

**Testimony Submitted by  
Parker Jewish Institute for Health Care & Rehabilitation  
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for  
Division of Budget Hearings  
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**PREFACE**

Parker Jewish Institute for Health Care & Rehabilitation is an independent, 527-bed nonprofit institution that serves a diverse population of some 7,000 older adults each year. Parker provides sub-acute care, short term rehabilitation, long term care, and community health programs including adult day health care, Alzheimer's day care, long term home health care, and comprehensive community hospice.

**THE CHALLENGE IS NOW!**

Providers responsible for the health care and rehabilitation of older adults are now faced with the challenges of meeting the needs of the aging Baby Boom population. Parker Jewish Institute, located at the border of Queens and Nassau Counties, for example, is central to more than 570,000 adults over the age of 62, according to the latest statistics of the U.S Census Bureau. This is just the tip of the iceberg, because, due to advances in medicine and technology, the fastest growing cohort of older adults is comprised of those over the age of 85! Parker's residents, in fact, currently include 12 centenarians. The facts are clear and undisputable: There will be more seniors; they will be older and frailer; and there will be a more diverse older adult population. At the same time, there will be fewer caregivers.

In the past, money has decided the state's policy on how to care for seniors. Yet, seniors desire and deserve the best care available. History will not judge us by how we handled "the numbers", but by how we treated the people, those who sacrificed and helped build the free society of opportunity in which this debate takes place.

## **MASSIVE FUNDING CUTS UNDERMINE EFFORTS TO MEET CONSUMERS' NEEDS**

Since 1995, continuing care providers, including nursing homes, home care agencies, and adult day care providers have been hit with over \$2.7 billion in state-initiated funding reductions. Yet, New York's not-for-profit and public providers are leading the way in creating new and innovative programs to adjust to market demands and provide the best care. The sub-acute care program at Parker Jewish Institute, for example, annually discharges some 1,500 men and women back to home, after rehabilitation from the broad range of surgical procedures, stroke, amputation, injuries and illness. Recognizing that many of today's older adults can avoid institutionalization if they have the right support services, Parker provides long term home health care, outpatient physical and occupational therapy, a medical model adult day health care program, and a social day care program for Alzheimer's patients. The Institute also provides a community hospice program that cares for the terminally ill, in their homes or in nursing facilities. For long term care residents, Parker's professionals have developed a highly regarded wound care program, a personalized orientation program, a restaurant-like dining program, family caregiver support groups, a computer laboratory, and senior Olympics, among many other innovations. Parker provides 24-hour on-site physicians and registered nurses, a 24-hour "ParkerCare Hotline" to senior management, an evening and weekend administrator, a gleaming new family lounge, new HVAC and newly renovated rooms, just to name a few patient-centered initiatives. These services and infrastructure need to be supported.

Less funding for long term care services means fewer choices for seniors and a greater chance that seniors will not be able to age in place, live how they want to live, and where they want to live.

Nursing home residents – and consumers using short term rehabilitation services are irreparably harmed by budget cuts.

**DO THE RIGHT THING**  
-begin investing in care for the elderly.

Personnel costs make up about 70 percent of the average nursing home's budget. When faced with budget cuts, facilities have little choice but to reduce staffing, which impacts the quality of life and access to services for the elderly.

A \$1 million cut to an average nursing home is equal to 25 aides losing their jobs.

More than 70 percent of nursing home residents rely on Medicaid to cover the cost of their care, which means it is a significant portion of a nursing home's revenue. Cuts to Medicaid have a devastating impact on the quality of life for seniors in nursing homes.

Nearly 70 percent of not-for-profit nursing homes are losing money because it costs more money to care for residents than the home receives. Worse, nearly 90 percent of public nursing homes are losing money.

Implementing the Medicaid-only case-mix index in 2009, as required by current state law, will: (1) reduce incentives to admit heavy care patients, who might otherwise be served in more expensive settings; (2) discourage Medicare admissions, which help to reduce Medicaid costs; (3) ignore the fact that the costs on which the rates are based reflect all patients; and (4) significantly reduce funding to nursing homes.

Support should be given to Medicaid appropriations for home care, with the annual trend factor intact. The trend factor is essential to help providers keep up with operational costs.

Workforce shortages are an issue across the state. Recent investments have helped, but more needs to be done to ensure growing numbers of seniors can receive the care they need.

Access to home care is restricted due to staffing shortages. Many home care agencies already have long waiting lists.

Funds must be appropriated for additional health care technology initiatives, such as the Telemedicine Demonstration Project in which Parker participated, that can improve consumer outcomes; provide remote health monitoring; improve communication; and ultimately reduce cost.

New York State must do the right thing, and begin investing in care for the elderly.

**SUBMITTED**  
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