



For Immediate Release

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Federal Changes in Medicare Threaten Michigan Nursing Facilities

The Health Care Association of Michigan (HCAM) today warned that recent severe cuts in federal Medicare funding threaten nursing and rehabilitation facilities.

Michigan's nursing facilities will suffer a cut in their annual Medicare payments between \$129 - \$140 million beginning Oct. 1 under a new rule recently announced by the Centers for Medicare and Medicaid Services (CMS). This translates into an 11.1 percent cut in their basic Medicare rates or a loss of approximately \$55 - \$60 per Medicare day. These cuts could go higher, \$65 - \$70 per day, for those facilities providing intensive rehabilitation services.

"These cuts may limit access to Michigan nursing facility care and jeopardize thousands of health care jobs," said David LaLumia, president and CEO of HCAM. "The health and safety of those on Medicare should be a main priority when discussing federal funding."

Furthermore, national health care reform calls for cutting Medicare payments to nursing facilities by \$14.6 billion nationally over the next 10 years, and Congress has yet to decide what cuts it will make to entitlement programs in its efforts to reduce the national debt.

LaLumia called on Michigan's Congressional delegation, and the Obama Administration, to fight for care for their most frail and elderly constituents by not cutting Medicare or Medicaid funding any further as they move into phase two of their work on reducing the national debt.

HCAM and the Michigan Center for Assisted Living are statewide advocacy organizations for Michigan's most vulnerable older residents and their providers of care. Members comprise for-profit, nonprofit and government providers. Together, they represent approximately 400 long-term care and senior service providers that care for elderly and disabled individuals. For more information go to www.hcam.org.

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