



FOR IMMEDIATE RELEASE

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NEWS

Contact: Holly Lubart

(717) 221-7935

**PHCA Cautiously Optimistic About Positive Medicaid
Signals Coming From Bush Administration**

***HHS Secretary Tommy Thompson Assuages Governors' Fears at DC NGA Meeting;
Rendell Praised for Making Strong Case on Behalf of Pennsylvania Seniors***

Harrisburg, PA – The Pennsylvania Health Care Association (PHCA) today praised new signals from Health and Human Services (HHS) Secretary Tommy Thompson the Bush Administration will reconsider new rules on the financing of Medicaid that could severely limit Pennsylvania's ability to maintain quality care and services for the frail, elderly and disabled.

“This is good news for Pennsylvania seniors, and we are cautiously optimistic that we can continue to make progress on Medicaid financing matters that have proven to be contentious, difficult and very complex,” said Alan G. Rosenbloom, President and CEO of PHCA. “It is now time to get into the fine print and the details – but we are pleased President Bush has modified his views, and appears to be more reasonable, realistic and compassionate.”

Noting there is bipartisan concern at the NGA meeting in Washington about the federal government's stringent plans to change -- in mid-stream -- traditional Medicaid financing mechanisms, Rosenbloom said modifications to the President's Medicaid proposals are inevitable.

The PHCA President and CEO pointed out that Idaho Governor Dirk Kempthorne, a Republican, and current Chairman of the National Governors' Association, specifically warned during the NGA meeting President Bush's new proposals seek to impose “new administrative requirements and new costs on the states.”

Concluded Rosenbloom, “While we still have some tough negotiations ahead, we can be thankful Governor Rendell is making a forceful and persuasive case that Pennsylvania seniors' access to quality long term care is jeopardized by the Bush Administration's Medicaid proposals. We look forward to working with the Administration and Commonwealth's health care officials to ensure Medicaid remains a viable program -- now and for the future.”

PHCA is a statewide membership services organization representing more than 325 long-term care and senior service providers throughout the Commonwealth. Additional information about PHCA is available by calling 717-221-1800 or visiting www.phca.org.

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