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Nursing Administrator: Use Federal Stimulus Money to Help Texas Seniors, Boost Care Jobs

*Investing in Nursing Home Care Helps Improve Care for Seniors,
Saves Money for Texas Taxpayers*

ARLINGTON, TX (March 14, 2009) – In testimony before the new Select Committee charged with determining how best to use the billions of federal stimulus funds directed to Texas, the Administrator of a Dallas-area nursing home said the new resources can be best utilized by investing in a modern, efficient long term care system that will both protect seniors' growing care needs in addition to saving tax dollars in the long term by reducing other healthcare expenditures.

“As a nursing facility administrator, I believe this is a good time improve the way we fund and provide for seniors' care in Texas – and to invest in a modern, efficient long term care system that addresses today's needs and tomorrow's growing challenges,” testified Loretta Roberts, an Administrator of Forest Lane Health Center in Dallas, TX. “I thank Representative Kent for inviting me to testify, and recognizing the need for our nursing facility Medicaid residents. Since 1999, the Texas legislature has failed to appropriately fund the rising costs related to caring for Medicaid nursing home residents. This federal stimulus money must be used for filling the widening gap.”

Commenting on the pending budget debate in Austin, Roberts said estimates provided in the Health and Human Services Commission (HHSC) Consolidated Budget show that \$368 million in new General Revenue spending is needed in the 2010-2011 biennium to address the operating and staffing needs of Texas nursing homes – which serve almost 60,000 Medicaid nursing home residents twenty-four hour a day, 7 days a week, 365 days a year.

“This is the first step in making appropriate investment in Medicaid, which can reduce the number and frequency of hospital admissions by improving resident health, and increasing the capability of nursing facilities to successfully treat more complex medical conditions and incidents – at lower cost to taxpayers. Further, when investing in nursing homes you are protecting a strong local jobs base – even more so in our rural communities.”

If legislators limit this money to one-time expenditures, Roberts urged the panel to consider the following one time spending options:

Capital Improvements for Texas nursing facilities: The average nursing home is over 30 years old. Improvement to the physical plant improves the quality of life and environment of the

residents we serve. The Health and Human Services Commission estimates this amount as \$68.9 million.

Fire sprinkle installation: There are and estimated 50 nursing facilities in the state that are not equipped with sprinklers.

Generators for Hurricane zones: We all remember the images of Hurricane Ike and heard the stories. Federal Stimulus dollars could be used to purchase generators for those in the path of a natural disaster.

Electronic Medical Records: With the low Medicaid reimbursement rate provided by the state, the upgrade to electronic medical records is not a reality for many nursing home providers. The installation and software is costly, however the benefits are huge.

Nursing Workforce Shortage: Please consider a nurse scholarship program that will encourage more people to enter the nursing field.

“It is not unprecedented for Congress to provide limited, or one-time, payments to states to help us through periods of increased budgetary pressure on Medicaid services due to economic challenges,” she continued. “This legislation provides us the opportunity to seriously begin closing the gap in Medicaid funding that has negatively affected all Medicaid providers, caregivers and the patients under their care for nearly ten years.”

In conclusion, Roberts said, “Strengthening Medicaid is good policy from the standpoint of protecting quality care for frailest seniors, maintaining a strong local jobs base, strengthening our long-term care capacity in times of growing demand. And it is also good for taxpayers – who expect and deserve smart Medicaid reforms that benefit every Texan.”

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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.