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THCA Applauds HHS Commission Consolidated Budget Blueprint for 2010-2011 Medicaid Outlays as a “Good Start”

New Medicaid Spending Outline Recognizes Oldest TX Seniors, Providers Jeopardized by Past Funding Shortfalls

Austin, TX – Commenting upon the recently-released Health and Human Services Commission’s Consolidated Budget for 2010-2011 Medicaid spending, the Texas Health Care Association (THCA) today said its initial review is generally favorable, and reflects the fact state budget officials recognize that past and ongoing Medicaid funding shortfalls have placed Texas’ oldest most vulnerable seniors, and those providers who care for them, in growing jeopardy.

Included among the programs in the Consolidated Budget is Texas’ Medicaid nursing home services program. That Medicaid program is the principle source of revenue for about 70% of all residents in nursing homes in Texas, so the level of rates recommended by the HHSC, and the legislature’s decisions on the amount of state funds that will be appropriated to support those rates is of vital interest to facility operators in the nursing home profession.

“We will continue to analyze the new budget data, but our initial reaction is positive in that the \$367 million in General Revenue in new spending in the Medicaid spending blueprint for 2010-2011 for Texas Medicaid nursing home care is a good starting point. The blueprint recognizes that the ongoing pattern of failing to adequately-fund nursing home providers’ operations has taken a steep toll on the ability of the provider community to meet the growing needs of a rapidly aging population,” stated Tim Graves, President / CEO of THCA.

“As we analyze the budget estimates in greater detail, THCA will continue to express these concerns to the HHSC and legislative decision makers, and to offer reasonable and supportable solutions that are mindful of the needs of our residents as well as the taxpayers who support these necessary state services. We look forward to working in the weeks and months ahead with the legislative and executive branch officials who, like us, want every Texas senior to retain access to the quality care they need and deserve,” Graves continued.

The THCA President said Texas nursing homes are increasingly admitting an older, higher-need patient population requiring more intensive care. In an environment where facilities simultaneously face a staffing crisis of historic proportion, dwindling government payments in relation to the actual costs of

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providing quality care, and rising demand associated with demographic trends, long term care providers face growing hurdles that require resolution.

“Now more than ever, we need to have an earnest, serious and realistic discussion about how to strengthen our Texas Medicaid program. Our state’s Medicaid reimbursement rates have now slipped to 49th in the entire nation, which is simply not acceptable,” Graves continued. “The existing rates are not sufficient to meet the challenges faced daily by the providers who care for our state’s most vulnerable seniors.”

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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.