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## **Expressing Growing Concern, THCA Urges Texas Congressional Delegation to Protect Seniors' Medicare-Funded Nursing Home Care as Health Reform Debate Proceeds**

*Potential Size of Cumulative Federal Medicare Cuts as Part of "Reform" Jeopardize Viability of Already-Troubled Texas Medicaid Program; Seniors' Care at Risk, Local Jobs Base Threatened*

**Austin, TX (July 23, 2009)** – Expressing growing concern that the cumulative size of funding cuts to Medicare-financed nursing home care as part of ongoing health reform negotiations could have a disastrous impact on the Texas Medicaid program – and the Texas seniors who depend upon it for their vital care – the Texas Health Care Association (THCA) today urged the state's federal lawmakers to ensure the interests of their oldest, most vulnerable constituents are protected as the reform debate escalates.

A new Medicare regulation promulgated by the Centers for Medicare and Medicaid Services (CMS), and scheduled to go into effect on August 1, 2009, the THCA said, will have the impact of cutting Medicare-funded nursing home care by \$16 billion over ten years – in addition to any other funding reductions that are part of health care reform proposals now being considered.

"From the perspective of our patients and the caregivers who serve them, the new Medicare regulation, which is imminent, puts our sector in the precarious position of possibly absorbing a double-barrel hit – first with the Medicare regulation cut of \$16 billion over ten years, and then billions more as part of any broader reform package," warned Tim Graves, President of the Texas Health Care Association (THCA). "There exists a direct correlation between adequate federal Medicare funding and the ultimate strength and viability of our state Medicaid program, patient care quality, and the stability of the long term care workforce," Graves continued.

"We have and will continue to support the badly needed health reforms that will benefit every Texan – but it will be essential for the Obama Administration and Congress to ensure seniors' special care needs are not short-changed in the process," the THCA leader said. "Our nation's already-strained Medicare system is used to patch the gaps in Texas' long-term care financing system caused by our chronically-underfinanced Medicaid program. It is essential for our federal lawmakers to view federal Medicare funding in conjunction with Medicaid, not in isolation, when considering how to craft a final bill."

On a health policy level, Graves noted that as the nature of Texas' nursing home patient population continues to evolve, federal and state policymakers should support efforts to facilitate nursing homes' ability to care for higher-acuity, post-acute Medicare beneficiaries. "Nursing homes throughout our state have invested heavily in recent years to increase capabilities to admit, treat and return to home a growing number of patients requiring intensive rehabilitative care, and care for patients with multiple chronic illnesses. In addition to cutting jobs and damaging our already fragile economy, Medicare cuts of the size possibly contemplated would

inhibit our profession's continued investment in cost effective care – contrary to our state and nation's stated health policy objectives.”

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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.*