**THE FACTS**

- Medicaid reimbursement rates do not cover the actual cost of care for Medicaid residents in skilled nursing facilities.
- Research shows the average cost of care for a resident with Medicaid exceeds the average reimbursement rate by approximately $41 a day.
- In Illinois, it costs an average of $70,000 per year to care for a skilled nursing resident; however, the state only reimburses an average of $55,000.
- A recent statewide survey shows 86 percent of respondents think adequate Medicaid funding for skilled nursing facilities is as important as Illinois’ other top funding priorities, such as education.
- In the last two years, 13 skilled nursing facilities closed, and more facilities are in danger of closure.
- There is an Illinois workforce shortage in long term care, demanding sign-on bonuses of up to $5,000 for CNAs and $15,000 for RNs.
- The current Medicaid support rate for skilled nursing facilities is based upon 2004 costs. The rate does not account for inflation or any increased costs.
- The State can no longer rely on Medicare reimbursement rates to supplement low Medicaid reimbursement rates because Medicare rates, occupancy and length of stay have decreased.

**THE SOLUTION**

**Narrow the funding gap** between costs of complex medical care and reimbursement. Add $100 million in new reimbursement dollars, which will generate $100 million in federal match for a total of $200 million.

**Update real estate taxes from 1997 to 2018.** 20-year-old property taxes are used to determine reimbursement. Real estate taxes divert funds from resident care and employee wages. $25 million is needed to create a pass-through of actual property tax costs.

**Account for minimum wage increases.** The statewide minimum wage is set to increase. Medicaid reimbursement rates will need to be adjusted to take this increase into account. For example, a $1 increase statewide could cost as much as $110 million.

**Close the remainder of the gap.**
Invest in resident care by further reducing the shortfall in future years.

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**RESIDENTS DESERVE BETTER. STAFF DESERVE MORE.**

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**PLEASE SUPPORT**

**SENATE BILL 42/ HOUSE BILL 224**

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**ACT NOW FOR OUR ELDERLY**

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**HCCI HEALTH CARE COUNCIL OF ILLINOIS**