

Arkansas

Medicare Cuts to Skilled Nursing Facility Care

The U.S. House of Representatives' health care reform bill, *America's Affordable Health Choices Act (H.R. 3200)*, includes provisions that would significantly cut Medicare payments for skilled nursing facility care. These provisions would:

- Reduce skilled nursing facility rates (SNF) rates by 3.3% as of October 1, 2009 by applying a "projection error" adjustment;
- Eliminate the 2.2% SNF market basket update – removing this cost of living adjustment for January 1, 2010 through September 30, 2010; and
- Apply a productivity adjustment estimated at 1% of the SNF rate beginning in fiscal year 2010.

The impact for the state of Arkansas is as follows:

Medicare Cuts Over 10 Years	
National	Arkansas
\$44.0 billion	\$370.4 million

Economic Impact – Year 1		
Reduction In Business Activity	Reduction In Labor Income	Jobs At Risk
\$27,250,195	\$13,159,565	500

Economic impact developed using IMPLAN model, 2007 data. Additional detail available upon request.



Arkansas Congressional District 1

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The impact for Arkansas Congressional District 1 is as follows:

Medicare Cuts Over 10 Years	
National	Arkansas Congressional District 1
\$44.0 billion	\$95.5 million

Economic Impact – Year 1		
Reduction In Business Activity	Reduction In Labor Income	Jobs At Risk
\$6,357,327	\$3,242,757	124

Economic impact developed using IMPLAN model, 2007 data. Additional detail available upon request.



Arkansas Congressional District 2

Medicare Cuts to Skilled Nursing Facility Care

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- Reduce skilled nursing facility rates (SNF) rates by 3.3% as of October 1, 2009 by applying a "projection error" adjustment;
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The impact for Arkansas Congressional District 2 is as follows:

Medicare Cuts Over 10 Years	
National	Arkansas Congressional District 2
\$44.0 billion	\$81.5 million

Economic Impact – Year 1		
Reduction In Business Activity	Reduction In Labor Income	Jobs At Risk
\$5,746,870	\$2,863,236	107

Economic impact developed using IMPLAN model, 2007 data. Additional detail available upon request.



Arkansas Congressional District 3

Medicare Cuts to Skilled Nursing Facility Care

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- Reduce skilled nursing facility rates (SNF) rates by 3.3% as of October 1, 2009 by applying a "projection error" adjustment;
- Eliminate the 2.2% SNF market basket update – removing this cost of living adjustment for January 1, 2010 through September 30, 2010; and
- Apply a productivity adjustment estimated at 1% of the SNF rate beginning in fiscal year 2010.

The impact for Arkansas Congressional District 3 is as follows:

Medicare Cuts Over 10 Years	
National	Arkansas Congressional District 3
\$44.0 billion	\$89.9 million

Economic Impact – Year 1		
Reduction In Business Activity	Reduction In Labor Income	Jobs At Risk
\$6,334,401	\$3,143,376	117

Economic impact developed using IMPLAN model, 2007 data. Additional detail available upon request.



Arkansas Congressional District 4

Medicare Cuts to Skilled Nursing Facility Care

The U.S. House of Representatives' health care reform bill, *America's Affordable Health Choices Act (H.R. 3200)*, includes provisions that would significantly cut Medicare payments for skilled nursing facility care. These provisions would:

- Reduce skilled nursing facility rates (SNF) rates by 3.3% as of October 1, 2009 by applying a "projection error" adjustment;
- Eliminate the 2.2% SNF market basket update – removing this cost of living adjustment for January 1, 2010 through September 30, 2010; and
- Apply a productivity adjustment estimated at 1% of the SNF rate beginning in fiscal year 2010.

The impact for Arkansas Congressional District 4 is as follows:

Medicare Cuts Over 10 Years	
National	Arkansas Congressional District 4
\$44.0 billion	\$103.4 million

Economic Impact – Year 1		
Reduction In Business Activity	Reduction In Labor Income	Jobs At Risk
\$6,973,616	\$3,437,105	139

Economic impact developed using IMPLAN model, 2007 data. Additional detail available upon request.

United States

Medicare Cuts to Skilled Nursing Facility Care

The U.S. House of Representatives’ health care reform bill, *America’s Affordable Health Choices Act (H.R. 3200)*, includes provisions that would significantly cut Medicare payments for skilled nursing facility care. These provisions would:

- Reduce skilled nursing facility rates (SNF) rates by 3.3% as of October 1, 2009 by applying a “projection error” adjustment;
- Eliminate the 2.2% SNF market basket update – removing this cost of living adjustment for January 1, 2010 through September 30, 2010; and
- Apply a productivity adjustment estimated at 1% of the SNF rate beginning in fiscal year 2010.

The impact for the United States is as follows:

Medicare Cuts Over 10 Years
National
\$44.0 billion

Economic Impact – Year 1		
Reduction In Business Activity	Reduction In Labor Income	Jobs At Risk
\$4,968,353,812	\$2,157,032,938	59,345

Economic impact developed using IMPLAN model, 2007 data. Additional detail available upon request.