

# News Currents

## In Brief

# President's Budget Spares Long Term Care

## FMAP Increase Extended For Six Months

**P**resident Obama's proposed fiscal year (FY) 2011 budget includes no new Medicare cuts for skilled nursing facilities.

The \$3.8 trillion plan instead focuses on job creation and investments in education, clean energy, infrastructure, and innovation. Over 10 years, the budget plan would seek to reduce the federal deficit by \$1.2 trillion, partly with a three-year freeze in federal spending for certain areas, yielding \$250 billion in savings.

The budget also recommends extending the temporary increase in the Federal Medical Assistance Percentage for six months, from January 2011 to June 2011, and suggests an additional \$25.5 billion for this activity.

Included in the proposal is a Department of Health and Human Services brief that highlights the Advancing Excellence in America's Nursing Home initiative as part of successful efforts to reduce the use of restraints. "The use of restraints has declined dramatically from the 1996 baseline of 17.2 percent of residents," the document states. "CMS [The Centers for Medicare &



**T**he budget recommends extending the temporary increase in FMAP for six months.

just prior to the president's State of the Union address, Bruce Yarwood, president and chief executive officer of the American Health Care Association, noted that in order to ensure long term care providers maintain a "vital economic role," they need "stable and reliable" funding through the Medicare and Medicaid programs. This is particularly crucial "in the face of disastrous state budgetary crises in state capitals across America," and the "in-

Medicaid Services] exceeded its FY 2008 target, achieving an historic low level of 4 percent.

"This recent success can be attributed to CMS' major quality initiatives, including CMS annual surveys, efforts of the quality improvement organizations, and the national campaign entitled Advancing Excellence in America's Nursing Homes."

The president's budget is a nonbinding blueprint for Congress. Over the next several months, the House and Senate will craft their own budget resolutions, and provider cuts are still anticipated as part of a newly shaped health care reform bill.

In a statement issued

## MDS 3.0 Remains A Go For Oct. 1 Start: CMS

**T**he Centers for Medicare & Medicaid Services (CMS) said implementation of the new minimum data set (MDS) 3.0 resident assessment tool remains set for Oct. 1 regardless of the possibility that health care reform legislation may alter such plans.

With the state of health care reform in Congress in a state of flux, CMS noted during its regular open door forum for skilled nursing facilities (SNFs) that any changes to the planned MDS 3.0 rollout date must be the result of finalized legislation, not prospective legislation. The Senate version of a reform bill includes a provision to delay new resource utilization group (RUG) rates until Oct. 1, 2011.

If left as is, SNFs will start using RUGs-IV on Oct. 1. SNFs have raised concerns about the accuracy of the data from which RUGs-IV is based, since it was not based on MDS 3.0 data collection.

CMS also said "train-the-trainer" sessions for MDS 3.0 will take place in Baltimore from March 15-19. This first session is aimed at state resident assessment instrument coordinators and Medicaid and survey directors.

A second session will occur in Baltimore from Apr. 13-15 for all others who train trainers and for the general public.

—Patrick Connoles

extricably linked" funding of Medicare and Medicaid, he said.

Long term care providers are "ready, willing, and able to be a key partner in creating good-paying jobs and spurring the local economic activity our nation needs to rebound from a devastating recession," Yarwood said.

—Lynn Wagner