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NEWS

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PHCA PRESIDENT & CEO TO DISCUSS STATE'S PROPOSED BUDGET, COST-SAVING 'APOLOGY' LEGISLATION

PHCA Wants to Ensure Federal Stimulus Funds Get Used as Intended

HARRISBURG --- Although Pennsylvania is set to receive billions of dollars from the federal economic stimulus package, the commonwealth still faces difficult budget challenges to ensure shortfalls are bridged and priorities receive adequate funding, including care for Pennsylvania's most frail and elderly residents.

Dr. Stuart Shapiro, president and CEO of the Pennsylvania Health Care Association (PHCA), said as critical as the stimulus plan is in providing aid to the state, it is just as important that the federal money be used for its intended purposes and not be diverted for other causes.

"In these trying economic times, limited funding must be targeted where it's needed most," said Dr. Shapiro, who will appear on a statewide public affairs program, which begins this weekend, to talk about the state's proposed 2009-10 budget and the newly enacted stimulus. "We must ensure that Pennsylvania's neediest seniors remain our top priority."

The \$787 billion federal stimulus package is expected to pump \$86.6 billion into state Medical Assistance budgets through the end of next year. While it is unclear exactly how much money Pennsylvania will receive, it is clear that more than \$4 billion in federal matching dollars for Medicaid will be coming to Pennsylvania over the next two years.

These funds are critical to nursing homes, where two of three residents rely on Medical Assistance. Over the past six years, the gap has grown between the cost that nursing homes pay to care for the Medical Assistance residents and the amount the state reimburses for that care. Nursing homes are now under-reimbursed an average of \$14 a day, or \$5,000 a year, for each Medical Assistance resident.

"Nursing homes provide a safety net for our sickest, most vulnerable residents, those who need around-the-clock care. But that safety net is beginning to fray," Dr. Shapiro said.

The governor's proposed budget held state funding for nursing homes flat. If those state dollars are not diverted elsewhere, the added federal match will allow nursing homes to continue to provide

quality care. Shapiro called on the governor to not divert the state funds and to use the federal stimulus package as intended.

Dr. Shapiro said: “There are still enormous challenges ahead, and we recognize the difficult tasks our governor and legislators face. We appreciate that the administration proposed no decrease to Medical Assistance funding, and we look forward to working together with all policy-makers to ensure our aging residents get the care they need and deserve.”

While addressing the state’s budget challenges, Dr. Shapiro also talked about cost-saving measures available to the legislature, including legislation (S.B. 208) that could save money for the commonwealth’s nursing homes, hospitals and other health-care organizations.

Introduced by Sen. Pat Vance (R-Cumberland/York), the bill permits medical professionals to express empathy for and take ownership of an unforeseen outcome without the risk of retaliatory litigation based solely on statements made at the time of an apology. The legislation has 31 Republican and Democrat co-sponsors. Twenty-six votes are needed to pass a bill in the state Senate.

The legislation does not relieve doctors, hospitals or nursing homes of liability, nor does it prevent a patient or family from filing a lawsuit. It simply permits a health-care professional to communicate openly and honestly with patients and their families without fear that their statements will be used against them in court.

Thirty-five states, including neighboring Ohio, Delaware and Maryland, have passed apology legislation and created disclosure programs for medical professionals. In those states, not only have claims gone down, but customer service ratings have skyrocketed. Many health systems have seen significant drops in both legal defense costs and money set aside to pay claims.

“In a year when lawmakers are confronted with tremendous fiscal challenges, they should move swiftly to pass this common-sense, cost-saving measure that costs taxpayers virtually nothing and mirrors the lessons we teach our children --- to acknowledge mistakes, not run from them,” Dr. Shapiro said.

Dr. Shapiro will discuss the issue this weekend on “Pennsylvania Newsmakers,” with host Dr. G. Terry Madonna. “Pennsylvania Newsmakers” is the state’s premier politics and public policy talk television show. The show will air regionally as indicated below:

- WGAL Channel 8 (Harrisburg and Lancaster) at 11 a.m. Sunday, Feb. 22.
- WBPH (Lehigh Valley and Philadelphia) at 8:30 p.m. Monday, Feb. 23.
- WKBS 47 (Altoona) at 11:30 a.m. Saturday, Feb. 28.
- WPCB 40 (Pittsburgh) at 11:30 a.m. Saturday, Feb. 28.
- CATV Channel 8 at 7 p.m. Tuesday, Feb. 24 and 1 p.m. Wednesday, Feb. 25.

PHCA is a statewide advocacy organization for Pennsylvania’s most vulnerable older residents and their providers of care. Members comprise for-profit, nonprofit and government providers. PHCA, along with its sister agency, the Center for Assisted Living Management, represents 330 long-term care and senior service providers that care for 38,000 elderly and disabled individuals. For more information about PHCA, call 717-221-1800 or visit www.phca.org.

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