

# PPH Opinion

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## **Maine Voices: Maine's elderly will lose as Congress gambles on Medicare cuts** **The U.S. debt crisis is real, but putting nursing home residents on the spot is no way to solve it.**

By Richard A. Erb

AUGUSTA - As I follow federal deficit reduction efforts in our nation's capital, I am disappointed and dismayed at congressional efforts to solve the debt crisis at the expense of our country's elders.

Our politicians once revered members of the "Greatest Generation" for their contributions to their families, communities and country.

Now, in their haste to meet an arbitrary deadline and get back on the campaign trail, it seems they are willing to roll the dice on drastic and disproportionate Medicare cuts that will do little more than shift costs to state and local governments. And that is a problem for Maine.

Congress' gamble is threatening the very programs that these men and women rely on to live a healthy, high quality of life with the dignity and respect they deserve.

**Medicaid (MaineCare)** reimbursements have fallen far short of covering the true cost of care for nursing home residents for years. But nursing homes weathered the losses because their Medicare payments for short-term rehabilitation patients countered their Medicaid losses for long-term care residents.

With Medicare under continued attack, the landscape has dramatically changed. For older Mainers and their families, access to nursing home care and the quality of that care is very much at risk. But we didn't get here overnight.

First, President Obama's federal health care reform expanded coverage to millions of Americans through extreme cuts in Medicare - \$14.6 billion from the care of those in nursing homes nationally over 10 years. Maine nursing homes' share of this cut approaches \$150 million.

On Oct. 1, the Centers for Medicare and Medicaid Services slashed Medicare payments to nursing homes by 11.1 percent -- \$3.9 billion in one year alone. In Maine, one of the nation's oldest states by population, nursing homes will lose up to \$18 million annually. These draconian cuts in Medicare now threaten seniors' care and the jobs of those who provide these services.

Nonetheless, members of the debt supercommittee are discussing more Medicare cuts in their quest to identify \$1.5 trillion in debt savings. If the committee and Congress do not act by Dec. 23, Medicare payments will be cut automatically by an additional 2 percent, costing our nation's nursing homes an additional \$511 million.

These daunting Medicare numbers, unfortunately, tell only half the story.

Both the supercommittee and the White House are also looking to find savings from inadequately funded Medicaid programs by reducing the federal matching requirements and almost halving or eliminating the so-called "provider tax" that helps 40 states fund, with federal dollars, quality long-term care services for seniors and people with disabilities.

In Maine, this program generates nearly \$6 million that directly funds quality nursing home care and has been the only source of new revenue for Maine nursing homes in recent years.

At the outset of his first term, despite a difficult budget environment, Gov. LePage pledged his support for Maine's frail elders and kept his promise not to propose further MaineCare cuts to long-term care facilities. Despite being spared, Maine-Care payment rates remain inadequate at \$178 per day. The funding gap between the cost of care and payment for care in Maine has increased to \$21 per day, or \$32 million per year.

And while many think of MaineCare as a health program for the poor, the reality is that MaineCare funds nearly 75 percent of the care for our state's nursing home residents.

Historically, this underfunding has been offset by Medicare and those who pay privately for their care. Unfortunately, Maine's average private pay rate of \$260 per day is above the national average of \$193 per day.

Cost-shifting is not a pleasant concept, but nonetheless has been the only strategy keeping Maine providers viable for many years now.

Now, more than ever, older Americans need advocates -- in Washington and at home -- to address the care needs of the first wave of baby boomers who turned 65 this year. We also must continue our commitment to those we currently serve.

Unfortunately, with all of the partisan wheeling and dealing in Washington these days, Congress seems poised to gamble on the health care needs of the people in this federal deficit reduction game.

Chances are good that the states and the residents they care for will lose every time.