



Proposed Budget Cuts

Are Significant and Harmful to Virginia's Very Lean Health Programs

Medicaid — Proposed budget cuts include \$800 million from Medicaid (state & federal) which offers necessary health services to over 700,000 Virginians.

Virginia's program is already VERY lean:

- Virginia's per capita Medicaid spending is ranked 48th in the nation.
- Virginia's Medicaid eligibility for low-income parents is only 30% of the federal poverty line, (under \$6000 per YEAR for a family of three). This is the 44th lowest eligibility level in the country.
- Even in our FAMIS program for uninsured children – the gross income eligibility limit of 200% of the poverty line is lower than 42 other states.

WHY we can't afford any more cuts to Medicaid...

- Every state dollar cut out of Medicaid sacrifices an equal amount of federal funding to support health care in Virginia. These federal matching dollars are economic drivers – with a multiplier effect.
- Medicaid funding doesn't just support health services; it supports jobs and market activity in all economic sectors in every part of Virginia. For many small communities – hospitals, nursing homes and other health providers are *the* major employers.
- When health care workers lose their jobs, they may qualify for unemployment benefits and other public assistance, stressing other parts of Virginia's budget. Isn't it better for them to work, pay taxes and support their families?

“Highlights” of Proposed Healthcare Cuts

Severely cuts eligibility for community-based care that keeps very disabled people out of more expensive nursing homes. If we cut eligibility and freeze enrollment in waivers, people will be forced to turn to more expensive care. **2,000** elderly and disabled Virginians who need long term care may be affected.

Completely eliminates podiatry services – an essential service for people with diabetes. Complications lead to more expensive health care needs.

Completely eliminates optometry services for adults – compromising their ability to learn, work and function.

Restricts a wide array of Medicaid services, ranging from limits on incontinence supplies, children’s mental health services, rehab therapies and more. People will have to jump through more hoops to get services they need – creating new administrative costs, potential delays and denials of care.

Closes two facilities providing inpatient psychiatric services to children. It was a bad idea last year – and it’s still a bad idea because community based alternatives are simply not available for over **800 children** who require these services each year. This also eliminates **128 jobs**.

Provider

Payments

Millions in proposed cuts or freezes may drive already underpaid providers out of the program – ***compromising access to care.***

The Statistics

- Nursing homes already lose over \$12/day on Medicaid patients. The cuts will make this worse.
- In 2008, nursing facilities employed 30,535 FTEs statewide. As a result of the last 2 years of cuts, they cut 911 FTEs. 333 more jobs will be lost under the Kaine budget; and another 590 jobs lost if rates are cut an additional 3%.
- Hospital payments will drop from only 72% of costs to 68% in 2011 and 64% in 2012.
- VHHA estimates 6,020 jobs (direct health care and community jobs) will be at risk if hospitals and nursing homes are cut another \$300 million.
- Cuts to other providers range from 1% to 14%.

Other Proposed Health-Related Cuts Include:

Department of Aging – cuts to various programs and services including a 4.7% cut to home and community based services such as transportation, adult day care, personal care, care coordination, and homemaker services.

Department of Health – cuts to numerous programs, including Comprehensive Health Investment Project (CHIP) of Virginia serving at-risk pregnant women and families; teen pregnancy prevention programs; dental programs; community health clinics; free clinics; family planning services; AIDS programs; nursing scholarship/loan program; health district pharmacies; and other safety net funding and providers.

- CHIP program -13% cut = **16 jobs lost**; ends services to **560 pregnant women and 850 young children**.
- Safety Net Programs and Virginia Health Care Foundation – Cut \$1.9 million
 - Virginia's free clinics and community health centers provided care to over **162,000 uninsured Virginians** last year.
 - Virginia Health Care Foundation grants funded **26 doctors, dentists, nurse practitioners and mental health professionals** who treated health safety net patients via **56,000 visits** in 2009.

Department of Behavioral Health and Developmental Services – reduces funding for community based services, special hospitalization, contract physicians, direct care positions, pharmacy services.

Department of Social Services – reductions in chore and companion services and programs that serve at risk families.

**...And This Is Just The Beginning!
Another \$2 Billion In Cuts is Planned!**

Healthcare for All Virginians (HAV) is a broad-based coalition of health care providers, consumers, insurers, and businesses dedicated to creating and advocating for accessible and affordable quality health care for **all Virginians**. Over 60 Virginia organizations support the HAV Coalition and its priorities:

- **Cover all Kids** – 167,000 Virginia children are uninsured. New federal funding and federal incentives are available to offer insurance to these children (and pregnant women) by simplifying administrative procedures and increasing eligibility.
- **Improve Coverage for Working Adults** – Virginia’s Medicaid coverage for working parents is ranked 44th nationally. Extremely poor parents (i.e. less than \$6,000/year for a family of 3) are ineligible for insurance.
- **Secure Adequate Payment for Providers** – Virginia’s payment levels for most providers are already too low. Freezes/cuts will threaten access to care.

DID YOU KNOW...

The health and well-being of each person is intertwined with the health and well-being of the broader community.

Access to health care is an essential element contributing to the common good, alongside others such as education, employment and a safe environment.

HAV Coalition Supporters:

AARP of Virginia
 American Academy of Pediatrics, Virginia Chapter
 American Cancer Society
 American Heart Association
 American Lung Association in Virginia
 Arlington County Medical Society
 Arlington Free Clinic
 Boehringer Ingelheim Pharmaceuticals, Inc
 Bon Secours Richmond Health System
 Central Virginia Health Planning Agency
 Children’s Harbor – Places and Programs for Children, Inc.
 CHIP of Virginia
 The Commonwealth Institute
 Consortium for Infant and Child Health (CINCH)
 Fan Free Clinic
 Inova Health System
 Jewish Community Relations Council of Greater Washington
 League of Women Voters – Richmond
 League of Women Voters of Virginia
 Legal Aid Justice Center
 Legislative Coalition of Virginia Nurses
 March of Dimes Maryland - National

Capital Area Chapter
 March of Dimes Virginia Chapter
 Mary Immaculate Hospital
 Medical Society of Virginia
 Medical Society of Virginia Foundation
 National Association of Social Workers-VA Chapter
 Northern Virginia Access to Healthcare Consortium
 Partnership for People with Disabilities
 Patient Services, Inc.
 PhRMA
 Potomac Hospital
 Prevent Child Abuse Virginia
 Prince William Health Partnership
 Rx Partnership
 SIDS Mid-Atlantic
 Smart Beginnings – South Hampton Roads
 Social Action Linking Together (SALT)
 The Cross-Over Ministry, Inc.
 Virginia AFL-CIO
 Virginia Association of Community Services Boards
 Virginia Association of Free Clinics
 Virginia Association of Health Plans
 Virginia Association for Home Care and Hospice

Virginia Association of Personal Care Assistants, SEIU Local 5
 Virginia Association of Regional Health Planning Agencies
 Virginia Chapters of the National MS Society
 Virginia College of Emergency Physicians
 Virginia Community Healthcare Association
 Virginia Dental Association
 Virginia Health Care Association
 Virginia Health Care Foundation
 Virginia Hospital & Healthcare Association
 Virginia Interfaith Center for Public Policy
 Virginia LEND Program
 Virginia Network of Private Providers, Inc.
 Virginia Nurses Association
 Virginia Organizing Project
 Virginia Physical Therapy Association
 Virginia Podiatric Medical Association
 Virginia Poverty Law Center
 Virginia Rural Health Association
 Virginia Rural Health Resource Center
 Voices For Virginia’s Children

