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Statement by HCA President Joanne Cunningham on President Bush's Health Care Budget Proposal

HCA President Joanne Cunningham today blasted the Medicare and Medicaid components of President Bush's proposed Fiscal Year 2009 Budget calling it a disaster for home care patients and the providers who serve them.

Most notably, President Bush's budget proposal excludes a Medicare market basket update for home health agencies through the next five years – a rate adjustment home care provider agencies depend upon to counter costly inflationary trends.

Withholding the market basket update amounts to a \$440 million home care cut nationwide and a \$22 million cut in New York for 2009 alone. That swells to \$11.03 billion nationally, and \$110 million statewide, for the 2009 to 2013 period.

Cunningham said: "The fiscal and economic pressures that precipitated these cuts to the Medicare market basket update are the same ones that New York's home care agencies are already coping with in terms of workforce shortages, exploding operational expenses and increasingly complex patient care needs and case loads."

"If all of the needed supports are taken away, then sooner or later the bottom is going to drop, and the patients get hit the hardest," Cunningham said. "These federal cuts, on top of the Governor's proposed State Budget cuts, are a one-two punch."

"It is a matter of priorities," Cunningham added. "The federal government has a duty to help protect elderly, disabled and homebound patients, not freeze vital assets needed to manage their health or assist with activities of daily living."

In addition to the Medicare market basket freeze, President Bush's proposed Budget also includes Medicaid cuts – amounting to \$2 billion in 2009 and \$17.4 billion in the years 2009 to 2013 – as well as a market basket freeze for skilled nursing facilities and hospices.

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*Committed to the principles of high-quality and cost-effective community based health care, the **Home Care Association of New York State (HCA)** assists its members on state and federal legislation, regulations and reimbursement issues pertinent to the home health field. As the premier home health care association in New York State, HCA represents more than 400 home health care providers, individuals and associate members who collectively provide service and support to thousands of New Yorkers.*