



SKILLED
NURSING CARE
COALITION

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State Budget Proposal Hurts Ability to Care for Most Vulnerable Ohioans
More care needed, costs increase, but Medicaid reimbursement not keeping up

COLUMBUS – Ohio’s coalition representing skilled nursing facilities today expressed deep concern about the impact of Governor Strickland’s budget proposal to cut Medicaid reimbursement rates at a time when patient needs are increasing. Alan Melamed, spokesman for the Skilled Nursing Care Coalition (SNCC) explained, “The reality is that more patients in skilled nursing facilities need more care and attention from staff than they have in the past. However, the governor’s proposal could force many facilities to make very significant clinical staffing cuts and cause a very negative impact on our ability to provide the quality care our state’s most vulnerable residents need and deserve. In its current form, this proposal is devastating and likely to bankrupt some facilities and cause more facilities to further reduce skilled nursing services.”

Last month, the SNCC, which represents most of the facilities participating in the Medicaid program, requested a three percent (3%) increase in funding in each year of the budget, indicating that planned increases in federal payments would allow such an increase with no impact on the state’s budget. Melamed said, “While we appreciate the difficult budget decisions the Governor faces, Ohio’s skilled nursing facilities have already felt the effects of cost-cutting actions. Inflation during the last five years has risen nearly three times what the State’s reimbursement rate has increased (16% vs. 6%). During the same five-year period, the acuity of SNF patients rose steadily,” Melamed indicated. “Higher acuity means patients have more care needs, which in turn means it is more expensive to care for them. Staff time and other costs, such as medical supplies, also increase.”

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“As a result, skilled nursing facilities have had to cut 2.4 million hours of direct care staffing and shed at least 1,100 jobs. This proposed rate reduction would only mean more job losses – and it’s not necessary. The federal stimulus plan provides the money for reasonable rate increases for Ohio skilled nursing facilities to meet these increased demands, but the Governor seems to have chosen not to take advantage of the opportunity,” Melamed concluded.

A recent national study estimates that Ohio’s Medicaid program paid \$14.86 less per patient per day than the average skilled nursing facility’s cost of delivering care in 2008, a total shortfall of approximately \$281 million.

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The Skilled Nursing Care Coalition (www.caringforohio.org) is composed of three associations that represent the continuum of care providers and residents served by them. Those associations are AOPHA (www.aopha.org), the Ohio Academy of Nursing Homes (www.OANH.org) and the Ohio Health Care Association (www.ohca.org). The Coalition advocates for fair and reasonable government funding for frail seniors who rely on government for their health care needs in whatever setting they choose and in which their needs can be reasonably accommodated, and educates state elected officials, state agencies, the media and the public on the changing field of senior services, particularly the change of skilled nursing facilities to the post acute care centers they have become. The Skilled Nursing Care Coalition is committed to ensuring that older and disabled Ohioans have quality care across the continuum.