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AHCA Contact: Susan Feeney (202) 898-6333
Alliance Contact: Debra DeShong Reed (202) 528-4214

AHCA/NCAL/Alliance on Fiscal Responsibility Summit: Restructuring Medicaid, Medicare Financing Key to Preserving, Protecting Seniors' Access to Quality Nursing Home Care
Nation's Leading Long Term Care Advocacy Organizations Urge Obama Administration to Consider Their Reform Plan

Washington, DC – As the Obama Administration initiated its fiscal responsibility summit today, the nation's leading long term care organizations commended the White House for putting difficult budget issues in the public spotlight, and said tinkering at the margins of long term and post-acute reform in 2009 will not protect the rising tide of seniors requiring increased levels of care at a time when Medicaid and Medicare are struggling to remain solvent and viable.

“The nation's long term care financing system requires a complete restructure in order to ensure continued access and quality care for our nation's most vulnerable populations. Tinkering at the margins of reform will do little to protect the availability of essential long term care and services needed now – and when demand will more than double in the next twenty years,” said Bruce Yarwood, President and CEO of the American Health Care Association (AHCA) and the National Center for Assisted Living (NCAL).

Alan G. Rosenbloom, President of the Alliance for Quality Nursing Home Care, said, “The long term care sector supports and is well-positioned to help the Obama Administration and Congress advance the systemic health care reforms we all know are necessary. Working together, we must fulfill the mission of providing patients with quality care at the lowest, most cost-effective rate – across the complete spectrum of care.”

The long term care financing reform plan being advanced by AHCA and the Alliance, and which can be viewed in more detail at www.ahcancal.org and www.aqnhc.org, consists of:

A Streamlined Long Term Care System Enhancing Consumer Choice -- The proposal will infuse private resources into the entire spectrum of long term care services, ensure a viable care system for the future that covers care provided at home and in a full array of care settings, optimize choice in the type and site of care received, and federalize the system to minimize state-by-state and regional differences in the long term care benefit available to all Americans.

New Financial Products to Help Fund Long Term Care Costs -- The plan will also establish new financial products – including federally-endorsed long term care insurance products, and new long term care savings accounts – which individuals are incentivized to purchase in order to cover future LTC costs.

New Medicare Post-Acute Payment System Featuring Updated Patient Assessment Tools -- The Centers for Medicare and Medicaid Services (CMS) will implement a new Medicare post-acute payment system based on the condition, needs and characteristics of the patient, regardless of the site where care is delivered, thus further encouraging and enhancing consumer choice. The new Medicare payment model and patient assessment will replace the current system for which each site of care has its own reimbursement system determined by varying types of patient classifications.

Additional details of the long term care financing reform plan will be released in the coming weeks.