



Wisconsin Health Care Association

Wisconsin Center for Assisted Living

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**National Study Shows Wisconsin has the Second-Worst Medicaid Funding System**  
*Wisconsin's Nursing Homes Underfunded by \$268 Million in 2011*

MADISON – A comprehensive analysis of the nation's Medicaid nursing home payment systems released Thursday has ranked Wisconsin the second worst in the country. The independent study commissioned by the American Health Care Association (AHCA) found that Medicaid losses suffered by Wisconsin facilities were \$41.13 per patient per day, more than twice the national average of \$19.95. The annual disparity between cost of care Medicaid residents received in Wisconsin nursing homes and Medicaid payment for that care was a staggering \$268 million.

“Wisconsin's ranking in the new report will come as no surprise to the state's long term care community,” said Tom Moore, Executive Director of the Wisconsin Health Care Association, a state affiliate of AHCA. “The historical flaws and failing of the Medicaid payment system are well known and documented. Over the past 10 years, the gap between cost and payment for skilled nursing care has widened dramatically.”

Moore expressed grave concern for the effect of past, pending and potential cuts in Medicare funding Wisconsin nursing homes could be forced to endure as Congress wrestles with the federal budget deficit.

“In 2010 Medicare funding for skilled nursing care was reduced by \$14.9 billion to support federal health care reform. In October of this year, the federal government reduced Medicare payments to nursing facilities by 12.4 percent. Another 2 percent cut will be implemented in 2013 due to the failure of the Super Committee to devise an acceptable debt reduction package,” Moore said. “And now Congress is contemplating additional Medicare cuts as it continues to address the federal government's financial crisis.”

Moore underscored that the procession of Medicare cuts coming out of Washington will dramatically exacerbate the problems Wisconsin nursing facilities confront in providing the level of care their residents require and deserve.

“WHCA and its membership appreciate the reality and severity of the federal government's financial situation. However, elected and public officials must appreciate that our resident's complex medical conditions and the fundamental needs of those individuals who provide care in our facilities cannot be adjusted or compromised to reflect changes in the government's financial climate,” Moore said. “Our professional responsibility to meet their needs remains constant – as does resident, family, and regulatory care and quality expectations. Medicare and Medicaid programs are the source of payment for over 80 percent of individuals receiving care in Wisconsin nursing homes. It is incumbent on those programs to assure that nursing homes are provided the resources necessary to meet the needs of program beneficiaries.”

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