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 Tennessee is a reduction of $42,406,690 in business activity, a reduction of $21,018,682 in labor income, and a loss of 543 jobs.

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

### Economic Impact of Medicare Nursing Facility Payment Cutback
#### Fiscal Year 2010

<table>
<thead>
<tr>
<th></th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Activity Impacts ($)</td>
<td>24,809,416</td>
<td>5,002,080</td>
<td>12,595,194</td>
<td>42,406,690</td>
</tr>
<tr>
<td>Income Impacts ($)</td>
<td>15,460,382</td>
<td>1,530,581</td>
<td>4,027,719</td>
<td>21,018,682</td>
</tr>
<tr>
<td>Employment Impacts (Jobs)</td>
<td>397</td>
<td>40</td>
<td>106</td>
<td>543</td>
</tr>
</tbody>
</table>

**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.
Tennessee
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 Tennessee Congressional District 1 is a reduction of $4,076,583 in business activity, a reduction of $2,095,401 in labor income, and a loss of 70 jobs.

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

### Economic Impact of Medicare Nursing Facility Payment Cutback
Fiscal Year 2010

<table>
<thead>
<tr>
<th></th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Activity</td>
<td>2,639,042</td>
<td>386,103</td>
<td>1,051,438</td>
<td>4,076,583</td>
</tr>
<tr>
<td>Impacts ($)</td>
<td>1,639,570</td>
<td>118,803</td>
<td>337,028</td>
<td>2,095,401</td>
</tr>
<tr>
<td>Income Impacts ($)</td>
<td>55</td>
<td>4</td>
<td>11</td>
<td>70</td>
</tr>
<tr>
<td>Employment Impacts</td>
<td>55</td>
<td>4</td>
<td>11</td>
<td>70</td>
</tr>
<tr>
<td>(Jobs)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**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.


Tennessee
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 Tennessee Congressional District 2 is a reduction of $3,957,147 in business activity, a reduction of $2,016,322 in labor income, and a loss of 58 jobs.

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

Economic Impact of Medicare Nursing Facility Payment Cutback
Fiscal Year 2010

<table>
<thead>
<tr>
<th>Tennessee Congressional District 2</th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Activity Impacts ($)</td>
<td>2,476,940</td>
<td>436,280</td>
<td>1,043,927</td>
<td>3,957,147</td>
</tr>
<tr>
<td>Income Impacts ($)</td>
<td>1,541,499</td>
<td>138,147</td>
<td>336,676</td>
<td>2,016,322</td>
</tr>
<tr>
<td>Employment Impacts (Jobs)</td>
<td>45</td>
<td>4</td>
<td>9</td>
<td>58</td>
</tr>
</tbody>
</table>

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.

Tennessee
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 Tennessee Congressional District 3 is a reduction of $5,184,804 in business activity, a reduction of $2,631,664 in labor income, and a loss of 74 jobs.

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

Economic Impact of Medicare Nursing Facility Payment Cutback
Fiscal Year 2010

<table>
<thead>
<tr>
<th>Tennessee Congressional District 3</th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Activity Impacts ($)</td>
<td>3,254,611</td>
<td>572,202</td>
<td>1,357,991</td>
<td>5,184,804</td>
</tr>
<tr>
<td>Income Impacts ($)</td>
<td>2,025,589</td>
<td>174,580</td>
<td>431,495</td>
<td>2,631,664</td>
</tr>
<tr>
<td>Employment Impacts (Jobs)</td>
<td>57</td>
<td>5</td>
<td>12</td>
<td>74</td>
</tr>
</tbody>
</table>

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.

Tennessee
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 Tennessee Congressional District 4 is a reduction of $5,918,861 in business activity, a reduction of $3,079,495 in labor income, and a loss of 87 jobs.

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

Economic Impact of Medicare Nursing Facility Payment Cutback
Fiscal Year 2010

<table>
<thead>
<tr>
<th>Tennessee Congressional District 4</th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Activity Impacts ($)</td>
<td>4,031,323</td>
<td>558,131</td>
<td>1,329,407</td>
<td>5,918,861</td>
</tr>
<tr>
<td>Income Impacts ($)</td>
<td>2,509,731</td>
<td>165,627</td>
<td>404,137</td>
<td>3,079,495</td>
</tr>
<tr>
<td>Employment Impacts (Jobs)</td>
<td>70</td>
<td>5</td>
<td>12</td>
<td>87</td>
</tr>
</tbody>
</table>

**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.


Tennessee
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 Tennessee Congressional District 5 is a reduction of $3,290,077 in business activity, a reduction of $1,706,372 in labor income, and a loss of 31 jobs.

