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**IHCA President: Massive Federal Medicare Cuts Will Hurt Seniors, Cost Jobs**  
*Urges Indiana Congressional Delegation to Help Ensure Seniors' Care Needs Remain Key Priority of Health Care Reform*

**Indianapolis, IN** – The President of the Indiana Health Care Association (IHCA) warned that new federal Medicare cuts of up to \$16 billion resulting from a recent announcement by the Obama Administration that it has put into effect a new Medicare regulation will significantly endanger Indiana seniors' care and jeopardize the state's already fragile economy and caregiver jobs base.

“We intend to make certain the interests of seniors remain a priority for lawmakers as they pursue health care reform in Washington, and will make sure they understand that the Medicare funding cuts on top of the Medicaid funding crisis already facing Indiana's seniors and providers is unsustainable,” Stephen Smith, President of IHCA said.

Continued Smith: “Having now just suffered a massive Medicare funding cut of up to \$16 billion – distinct and separate from the reductions our sector has willingly and cooperatively agreed to shoulder as part of achieving broader reform – we are alarmed the sheer size of the cumulative cuts we ultimately suffer will be especially damaging to seniors in states like Indiana, where our Medicaid program is already under extreme strain. Medicare and Medicaid funding are inextricably linked, and the combination of cuts to both programs squeezes our local facilities in a manner harmful to Medicare beneficiaries' care needs, detrimental to our state's local economy, and injurious to our caregiver jobs base.”

Smith noted that Indiana nursing homes are seeing an increasingly diverse patient base, and providing a greater variety of acute care, rehabilitative and convalescent services that cannot be delivered elsewhere – care services which are now in jeopardy due to the sheer size and scope of the Medicare funding cuts. These massive funding cuts, Smith said, will undermine facilities' ability to effectively treat this more medically complex patient population, and also put the jobs of the direct care workforce they depend upon in substantial danger.

“Achieving a sweeping health care reform bill we can all be proud of, and which will improve the health of every Indiana resident is a necessity, not an option,” Smith continued. Yet, protecting vulnerable seniors in the process must always remain a key priority from which we must not deviate.”

During the upcoming August recess, Smith said, the long-term care community will ask federal lawmakers to keep the interests of seniors and those who care for them foremost

in their minds. “We intend to explain in a tangible, informative manner why it is essential for Congress, upon its return to Washington in September, to recalibrate its thinking on health care reform and scale back these enormous Medicare cuts.”

**About the Indiana Health Care Association (IHCA)**

The Indiana Health Care Association is Indiana's largest trade association and advocate representing proprietary, not-for-profit and hospital-based nursing home and assisted living communities, adult foster care and adult day services. IHCA's 264 member facilities care for more than 25,000 of Indiana's geriatric and developmentally disabled citizens, the majority of whom are low-income Medicaid recipients. To learn more about IHCA, visit [www.ihca.org](http://www.ihca.org).

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