

**Texas Health Care Association (THCA) Asks TX Congressional Delegation
To Sign Letter Urging House Budget Committee to Rescind Bush Medicare Cuts**
*Five-Year, \$24 Billion Cuts to Medicare Nursing Home Benefit in Proposed FY 2009 Budget
Will Threaten Texas' Most Vulnerable Seniors, Further Destabilize Facility Staffing*

Washington, DC – With the nation's long term care leaders in Washington to strategize on how to eliminate five-year, \$24 billion cuts to Medicare-financed nursing home care contained in the Bush Administration's proposed FY 2009 budget, the Texas Health Care Association (THCA) distributed a memorandum to the Texas congressional delegation asking them to sign a bipartisan letter to the House Budget Committee leadership urging them to reject the Medicare cuts.

"The President's final budget plan is the most problematic of his entire White House tenure for Texas oldest, most vulnerable nursing home residents, and we urgently need the help of our congressional delegation to overturn the Medicare cuts threatening every aspect of facility care, and especially staffing," warned Tim Graves, President of THCA. "With Texas' Medicaid already ranked 49th in the nation in terms of the average daily reimbursement rate, new federal Medicare cuts of this scale and scope will be harmful to patients and devastating to facilities across the entire state.

Says the memorandum to the Texas House delegation:

"With the historic and highly-visible primary upon us on Tuesday, March 4th, Texans have benefited over the past month from a campaign dialogue in which health care issues have been a primary focal point. With one in four Texans lacking health insurance, expanding its access to more of our citizens has, deservedly, received the most attention in the realm of health care policy.

"But while we are pleased health policy issues are getting the attention they deserve from both parties' presidential candidates, it is also more vital than ever for the candidates to outline their plans to protect our oldest, most vulnerable seniors and disabled citizens – whose lives depend upon Medicare and Medicaid being adequately financed. The future of long term care in Texas, and America, is increasingly important as we must ensure we have the ongoing capacity to provide quality care today, as well as tomorrow, in the face of demographic tidal wave of Boomer retirees.

"However, what significantly impacts Texas seniors right now, today, is the proposed five-year, \$24 billion federal cuts to Medicare and Medicaid contained in the Bush Administration's FY 2009 budget. On top of Texas' already over-burdened state Medicaid program, federal Medicare cuts will create an even more problematic scenario for your most vulnerable elderly and disabled constituents. With upwards of 60 percent of nursing home operating expenses in Texas long term care facilities driven by labor costs, additional financial pressures placed on them by federal funding cuts will undermine patients, and further destabilize our direct care workforce.

"The threat of federal Medicare cuts is especially alarming in light of our state Medicaid financing crisis: While the average national daily Medicaid rate per patient is \$153.83, the Texas rate is just \$106.59 (49th), according to independent data from the national accounting firm BDO Seidman, and other sources. Even on a regional basis, Texas is falling behind: New Mexico ranks 30th nationally, at \$137.24; Oklahoma ranks 44th, at \$116.84; Arkansas ranks 47th, at \$111.76; and Louisiana ranks 45th, at \$115.00.

"To help protect and preserve access to high quality long term care throughout Texas, particularly in our rural areas where facilities are often the largest local employer, we ask you to join a new congressional letter to House Budget Chairman John Spratt (D-SC) and Ranking Member Paul Ryan (R-WI) asking them to help stop Medicare and Medicaid funding cuts to long term care patients contained in the Bush Administration's FY 2009 budget blueprint."