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## **Alliance for Quality Nursing Home Care Statement Addressing New CMS Rule Containing Major Cuts to Medicare**

**Washington, DC – The following statement was released today by Alan Rosenbloom, President of the Alliance for Quality Nursing Home Care.**

“In the face of significant bipartisan objections by members of the House and Senate, it is highly regrettable that the Centers for Medicare and Medicaid Services (CMS) has today issued a final regulation cutting Medicare payments for nursing home care by at least \$12 billion and as much as \$16 billion over the next 10 years.

During the past six months, 12 U.S. Senators and more than 100 U.S. House members -- including 29 members of the Congressional Black Caucus -- urged CMS to withdraw the proposed cuts because of the threat to jobs in challenging economic times, and the need to employ Medicare funding cuts to help pay for reforming America’s health care system. ☐☐

The decision to include deep cuts in the final regulation puts 30,000 jobs at risk over the next year and could severely undermine the quality of care seniors receive in nursing homes. The nursing home community rightly fears the \$12-\$16 billion in cuts are just the tip of the iceberg. As Congress continues to debate health care reform and searches for ways to fund it, many expect and assume that nursing home care will be targeted again for much deeper cuts.

While nursing home providers have, from the very beginning of this process, expressed strong support for health reform and their willingness to endure cuts to help support it, the just-announced rule makes it far more difficult to responsibly and equitably use nursing home funds to finance reform without placing nursing homes, their employees and their patients at great risk. ☐☐

We are disappointed and alarmed at the potential impact of combined regulatory and legislative cuts, particularly given that the proposed House reform legislation would cut an additional \$33-44 billion in Medicare payments to nursing homes over the next 10 years. The sheer size of these cuts would be devastating to seniors in a growing number of states across

the nation. In 2009, the National Governors Association (NGA) notes more than half of our states have enacted Medicaid payment cuts or freezes due to state budget difficulties caused by the recession.

Medicare and Medicaid pay for the care of three out of every four seniors in nursing homes. As a result, Medicare and Medicaid funding are inextricably linked, and the combination of cuts to both programs squeezes local facilities in a manner harmful to quality, detrimental to our local economies, and injurious to our caregiver jobs base. America's nursing homes hope that we can achieve meaningful health care reform. Yet, protecting vulnerable seniors and their caregivers must always remain an immutable priority from which we must not deviate."

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