
TETON MEDICAL CENTER
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TO: HEALTH & HUMAN SERVICES APPROPRIATIONS SUBCOMMITTEE
FROM: H. RAY GIBBONS, FACHE
SUBJECT: NURSING HOME MEDICAID FUNDING FOR AT - RISK COUNTY FACILITIES
DATE: 2/2/2005

EXHIBIT 23
DATE PH Feb 4 2005
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Teton Medical Center Nursing Home is a 36-bed facility in Choteau with an average resident census of 31 for the period July 2004 - January 2005. During the same period we have had a low of 28 and a high of 36, both for only 1-2 weeks. The point is the nursing home resident census today fluctuates daily which makes the ability to plan staffing levels difficult at best. The daily fixed costs for the nursing home varies from \$130-\$160 per resident per day depending on the total census. Our salaries are competitive on an hourly basis within the industry as shown by the following:

- ◇ \$9/hour - CNA
- ◇ \$20/hour - experienced RN
- ◇ \$15/hour - experienced LPN

However, due to the workforce shortages, rural job market issues and post secondary education not meeting the needs of rural Montana we continue to have openings for CNA's, RN's and LPN's.

The issue in front of the Joint Health and Human Services Appropriations Subcommittee is Medicaid funding for nursing homes. The TMC - nursing home per diem is ~\$122 /day for the period July 2004- June 2005 and with this years' Intergovernmental Transfer payment net impact will be ~\$12/Medicaid resident/day for a total Medicaid per day rate for 04/05 to be ~\$134/day. The at - risk nursing home struggle is we are always chasing the expense side of the equation with funding coming on two-year increments with each MT legislative session.

I fully support the need for the combination of general fund increases and increases in the nursing home bed tax to achieve projected rates of \$137 for FY 06 and \$144 for FY 07.

I also support the development of an IGT program that hopefully CMS will approve for Montana. I think this committee needs to be aware that the federal government does have the IGT type programs under strong scrutiny. This is evidenced by the 2/2/05 news release by President Bush's new Health and Human Services Secretary Mike Leavitt where he said if the federal government doesn't persuade states to close loopholes, they will shift as much as \$40 billion in what officials describe as a shell game in which the federal government repays states for supposedly spent money. The Montana IGT program is scheduled to sunset 6/30/05 and as an identified county at-risk nursing home I believe any surviving IGT program will be much smaller than the current program. I believe that the clock on Montana's IGT program is quickly running out. I hope that rather than the "simply let it go" attitude the committee or DPHHS will sooner than later put forth best options for the counties to consider.

Why should the state and federal government take financial responsibility for the nursing home resident? I believe that most of our residents in Montana have spent their life savings in the nursing home of their choice and now have limited to zero resources. Remember today's nursing home residents created the Montana we enjoy.