a weaker local economic environment.

With federal stimulus resources arriving in the form of Medicaid dollars, it is important to assess the various ways in which Texas seniors could benefit. We urge our leaders to consider the fact the opportunity now exists to begin closing the gap in Medicaid funding that has negatively affected all Medicaid providers and the patients under their care for the past decade.

The bottom line for Austin policymakers to consider is the fact appropriate ongoing investment in Texas long term care services can help ease the rate of cost increases in other health care expenditures — such as hospital utilization and emergency room visits. Many of these visits, together with their higher associated costs to taxpayers, are avoidable. Let us work together to ensure every senior is protected, and every taxpayer respected in terms of formulating and enacting eldercare policy every Texas citizen can, and should, be proud of.

Tim Graves is president and CEO of the Texas Health Care Association in Austin.

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