

Oregon

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Oregon is a reduction of \$10,957,395 in business activity, a reduction of \$5,468,570 in labor income, and a loss of 167 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Oregon.

Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Oregon				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	6,645,911	1,384,979	2,926,505	10,957,395
Income Impacts (\$)	4,060,259	442,562	965,749	5,468,570
Employment Impacts (Jobs)	128	12	27	167

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Oregon Congressional District 1

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Oregon Congressional District 1 is a reduction of \$1,754,808 in business activity, a reduction of \$906,408 in labor income, and a loss of 27 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on Oregon Congressional District 1.

Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Oregon Congressional District 1				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	1,149,620	222,674	382,514	1,754,808
Income Impacts (\$)	701,943	75,220	129,245	906,408
Employment Impacts (Jobs)	22	2	3	27

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Oregon Congressional District 2

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Oregon Congressional District 2 is a reduction of \$2,482,854 in business activity, a reduction of \$1,254,197 in labor income, and a loss of 42 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on Oregon Congressional District 2.

Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Oregon Congressional District 2				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	1,596,898	281,680	604,276	2,482,854
Income Impacts (\$)	975,349	84,419	194,429	1,254,197
Employment Impacts (Jobs)	33	3	6	42

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Total Impact is the sum of the direct, indirect, and induced effects.

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Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

Oregon Congressional District 3

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Oregon Congressional District 3 is a reduction of \$1,312,946 in business activity, a reduction of \$671,944 in labor income, and a loss of 20 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on Oregon Congressional District 3.

Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Oregon Congressional District 3				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	844,173	151,479	317,294	1,312,946
Income Impacts (\$)	515,519	49,961	106,464	671,944
Employment Impacts (Jobs)	16	1	3	20

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Oregon Congressional District 4

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Oregon Congressional District 4 is a reduction of \$3,019,234 in business activity, a reduction of \$1,564,195 in labor income, and a loss of 48 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on Oregon Congressional District 4.

Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Oregon Congressional District 4				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	2,024,129	297,246	697,859	3,019,234
Income Impacts (\$)	1,237,457	96,381	230,357	1,564,195
Employment Impacts (Jobs)	38	3	7	48

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Oregon Congressional District 5

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Oregon Congressional District 5 is a reduction of \$1,663,225 in business activity, a reduction of \$840,413 in labor income, and a loss of 25 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on Oregon Congressional District 5.

Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Oregon Congressional District 5				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	1,031,091	208,460	423,674	1,663,225
Income Impacts (\$)	630,136	68,293	141,984	840,413
Employment Impacts (Jobs)	19	2	4	25

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United States

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for United States is a reduction of \$2,538,574,941 in business activity, a reduction of \$1,102,133,619 in labor income, and a loss of 30,323 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the United States.

Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

United States				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	1,050,000,000	457,958,967	1,030,615,974	2,538,574,941
Income Impacts (\$)	640,413,737	139,085,410	322,634,472	1,102,133,619
Employment Impacts (Jobs)	20,219	2,842	7,262	30,323

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