



TESTIMONY BEFORE THE HEALTH AND HUMAN RESOURCES
SUBCOMMITTEE OF THE HOUSE APPROPRIATIONS COMMITTEE

Budget Hearing: Health Regulatory Commissions - MHCC

Request: Oppose increasing user fees on nursing homes. Rather, eliminate duplication of functions with the federal government, such as the nursing home report card.

The Maryland Health Care Commission has submitted a proposal to increase user fees for nursing homes. LifeSpan is opposed to increasing the percentage assessed against nursing homes from 21.5% to 22%. Under this proposed regulation, nursing homes would be assessed at the maximum percentage allowed under law.

Over the last two years, the State has reduced nursing home reimbursement by approximately \$125 million (total funds), which does not take into account the \$30-\$50 million that will be lost due to nursing homes not receiving an inflationary adjustment in FY2010. It is our understanding that the user fee assessments are increasing because the overall budget for the Maryland Health Care Commission is increasing. However, no additional services are being provided to nursing homes to justify this increase. A more prudent course of action would be for the Commission to reduce expenditures where appropriate.

LifeSpan recommends that the Commission look to suspend certain activities that may be duplicative. One example would be the Nursing Home Report Card prepared by the State. The preparation of this report card costs \$150,000. For all practical purposes, many of the features in the State report card duplicate the federal Nursing Home Compare website. When the State mandated a nursing home report card, the federal report card was not as developed. However, that is no longer the case. The Nursing Home Compare website recently launched a user-friendly 5-star rating system, a feature not contained in the State Nursing Home Report Card. Below is a comparison of both report cards.

COMPARISON OF FEDERAL AND STATE NURSING HOME REPORT CARD

Item	Federal Nursing Home Compare	State Nursing Home Report Card
Listing of All Health Deficiencies	Yes	Yes
11 Quality Indicators	No	Yes
18 CMS Quality Measures	Yes	Yes
Facility Characteristics <ul style="list-style-type: none"> • Ownership • Number of Beds • Toilet Configuration • Licensure/Certification • Clinical Services 	Yes, contains number of beds, ownership structure and licensure/certification requirements.	Yes
Resident Characteristics	No	Yes
Fire Inspections	Yes	No
New 5-Star Rating System	Yes	No
Nurse Staffing Information	Yes, includes hours of care for RN and LPNs and other staff	No

While the State Nursing Home Report Card also contains information on the Family Satisfaction Survey, this is a separate resource that can continue if the State were to suspend the State Nursing Home Report Card. The Family Satisfaction Survey costs an additional \$350,000. Given the similarities between the State and federal report cards, LifeSpan recommends suspending the development of the State Nursing Home Report card for one year. Under this scenario, it would then not be necessary to increase the nursing home assessment. During this time, the State can determine the practicality of continuing with the report card given the existence and recent developments of the federal report card.

Regardless of whether the State Nursing Home Report card is suspended, LifeSpan still opposes any budgetary increases during this fiscal crisis. If the State Medicaid program must reduce provider rates to help balance the budget, another agency in State government should not be adding to nursing home costs.

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LifeSpan Network is a senior care provider association representing approximately 300 providers, including nursing homes, assisted living facilities, medical adult day care providers, continuing care retirement communities and senior housing communities. Our members provide care to approximately 45,000 seniors.

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