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Rep. Charlie Gonzalez Commended for Touring the Heights on Huebner, Seeing First-Hand the Funding Challenges Facing Skilled Nursing Facilities, Vulnerable Residents in San Antonio Area

Facility Tour Follows New Texas Health Care Association Letter Urging Governor Perry to Apply for \$858 Million of Newly-Available Federal Medicaid Funds

SAN ANTONIO, TX (SEPTEMBER 1, 2010) – In thanking State Representative Charlie Gonzalez (D-20) for touring local nursing home the Heights on Huebner, the Administrator, Margaret Estes, said visits of these nature help Texas' lawmakers better understand how area nursing facilities are essential to the local economy and jobs base; how nursing homes are changing in terms of the variety of complex care services they provide; and how Medicaid and Medicare underfunding threaten facility operations, and ultimately seniors' care itself.

"We thank Rep. Gonzalez for taking the time to visit with our dedicated staff and residents, and to see how facilities like ours are challenged by chronic underfunding levels that often fall short of covering the actual costs of providing long term care in our state," said Estes. "The federal and state funding squeeze we face – funding upon which our residents depend for maintained quality of life – warrants these discussions with our lawmakers, and we appreciate Rep. Gonzalez' participation."

Estes noted that last week, in response to a recent letter to the nation's Governors from Health and Human Services (HHS) Secretary Kathleen Sebelius announcing that \$16.1 billion in emergency Federal Medical Assistance Percentage (FMAP) funds are now available to states – with \$858 million available for Texas – the Texas Health Care Association (THCA) issued a letter to Governor Perry respectfully urging him to apply for the funds, which can help preserve seniors' access to quality care and help sustain jobs in health care facilities across the state.

"We are sharing the message that high-quality skilled nursing and rehabilitative care depends upon adequate Medicaid funding from Austin," said Estes. "Particularly as we face a possible \$25.6 million in Medicaid funding cuts on the table at the state level, and we have already received major Medicare cuts to nursing home care at the national level, facilities like ours are grappling with an ever-challenging squeeze on our staffing and care services."

Estes pointed out that the already-strained Medicare system is increasingly being used to patch the widening gaps in the long-term care financing system caused by chronic Medicaid underfunding in Austin, and that Medicaid rates paid to providers in 2010 are approximately \$200 million short of meeting the state's own conservative estimate of necessary funding levels.

"As we are dealing with Medicare cuts of \$14.6 billion over ten years as a result of health care reform, in addition to the \$725 million in cuts over ten years delivered to Texas seniors' Medicare-funded nursing home care last fall from the Centers for Medicare and Medicaid Services, we must have a serious discussion with our lawmakers about the impact of these cuts, and how it is vital to keep our state's Medicaid funding financially sound for Texas' seniors," Estes concluded.

In stressing the informational, non-partisan nature of this facility tour effort, Estes said all elected officials are invited to tour the facility.

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