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Making seniors suffer

The state must not balance its budget by again cutting reimbursements to nursing facilities

By Isabella Firth

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With the election behind us, Maryland leaders are facing a higher than expected budget shortfall of approximately \$1.6 billion. Analysts are blaming rising Medicaid expenditures and other state-funded programs for the recent uptick. A spokesman for Gov. Martin O'Malley says the state "will continue to be on a steady diet of cuts until we come through the other side of this recession." As is typical, interest groups will be lining the halls of the State House and legislative buildings, saying, "Don't cut me, cut them" – and hard choices will need to be made in Annapolis during the General Assembly session that starts next month.

Unfortunately, as the state struggles to get back on its feet, this scenario has become more of the norm than the exception. As we once again begin this difficult budget process, it is important to understand the stories behind the budget numbers. Medicaid is a federal and state insurance program for individuals of all ages who don't have the money or insurance to pay for their own health care. These individuals include the frail, elderly and disabled, and in Maryland more than 22,000 of them receive their care in nursing facilities paid for by Medicaid.

To fully comprehend their health care needs, consider that 88 percent of those in nursing facilities need someone to help them with at least four of these activities: transferring (moving around), toileting, bathing, eating and dressing. Most also have more than four clinical diagnoses, such as hypertension, diabetes, dementia and depression. In short, these are the sickest individuals in Maryland.

While Medicaid entitles these individuals to receive nursing services, it no longer seems to require that the provider of the care be fully paid for those services. Too often during tough economic times, among the first things on the chopping block are payments to providers that care for Maryland's frail, elderly and disabled.

Each year since 2006, the state has cut reimbursement to nursing facilities – in some years, upwards of \$132 million. Somehow the term "provider reimbursement" must make the cut more easily justified. But let's be clear, cutting provider payments means cutting essential services to these individuals unable to feed themselves, bathe themselves or dress themselves. It means eliminating the certified nursing assistant who walks your mom to the bathroom and makes sure her meal is served when it's hot. It means eliminating the chaplain who comforts your elderly dad.

Not only has the state reduced payments for nursing services, but it essentially requires nursing facilities to provide care without reimbursement. Under the law, the state must determine whether an individual qualifies for Medicaid, and

hence nursing facility services, within 30 days after an application is filed. Due to an appalling lack of caseworkers and an inefficient technology system, it often takes six months to a year for the state to approve Medicaid applications.

To illustrate: In the urban areas, one caseworker is managing approximately 430 long-term-care applications and receiving three to five new applications per day. While a nursing facility resident waits to be approved, nursing facilities are providing care without payment – often upward of six-figures. While providers and consumers have raised this issue with the state for almost 10 years, the situation is somehow allowed to continue and worsen.

And Medicaid reimbursement is not the only challenge facing nursing facilities. Increasing employee health care costs, rising unemployment insurance taxes and increases in food and other costs are also making it more difficult to operate. Unlike other businesses, nursing facilities cannot really pass these costs on to consumers. Even those seniors who pay for their own care cannot afford fee increases. That scenario only creates a Catch-22 where residents simply run out of funds sooner and need to apply for Medicaid.

The bottom line is that nursing facilities and their elderly residents cannot endure additional funding cuts, and we must fix our eligibility system. Nor should care be funded through gimmicks that will do more harm than good in the long run.

I wish I had the answers to the state's budget problems. But there are no second chances in health care; you cannot do tomorrow what you should be doing today. Dignified, quality care should be the cornerstone of our system, and the state should ensure that funding supports this cornerstone.

We have come a long way in the last decade, but we need to do better. Maryland ranks 10th in the projected growth rate of the 85-plus population. From 2007 to 2030, this population is expected to grow 98 percent, and the cost to care for them will increase proportionately. Until the right reform occurs, we shouldn't save money at the expense of the elderly by cutting provider reimbursements. We need to build a system that meets the care needs and preferences of seniors – a system that partners with providers and gives them the tools to provide care rather than a system that leaves them struggling to do so.

The good news is that right now Maryland is once again examining its senior care delivery and payment systems. It's an important task that must be done with our eyes wide open to the challenges that lie ahead.

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