



NEWS

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Budget Proposals by Governor Rendell, President Bush Will Limit PA Seniors' Access to Quality Nursing Home Care *Rural PA Hard Hit by "Double Whammy" of State/Federal Proposals* Governor's Budget Fails to Keep Pace With Seniors' Care Utilization

Harrisburg, PA – The Pennsylvania Health Care Association (PHCA) today said the “double whammy” of state and federal budget proposals by Governor Ed Rendell and President George W. Bush will not only limit Pennsylvania seniors’ access to quality long term care, but that rural Pennsylvania could suffer the most because of the long term care sector’s importance to the local employment base and economic development.

“The double whammy of losing as much as \$300 million in combined Medicare and Medicaid payments next year threatens frail, elderly and disabled patients across the Commonwealth, and will undoubtedly limit Pennsylvania seniors’ access to quality long term care,” stated Alan G. Rosenbloom, President and CEO of PHCA. “Moreover, the loss of funds will undermine continued progress toward quality improvement, and will essentially have an especially devastating impact on rural Pennsylvania.”

Rosenbloom explained that Pennsylvania’s long term care sector is a cornerstone of many rural communities, and that jobs and economic development often are directly tied to the relative strength of local nursing homes, and other long term care facilities.

“Rural communities depend upon the strength and vitality of local long term care facilities for jobs and economic development, and the negative ramifications of state and federal proposals will soon become apparent in terms of both access to care for rural seniors and employment opportunities for rural Pennsylvanians,” warned Rosenbloom.

Rosenbloom also said a preliminary review of the Governor’s budget proposal and other anticipated changes in the Medicaid program suggests that \$200 million or more will be removed from the funds available to pay for nursing home care, while the Governor’s Executive Budget projects increased nursing home utilization next year. He noted that the President’s proposal would reduce benefits for seniors in nursing homes by an additional \$91 million.

“As additional details of the Rendell and Bush budgets are analyzed, PHCA will continue to comment on their implications for Pennsylvania – and we plan to be a constructive voice in shaping final budget priorities and decisions,” concluded Rosenbloom. “But it is vital, at the outset, to sound the alarm that rural Pennsylvania in particular will be hardest hit by proposals from the Governor and the President to change the payment system for nursing home care.”

PHCA is a statewide membership services organization representing approximately 300 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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