

Rhode Island

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 Rhode Island is as follows:

Medicare Cuts Over 10 Years	
National	Rhode Island
\$44.0 billion	\$166.0 million

Economic Impact – Year 1		
Reduction In Business Activity	Reduction In Labor Income	Jobs At Risk
\$11,923,251	\$6,120,746	180

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



Rhode Island Congressional District 1

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The impact for Rhode Island Congressional District 1 is as follows:

Medicare Cuts Over 10 Years	
National	Rhode Island Congressional District 1
\$44.0 billion	\$97.2 million

Economic Impact – Year 1		
Reduction In Business Activity	Reduction In Labor Income	Jobs At Risk
\$6,844,391	\$3,543,259	104

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



Rhode Island Congressional District 2

Medicare Cuts to Skilled Nursing Facility Care

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The impact for Rhode Island Congressional District 2 is as follows:

Medicare Cuts Over 10 Years	
National	Rhode Island Congressional District 2
\$44.0 billion	\$68.8 million

Economic Impact – Year 1		
Reduction In Business Activity	Reduction In Labor Income	Jobs At Risk
\$4,927,290	\$2,540,310	75

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:

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.