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# NEWS

Contact: Holly Lubart

(717) 221-7935

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**More Funding Necessary in Commonwealth Budget to Ensure the Needs of Commonwealth's Most Vulnerable Seniors and Disabled Citizens Continue to be Met**  
*Challenge Ahead in Budget Deliberations is to Ensure Strength, Viability of Entire Long Term Care Continuum*

**Harrisburg, PA** – The Pennsylvania Health Care Association (PHCA) today expressed disappointment in the budget plan put forward by Governor Ed Rendell, which provides for a two percent increase to nursing homes. With wages increasing approximately five percent per year, which is the largest cost to nursing homes, this rate increase is not adequate to continue to provide the high quality services to the frail, elderly and disabled.

“Despite the Governor’s record and ongoing commitment to protecting the health and well being of Pennsylvania seniors, we have several concerns about the Governor’s budget that we look forward to addressing as budget deliberations proceed,” stated Stuart H. Shapiro, M.D., President and CEO of PHCA. “We will work with the Governor’s office and the General Assembly to fine-tune the budget commensurate with the enormous demographic challenges ahead.”

Shapiro added, “While we are supportive of the proposed expansion for home and community-based care, we must keep an eye on ensuring that the funding stability of the entire long term care continuum is not compromised in a well meaning rush to expand coverage for people not previously covered.”

Pennsylvania ranks third in the nation by percentage of population age 65 and older (behind Florida and West Virginia). Nearly 70 percent of those turning 65 this year eventually will require long-term care.

The PHCA President and CEO also pointed out that throughout the budgetary process it will be essential to take into account efforts by the Bush Administration to significantly slash Medicare and Medicaid spending “and not lose sight of the inter-related nature of our state and federal budgets as they relate to our collective ability to protect the safety net that serves as a literal lifeline to many Pennsylvanians.”

“Now is the time we should be investing in and strengthening America’s long term care infrastructure, which is essential for the quality long term care and services relied upon by the Commonwealth’s frail, elderly and disabled,” stated Dr. Shapiro.

*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](http://www.phca.org).*

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