

March 18, 2014

The Honorable Ron Wyden  
U.S. Senate Committee on Finance  
Washington, DC 20510

Dear Chairman Wyden:

Long term and post-acute care providers across the country are encouraged by the real progress that has been made to devise a permanent solution to the Sustainable Growth Rate (SGR).

As you know, skilled nursing providers have paid for short-term SGR solutions many times over the years. Combined with other Medicare cuts, being used as a pay-for in the doc fix debate has put an undeniable strain on our providers. Recently, MedPAC reported that skilled nursing providers are operating on a thin 1.8 percent margin. Our sector simply cannot continue to absorb cuts without jeopardizing quality of care for millions of frail elderly.

As you stated on the Senate floor, Congress is in a unique position this year to permanently resolve this annual debate. This proposal is a real opportunity to create a new Medicare payment system for physicians. We also support your effort to repeal therapy caps and include other important therapy provisions in this legislation. The long term and post-acute care profession appreciates your leadership in the Senate Finance Committee to actively promote this proposal, while not turning to skilled nursing providers as an offset.

The passage of S.2110 would remove the annual uncertainty of cuts to our members and provide an opportunity to focus on new issues. For example, our profession is ready to offer solutions, such as our hospital readmissions proposal, that will create needed Medicare savings while also protecting quality of care for our patients. AHCA/NCAL members applaud your leadership on this issue. We hope that Congress can capitalize on this year's momentum and take action on a permanent doc fix.

Sincerely,



Mark Parkinson  
President/CEO  
American Health Care Association/National Center for Assisted Living