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

**Economic Impact of Medicare Nursing Facility Payment Cutback**
**Fiscal Year 2010**

<table>
<thead>
<tr>
<th>Tennessee Congressional District 5</th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Activity Impacts ($)</td>
<td>2,094,518</td>
<td>378,906</td>
<td>816,653</td>
<td>3,290,077</td>
</tr>
<tr>
<td>Income Impacts ($)</td>
<td>1,308,515</td>
<td>123,544</td>
<td>274,313</td>
<td>1,706,372</td>
</tr>
<tr>
<td>Employment Impacts (Jobs)</td>
<td>22</td>
<td>3</td>
<td>6</td>
<td>31</td>
</tr>
</tbody>
</table>

*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.


Tennessee
Congressional District 6

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 Tennessee Congressional District 6 is a reduction of $4,692,193 in business activity, a reduction of $2,396,208 in labor income, and a loss of 50 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on Tennessee Congressional District 6.

**Economic Impact of Medicare Nursing Facility Payment Cutback**
**Fiscal Year 2010**

<table>
<thead>
<tr>
<th>Tennessee Congressional District 6</th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Activity Impacts ($)</td>
<td>2,975,243</td>
<td>484,400</td>
<td>1,232,550</td>
<td>4,692,193</td>
</tr>
<tr>
<td>Income Impacts ($)</td>
<td>1,857,631</td>
<td>144,484</td>
<td>394,093</td>
<td>2,396,208</td>
</tr>
<tr>
<td>Employment Impacts (Jobs)</td>
<td>36</td>
<td>4</td>
<td>10</td>
<td>50</td>
</tr>
</tbody>
</table>

**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.


Tennessee
Congressional District 7

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 Tennessee Congressional District 7 is a reduction of $3,120,815 in business activity, a reduction of $1,615,493 in labor income, and a loss of 37 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on Tennessee Congressional District 7.

### Economic Impact of Medicare Nursing Facility Payment Cutback
Fiscal Year 2010

<table>
<thead>
<tr>
<th></th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Activity Impacts ($)</td>
<td>1,955,831</td>
<td>319,050</td>
<td>845,934</td>
<td>3,120,815</td>
</tr>
<tr>
<td>Income Impacts ($)</td>
<td>1,219,758</td>
<td>106,243</td>
<td>289,492</td>
<td>1,615,493</td>
</tr>
<tr>
<td>Employment Impacts (Jobs)</td>
<td>27</td>
<td>3</td>
<td>7</td>
<td>37</td>
</tr>
</tbody>
</table>

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.

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


Tennessee Congressional District 8

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 Tennessee Congressional District 8 is a reduction of $5,085,998 in business activity, a reduction of $2,673,202 in labor income, and a loss of 74 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on Tennessee Congressional District 8.

**Economic Impact of Medicare Nursing Facility Payment Cutback**  
**Fiscal Year 2010**

<table>
<thead>
<tr>
<th>Tennessee Congressional District 8</th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Activity Impacts ($)</td>
<td>3,470,083</td>
<td>446,883</td>
<td>1,169,032</td>
<td>5,085,998</td>
</tr>
<tr>
<td>Income Impacts ($)</td>
<td>2,160,182</td>
<td>134,176</td>
<td>378,844</td>
<td>2,673,202</td>
</tr>
<tr>
<td>Employment Impacts (Jobs)</td>
<td>60</td>
<td>4</td>
<td>10</td>
<td>74</td>
</tr>
</tbody>
</table>

**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.
Tennessee
Congressional District 9

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 Tennessee Congressional District 9 is a reduction of $2,837,935 in business activity, a reduction of $1,499,242 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 Tennessee Congressional District 9.

**Economic Impact of Medicare Nursing Facility Payment Cutback**
**Fiscal Year 2010**

<table>
<thead>
<tr>
<th>Tennessee Congressional District 9</th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Activity Impacts ($)</td>
<td>1,911,825</td>
<td>324,843</td>
<td>601,267</td>
<td>2,837,935</td>
</tr>
<tr>
<td>Income Impacts ($)</td>
<td>1,190,380</td>
<td>108,249</td>
<td>200,613</td>
<td>1,499,242</td>
</tr>
<tr>
<td>Employment Impacts (Jobs)</td>
<td>34</td>
<td>3</td>
<td>5</td>
<td>42</td>
</tr>
</tbody>
</table>

**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.
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**

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

**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.
