

THE TEXAS TRIBUNE

Texas Nursing Homes Brace for Medicaid Cuts

The [current state House and Senate budget proposals](#) include a 10 percent cut

by [Ben Philpott](#)

2/1/2011

[2 Comments](#)

in the rate that the state will pay Medicaid providers. Some health care lobbying groups say that when you add in the loss of the enhanced federal Medicaid match paid for by stimulus dollars that have now dried up, you get a 33 percent reduction overall. Now take those cuts and apply them to your average Texas nursing home, where a majority of residents are covered by Medicaid.

"If you would take you know 75 percent, just as an average, of the income we have coming in and cut it by a third, it would put most nursing homes between a rock and a hard place," said Susan Cottonbrook, the administrator at Avalon Place nursing home in Trinity, a small town that sits north of Lake Livingston in East Texas. While the lakefront offers several planned high-end communities, within Trinity city limits, many of the residents are far from affluent. That's reflected in the demographics at Avalon Place. Only 16 of its 86 residents pay with private insurance. The rest are covered by Medicaid, a joint state-federal program for the disabled and needy. If those funds are cut by a third, Cottonbrook said, at the very least, the current level of service is unsustainable.

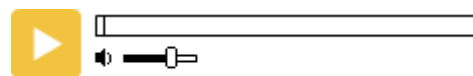


photo illustration by: Todd Wiseman

"If Medicaid were not a viable source of income to represent residents in the nursing home, then yes, [we] would look at the other alternatives first because [we] would have to be able to supplement what [we] were losing on Medicaid," Cottonbrook said.

And if the home couldn't find enough money to make up the difference, it might have to consider closing. That would leave patients with few choices. They could find another nursing home. But in rural Trinity County that's a 30- to 40-mile drive. And there's no guarantee those homes will have available space. Option No. 2: move in with family. For Jo Anne Vandyke, whose mother lives Avalon, that's not much of an option. "I have tried to take care of my mother before I put her in here and it made me sick," Vandyke said.

Vandyke said mental fatigue and her own bout with cancer made it impossible provide care for her mother. But thanks to Medicaid, Vandyke was able to get her mother into Avalon Place nine years ago. If the facility were to close, she and her family would once again have to provide around-the-clock care. She said that's not an option for many residents.



Audio: Ben Philpott's story for KUT News

"There's people out here that nobody even comes to see them. They don't have any clothes. People have to donate them clothes," Vandyke said. "Some of them are just farmers that are retired and don't have no money. What will they do? And I just think the government can cut on other things other than cutting old people."

Vandyke's mother, Mary Thomas, does not know about the impending cuts, or that they could lead to the closure of her home. For now her daughter is shielding her, letting her enjoy her time there without worrying about a possible move back to her daughter's home.

"I love it. And I love the people, the aides, the people that take care of me," Thomas said. "I have no problem. The food's good. I have no problem here at all. I don't know what I'd do without it. They're my family now."

Thomas said she wouldn't want to live with her family. She loves them, but she knows how disruptive moving home would be for them — and for her.

Julia McMichael wishes state lawmakers knew as much. "I would rather say they didn't understand. Because I would hate to think that they really know what's going on and they don't care," she said.

McMichael is a local business owner who helps with the [Trinity Peninsula Chamber of Commerce](#). She said closing the nursing home would not only be devastating to its residents. It could also disrupt the local economy. Avalon Place is one of the area's largest employers, with about \$2 million in payroll — money that would be dearly missed in the local economy. But it's not the only large local employer on the chopping block. There's the local school district and the prison just a few miles down the road in Huntsville.

"We hadn't had to face the economical downturn, if you will, like a lot of towns because our people have always been employed by TDC and the school and facilities that are state or government owned or government ran," McMichael said.

She worries those proposed budget and job cuts could lead to a local recession for Trinity. Take away some of those state-funded jobs and McMichael believes local businesses, like restaurants and retail stores, will quickly suffer. Which could lead to more job losses.

© 2011 The Texas Tribune