



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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For Immediate Release

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Grassley Secures Pledges to Direct Additional Federal Dollars to Nursing Home Resident Care

WASHINGTON – Sen. Chuck Grassley today announced that he had secured written agreements from the nursing home community that it will spend additional Medicare payments during the next ten years attributable to the recent 3.26 percent reimbursement update for skilled nursing facility services only on direct care and services for patients.

In a statement on the floor of the U.S. Senate, Grassley said the nursing home community had made important commitments to use what will be billions of dollars in additional federal dollars for hands-on direct care for residents. In letters to Grassley dated last week, nursing home association leaders pledged to use funding for registered nurses, licensed practical nurses and certified nursing assistants.

"These care givers are the people who touch nursing home residents' lives most directly," Grassley said. "They are the backbone of the system."

In August, the Centers for Medicare and Medicaid Services corrected for errors in rate calculations and adjusted Medicare payments by 3.26 percent. Grassley sought pledges from the nursing home community that the additional money would be directed to hands-on care for nursing home residents. Those signing letters were the American Health Care Association, the Alliance for Quality Nursing Home Care, the American Association of Homes and Services for the Aging, the American Health Quality Association, and the American Hospital Association.

Since 1997, Grassley has led an effort in Washington to improve and enforce higher standards of care provided at the nation's 17,000 nursing homes. A 1998 report requested by Grassley and completed by the General Accounting Office found that there were serious quality of care problems in approximately 30 percent of nursing homes in California and raised concerns that there were comparable quality of care problems in other states. The report prompted a new and targeted effort by the federal government to improve care by improving oversight and enforcement by the responsible federal and state agencies. A report of the General Accounting Office released this year found an improvement in care nationwide, while problems persist in some areas.

"There is no quick fix to these problems," Grassley said. "It demands a sustained effort that stays focused on supporting the hands-on professionals who feed, bathe and otherwise provide

quality care for nursing home residents. Staying vigilant is in the best interests of the nursing home residents, their loved ones, taxpayers, and the long-term care system in America. "

Grassley serves as chairman of the Senate Committee on Finance, which has jurisdiction over Medicare and Medicaid policy. Taxpayers spend approximately \$58 billion each year for nursing home care through both of these programs. Grassley has pledged to continue his scrutiny of the federal government's regulatory responsibilities and enforcement of the nation's nursing home laws.

Here is a copy of the floor statement delivered today by Grassley announcing the commitments made by the nursing home community.

Floor Statement of U.S. Sen. Chuck Grassley, of Iowa
Monday, October 27, 2003

Today, I am proud to stand before you and announce a significant achievement for this Congress, for the nursing home community and for nursing home residents throughout the United States.

I am proud to announce that the nursing home community committed itself to spending about \$4 billion dollars over the next decade on direct care and services for all patients in skilled nursing facilities.

This past August, the Centers for Medicare and Medicaid Services corrected for errors in rate calculations and adjusted Medicare payments by 3.26%.

I approached the nursing home community and asked that they use a substantial portion of those funds for direct, hands-on care to residents. They not only agreed; but they committed their agreement to writing.

The American Health Care Association, the Alliance for Quality Nursing Home Care, the American Association of Homes and Services for the Aging, the American Health Quality Association and the American Hospital Association all agreed to spend a large portion of the increase on direct hands-on care to residents-specifically on registered nurses, licensed practical nurses and on certified nursing assistants. These are the people that touch nursing home residents' lives most directly-they are truly the backbone of the system.

Moreover, by committing to use these funds for hands-on direct care these providers are acknowledging that more hands-on direct care will help to continue improving the quality of care provided to nursing home residents.

I first got involved in nursing home quality of care issues in 1997 when concerns about thousands of deaths due to dehydration and malnutrition were brought to my attention.

At that time I seized the opportunity to expose the sad state of affairs in too many nursing homes across this great Nation. In 1998 the picture wasn't pretty- the General Accounting Office said

that there were serious quality of care problems in about 30% of nursing homes.

That report inaugurated a new and targeted effort to improve the quality of care in nursing facilities and the quality of oversight and enforcement by the responsible state and federal agencies.

Since 1998 there have been about 17 GAO studies on nursing homes and even more if you count the work done by the Office of the Inspector General at the Department of Health and Human Services.

Improving the quality of care provided in nursing homes is of paramount concern to us all. At the same time we must recognize that not all nursing homes are bad actors-unfortunately those who are cast the entire community in a bad light.

Over the years in fighting the battle to improve care in nursing homes, I have come to learn two very important realities about providing quality care to one of our most vulnerable populations.

The first reality is that there is no "quick fix" that will cure the problem. There is no law, no penalty, no guidance that will eliminate the problem.

The second reality is that we need the "will" to direct federal funds right where it is needed most-to those hands-on professionals who feed, bathe, and turn a resident.

That is what we have done here. We worked hand-in-glove with the nursing home community...a community that provided me their written commitment to use "real" money to improve the plight of nursing homes residents.

The nursing home community put their money where their mouth is by committing to use billions for hands-on direct care to residents. Today I applaud them, and thank them, and I look forward to more such agreements. I yield the floor.