

New Mexico

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 New Mexico is as follows:

Medicare Cuts Over 10 Years	
National	New Mexico
\$44.0 billion	\$130.2 million

Economic Impact – Year 1		
Reduction In Business Activity	Reduction In Labor Income	Jobs At Risk
\$9,853,861	\$4,817,327	166

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



New Mexico Congressional District 1

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The impact for New Mexico Congressional District 1 is as follows:

Medicare Cuts Over 10 Years	
National	New Mexico Congressional District 1
\$44.0 billion	\$38.1 million

Economic Impact – Year 1		
Reduction In Business Activity	Reduction In Labor Income	Jobs At Risk
\$2,740,985	\$1,400,015	45

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



New Mexico Congressional District 2

Medicare Cuts to Skilled Nursing Facility Care

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The impact for New Mexico Congressional District 2 is as follows:

Medicare Cuts Over 10 Years	
National	New Mexico Congressional District 2
\$44.0 billion	\$48.8 million

Economic Impact – Year 1		
Reduction In Business Activity	Reduction In Labor Income	Jobs At Risk
\$3,405,584	\$1,706,543	59

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



New Mexico 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 New Mexico Congressional District 3 is as follows:

Medicare Cuts Over 10 Years	
National	New Mexico Congressional District 3
\$44.0 billion	\$43.3 million

Economic Impact – Year 1		
Reduction In Business Activity	Reduction In Labor Income	Jobs At Risk
\$3,096,285	\$1,551,475	53

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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- 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.