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**THCA: New \$4 Billion Medicare Cut Proposal Another Negative Funding Variable on Horizon for Texas Seniors  
*Risk of Yet One More Major Funding Hit to Seniors' Nursing Home Care Requires Recognition by Texas  
Legislature as Budget Deliberations Proceed***

Austin, TX – In the context of the unfolding Texas budget debate, the Texas Health Care Association today expressed deep concern about a proposed regulation just issued by the federal Centers for Medicare and Medicaid Services (CMS) that could result in Medicare-funded nursing home care reductions of approximately \$4 billion in 2012.

“The last thing Texas seniors, caregivers and facilities need to hear or deal with is proposed Medicare regulations from Washington, D.C., which could further undermine facilities’ ability to sustain quality patient care, preserve key frontline care jobs, and ultimately keep their doors open,” said Tim Graves, President of THCA.

Continued Graves: “Facilities throughout Texas rely upon both Medicare as well as Medicaid to ensure patients receive critical therapies and the care they need to maintain quality of life, and so increasing numbers of patients receive successful rehabilitation and can return home. The new pressure on Medicare funding compounds our concern about the deep Medicaid cuts in HB-1 as the Conference process begins to unfold.”

The THCA leader expressed thanks for Senate leaders’ efforts to reinstate the deep Medicaid cuts contained in the original version of SB-1, and urged all legislators to “respectfully evaluate the adequacy of facility funding on a cumulative basis considering the significant Medicaid and Medicare funding reductions that have occurred in the recent past.”