



For Immediate Release
June 15, 2010

Contact: Tim Graves, (512) 458-1257, tgraves@txhca.org
Rebecca Reid, (410) 212-3843, rreid@txhca.org

THCA President Testifies That Emergency Federal Medicaid Relief Critical Lifeline to Protect Texas Seniors' Access to Quality Nursing Home Care

As State Medicaid Cuts Loom, State Long Term Care Leader Urges Texas Congressional Delegation to Help Secure Federal Passage of \$1.7 Billion in Emergency FMAP Assistance

Austin, TX – In noting that state leaders have proposed cutting Texas seniors' Medicaid-financed nursing home care and services in the face of deep federal Medicare cuts passed as part of health care reform, the President of the Texas Health Care Association (THCA), Tim Graves, urged the Texas congressional delegation to help expedite passage of a temporary increase in the Medicaid Federal Medical Assistance Percentage (FMAP) in an effort to protect vulnerable populations in the midst of the ongoing national recession. Graves made his remarks in testimony today before the House Appropriations Sub-Committee on Health and Human Services, Chaired by Rep. John Zerwas (R-28).

"While there remains significant debate inside the Beltway about the economic stimulus bill passed in 2009 – there is no doubt here in Texas that a key pending provision to boost state Medicaid assistance in the face of proposed cuts in Austin has the potential to make a significant difference in terms of preserving access to quality skilled nursing care and services for Texas' oldest, most vulnerable seniors," Graves testified. "Unfortunately, Congress still has not passed an extension of emergency Medicaid relief vitally needed to protect our state's fragile eldercare safety net. At stake is nearly \$1.7 billion in funds that can be used, right now, to protect our elders. Now more than ever, we need the Texas congressional delegation to help get this done." Graves was in Washington last week to help lobby for passage of the FMAP extension.

As part of the economic stimulus bill, known officially as the American Recovery and Reinvestment Act of 2009 (ARRA), Congress enacted a temporary increase in the Medicaid Federal Medical Assistance Percentage (FMAP) for all states in an effort to protect vulnerable populations in the midst of the nation's deep recession. The bipartisan National Governors' Association (NGA) notes, "Funding for FMAP is a particularly effective tool because it immediately allows Governors to eliminate planned budget cuts required to meet balanced budget requirements and continue services for those with the greatest need."

Graves hopes that state leaders, facing a significant budget hole, will realize the temporary FMAP increase is vital to shielding Texas seniors' ongoing access to the skilled nursing and rehabilitative care they require. Considering the squeeze on seniors' care and facility operations caused by federal Medicare cuts of nearly \$27 billion nationally over ten years, passed in just the past seven months, he noted, "FMAP helps serve as the critical difference and bridge protecting both seniors and the jobs of the front line caregivers who help optimize patient outcomes."

The THCA President pointed out, however, the FMAP increase expires on December 31, 2010 – and for Texas seniors, it is essential for Congress to extend until June 30, 2011 the enhanced FMAP, as it will help provide a needed state budgetary cushion. Said Graves: “On a health policy level, as the nature of Texas’ nursing home patient population continues to evolve, policymakers should support efforts to facilitate nursing homes’ ability to care for higher-acuity, post-acute patients. Adequate Medicaid and Medicare funding helps accomplish this desirable objective.”

Continued his testimony: “Nursing homes throughout rural Texas have invested heavily in recent years to increase capabilities to admit, treat and return to home a growing number of patients requiring intensive rehabilitative care. This is a clear benefit to both seniors as well as taxpayers. In addition to cutting jobs, the worsening Medicare and Medicaid cost-squeeze inhibits facilities’ continued investment in cost effective care. This is directly contrary to our state and national health policy goals.”

Graves concluded by stating the extension of FMAP assistance for an additional six months “is a fundamental, central step towards protecting the foundation of quality care for Texas seniors, and preserving the jobs of the front line care staff that help improve our seniors’ quality of life. This is a matter that supersedes politics, and we urge the Texas congressional delegation in the strongest possible terms to help pass this emergency Medicaid relief measure immediately.”

#

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.