

Reduce Disproportionate & Unsustainable Medicare Cuts To Skilled Nursing Care: Prevent the Loss of More Than 50,000 Jobs

Congress has proposed cutting Medicare funds for senior care services in nursing homes by more than \$32 billion in the House and \$14.6 billion in the Senate, in addition to \$12 billion in cuts just imposed by the Administration. Such combined cuts are too deep to sustain and risk significant job loss and most importantly, negatively impact quality care for America's seniors and people with disabilities.

Congress must stop proposals that further cut nursing home care. Congress must consider the already deep cuts implemented by the Administration, so that total funding for nursing home care remains adequate and protects quality care for America's seniors and vital caregiver jobs.

Each year, nearly 16,000 skilled nursing facilities (SNFs) provide quality care for 3.2 million seniors and people with disabilities across the country. SNFs also employ nearly 1.5 million Americans, with the long term care sector representing 1.1% of the United States' Gross Domestic Product. A key component of the nation's health care delivery system, long term care providers strongly support meaningful health care reform, and are willing to absorb a fair amount of funding cuts in order to accomplish this critical goal.

The amount of cuts to the long term care sector, which has been made more vulnerable due to recent cuts by the Administration and states that are struggling to meet their Medicaid budgets, will impact communities nationwide - the residents, dedicated staff, and employees' families of local nursing homes. Because **70% of nursing home costs are tied to labor**, these devastating cuts will undoubtedly affect staffing, and could result in the loss of more than 50,000 jobs nationwide – including caregiver jobs that help ensure optimum outcomes and continued quality of care.

**The Numbers Don't Add Up: Cuts to Nursing Home Care Are Disproportionate.
We Seek Fairness and a More Proportional Shouldering of Funding Responsibility**

The House reform bill would cut skilled nursing facility care by more than \$32 billion and the Senate reform bill, although better than the House, would impose cuts of \$14.6 billion over the next ten years. These cuts are being imposed even though SNFs operate with the smallest overall margin among health care providers – roughly 1 or 2%. Unlike other sectors, nursing homes would not see that benefit of increased insured individuals as most health insurance policies do not cover long term care.