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U.S. Representatives Gohmert, Granger, E.B. Johnson Praised by THCA for Helping Lead House Effort to Stop \$45.6 Million Texas Medicare Cuts

Bush Administration's Cancellation of New Medicare Regulation Protects Texas Seniors' Access to Quality Care

Austin, TX (August 4, 2008) – The Texas Health Care Association (THCA) today thanked U.S. Representatives Louis Gohmert (R-TX), Kay Granger (R-TX) and E.B. Johnson (D-TX) for helping to lead a successful, bipartisan effort in Congress to stop the Bush Administration from moving forward with a new regulation that would have cut Medicare-funded nursing home care by \$5 billion over the next five years, and \$770 million in fiscal year 2009. The Administration announced late last week that the regulation would not go into effect. The success of Reps. Gohmert, Granger and Johnson in helping to stop the Medicare regulation ensures Texas seniors will be protected from cuts of \$45.6 million next year.

"For Texas' Medicare beneficiaries, it is highly noteworthy that Reps. Gohmert, Granger and Johnson helped lead the effort in the U.S. House to ensure the harmful Medicare regulation highly detrimental to the health care needs of Texas seniors did not go into effect," stated Tim Graves, President of THCA. "Reps. Gohmert, Granger and Johnson helped make sure the Administration was aware of the impending funding cuts for Texas Medicare beneficiaries, and were among the U.S. House Members to co-sign a letter to Health and Human Services (HHS) Secretary Mike Leavitt warning about the problem."

The House letter, led by Reps. Earl Pomeroy (D-ND), Shelley Berkley (D-NV) and Shelley Moore Capito (R-WV), expressed their deep concern that high-quality skilled nursing care for America's seniors would be threatened if the regulation went into effect.

The letter joined by Gohmert, Granger and Johnson said the new regulation would "jeopardize the significant quality improvements made by the skilled nursing facility (SNF) community in recent years as well as the ability of SNFs to continue caring for high acuity patients. Because SNFs rely on Medicare to make up for chronic underfunding by the Medicaid program - an average of \$13 per day for every Medicaid beneficiary in nursing homes nationwide - it is critically important that Medicare reimbursement remain fair and consistent. We believe that if the Administration were to finalize its proposed rule, the ability of providers to care for our nation's most vulnerable population - the frail elderly and disabled - would be severely threatened."

Said Graves, "From a health policy standpoint, the cancellation of the Medicare regulation last week is an outstanding development in terms of both meeting seniors' changing health care needs and doing so in a manner that uses Medicare funds efficiently. Reps. Gohmert, Granger

and Johnson deserve enormous credit for working in an intelligent, bipartisan manner to help achieve a result highly beneficial to every Texas Medicare beneficiary."

The unfortunate irony of these Medicare cuts, the THCA leader observed, is that on one hand, long term care providers are working vigorously and successfully to improve facility care. On the other hand, government payment policy at the federal and state levels as they relate to Medicare and Medicaid, undermines our collective policy objective - which is to improve quality standards in the face of a growing demographic wave of retirees with substantially more complex care issues.

"Thankfully, with the help of these three key Texas House Members, the damaging federal Medicare regulation was derailed," Graves concluded. "Now we intend to resume our focus on rectifying Texas' status as 49th nationally in terms of funding our most vulnerable Medicaid beneficiaries' growing care needs. Our oldest citizens, many of whom have no other recourse, need and deserve continued access to quality nursing home care, and improving the adequacy of state Medicaid funding will largely determine whether or not we achieve this important public policy objective."

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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.