



**For Immediate Release**  
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## **THCA: Texas Seniors' Eldercare Funding Merits Major Discussion in 2010 Governors Race**

*Perry, White Urged to Protect Seniors' Medicaid Funding as Budget Squeeze Ensues; Local Health Care Jobs Throughout Texas in Jeopardy*

**Austin, TX** – In congratulating Governor Rick Perry and former Houston Mayor Bill White for their primary campaign victories last night, the Texas Health Care Association (THCA) urged the candidates to ensure the eldercare funding crisis receives the attention it deserves in the 2010 Governor's race, and said the growing squeeze on seniors' state and federal long term care funding is an issue Texas voters need to hear about as the campaign progresses.

"With state lawmakers already discussing the need to cut the budget, spending priorities will by necessity take center stage in the Governors' race – and the worsening eldercare funding crisis merits front-burner discussion and attention," stated Tim Graves, President of THCA. "Before we engage in discussions about cutting Texas seniors' key Medicaid programs, we must look first at the fact nursing home residents are already confronting a state and federal funding environment that squeezes facilities' abilities to recruit and retain high quality direct care staff. In addition to sustaining facilities' ongoing ability to provide quality care to our state's most vulnerable seniors, the issue of preserving and creating good local jobs is encompassed in this important debate."

Graves pointed out that a full eighty to eighty-five percent of nursing home residents are dependent upon federal and state programs that have already been cut -- or now being examined for cuts. "This double whammy on facilities and their residents in terms of federal Medicare cuts just enacted and state Medicaid cuts now under consideration is a truly ominous development," the THCA President warned.

Graves said the negative impact of the federal Center for Medicare and Medicaid Services (CMS) \$725 million cut to Texas seniors' Medicare-funded nursing home care is adding to the chronic stress already inflicted on seniors' care needs due to the fact Medicaid rates paid to providers in 2010 are approximately \$200 million short of meeting the state's own conservative estimate of necessary funding. The federal Medicare cuts went into effect in October, 2009.

"The challenging budget conditions we face in this 2010-11 biennium, and into 2012-2013 as well, will be front and center in the weeks and months ahead," Graves continued. "We want to make sure voters know and understand that the Medicaid cuts now up for consideration could precipitate the loss of far more in federal funding than it will save in state general revenue dollars. Successfully meeting our most vulnerable seniors' long term care needs -- as well as sustaining a strong workforce and local jobs base -- will be predicated upon appropriate Medicaid funding

levels from Austin, particularly in the face of cuts to Medicare funding in Washington.”

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*Founded in 1950, the Texas Health Care Association (THCA) is the largest long term care association in Texas. THCA represents a broad spectrum of long-term care providers and professionals offering long term, rehabilitative and specialized health care services. Member facilities, owned by both for-profit and non-profit entities, include nursing facilities, specialized rehabilitation facilities, and assisted living facilities.*