Congress of the United States
Washington, DC 20515

March 12, 2010

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
H-232, the Capitol
Washington, DC 20515

Dear Madam Speaker:

As you craft the budget reconciliation bill that will enhance the Senate-passed health care reform legislation, we ask you to take into consideration the needs of the 1.7 million elderly and disabled Americans who rely on Medicaid annually to fund their essential care and services in our nation's nursing facilities. We were appreciative of your inclusion of Section 1745 in H.R. 3692 which represents an important step to ensure their continued access to high quality care, and urge you to include this provision in a final reconciliation package.

Caregivers in the more than 15,000 nursing facilities nationwide provide essential skilled care and rehabilitative services to our nation's most vulnerable individuals. The vast majority of these patients rely on the Medicare and Medicaid programs to pay for this quality care.

Despite the fact that on any given day nearly 65 percent of the individuals receiving care in a nursing facility rely on Medicaid, it has long been recognized that the Medicaid program pays less than is required to provide quality care and services. In fact, a recent national study conducted by ElJay, LLP, projected that there was $4.6 billion in unreimbursed nursing home Medicaid costs. This significant and chronic underfunding presents an enormous challenge in providing high quality care to patients.

With the nation's long-term and post-acute care profession committed to continued quality improvements in the care they provide, it is difficult to sustain these improvements in an environment of Medicaid underfunding.

Section 1745 establishes a temporary 4-year program of supplemental payments directly from the Centers for Medicare & Medicaid Services to dually certified nursing facilities with high percentages of Medicare and Medicaid patient days to assist them in meeting the costs of care to Medicaid beneficiaries. A total of $6 billion would be available for such payments over the period 2010 through 2013.

This would represent a significant first step in addressing the Medicaid shortfall our nation's nursing facilities face and help ensure that our most vulnerable citizens receive the quality of care they deserve.

Sincerely,

Ron Kind

John Lewis

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