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HCAM Legislative Update June 2009

Nursing Facilities Initiate Layoffs In Face of Significant Cuts

Services for residents will be at risk and hundreds of jobs will be threatened if cuts occur

The Senate passed a Department of Community Health budget slashing nearly \$114 million from nursing facility providers. Cuts of this magnitude are devastating. With nearly seventy percent of provider's reimbursement used directly for employee wages and benefits, cuts of this level leave no other option than significant employee cutbacks and layoffs. The ramifications will be felt in every area of the state. Employees and communities will feel the impact. In the face of an eight-percent reduction in funding, Iron River Care Center in Iron River, Michigan recently laid off four employees. Iron River Care Center is second generation family run facility that has no other option then to reduce its workforce to absorb such a significant cut.

We are very concerned about the human impact of these cuts. We are all about people taking care of people. Many of our most vulnerable citizens rely on us for a voice and to advocate on their behalf. Adequate resources both human and monetary are needed to provide the quality care our residents deserve and we are committed to providing. Providers will be forced to make some very difficult decisions.

Facilities serving high Medicaid populations already struggle—this proposal will make this situation more difficult and may result in closures. Under all reasonable scenarios the need for twenty-four hour, quality, skilled nursing care remains and will continue to be a core government responsibility to its senior citizens. Making these cuts is in effect abdicating responsibility for those who rely on nursing facilities for their care.

Lastly, nursing facilities were cut four-percent in the last quarter of 2009 to fill the current year deficit. Please oppose the proposed substantial reduction to nursing facility providers for fiscal year 2009-2010!



An Iron River Care Center resident, Mary Ann Nash, recently had one of her dreams come true when her former roommate's son took her for a ride on his Harley. When Mary Ann was admitted to Iron River she was assigned a roommate. Mary Ann's family lives in Minnesota so her roommate Mary Lou's family became a surrogate family for her. Unfortunately, Mary Lou Dennis passed away. Mary Lou's sons and their wives recognized her loss was very hard on Mary Ann and decided to continue their close friendship with her. When Mary Ann mentioned she would have loved to ride a Harley once in her life, Duane and Butch Dennis made that wish come true by bringing their motorcycles to the facility and taking her for a ride.

HCAM Contact: Please contact Melissa Samuel, Vice President of Government Services, if you have questions about HCAM's position on pending legislation or would like to work together to help Michigan's senior population.