

# Maine

## 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 Maine is as follows:

Medicare Cuts Over 10 Years	
National	Maine
\$44.0 billion	\$252.3 million

Economic Impact – Year 1		
Reduction In Business Activity	Reduction In Labor Income	Jobs At Risk
\$18,623,949	\$9,212,026	316

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



# Maine Congressional District 1

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The impact for Maine Congressional District 1 is as follows:

<b>Medicare Cuts Over 10 Years</b>	
<b>National</b>	<b>Maine Congressional District 1</b>
<b>\$44.0 billion</b>	<b>\$125.1 million</b>

<b>Economic Impact – Year 1</b>		
<b>Reduction In Business Activity</b>	<b>Reduction In Labor Income</b>	<b>Jobs At Risk</b>
<b>\$9,377,656</b>	<b>\$4,674,431</b>	<b>150</b>

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



# Maine 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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- Apply a productivity adjustment estimated at 1% of the SNF rate beginning in fiscal year 2010.

The impact for Maine Congressional District 2 is as follows:

<b>Medicare Cuts Over 10 Years</b>	
<b>National</b>	<b>Maine Congressional District 2</b>
<b>\$44.0 billion</b>	<b>\$127.2 million</b>

<b>Economic Impact – Year 1</b>		
<b>Reduction In Business Activity</b>	<b>Reduction In Labor Income</b>	<b>Jobs At Risk</b>
<b>\$8,818,635</b>	<b>\$4,465,032</b>	<b>155</b>

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

# United States

## 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 the United States is as follows:

<b>Medicare Cuts Over 10 Years</b>
<b>National</b>
<b>\$44.0 billion</b>

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

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