

LONG TERM CARE COMMUNITY COALITION

Advancing Quality, Dignity & Justice

NEW POLICY BRIEF LTC MEDICAID FUNDING: SEPARATING FACT FROM FICTION

January 11, 2021 – Today, LTCCC is releasing a new policy brief, [LTC Medicaid Funding: Separating Fact From Fiction](#), which contains critical information about the adequacy of nursing home Medicaid reimbursement rates and the lack of transparency and accountability for how that funding is being used by nursing home operators.

Medicaid is the primary source of funding for nursing home services in the US. Nursing home providers and trade associations incessantly claim that Medicaid reimbursement rates are inadequate. In fact, the for-profit sector of the industry has been steadily growing for years, indicating that nursing home operators are making profits off of resident care. In addition, as the brief details, nursing homes have, in fact, received frequent increases in Medicaid reimbursements.

LTCCC is concerned about the lack of transparency and accountability in respect to how facilities actually use these public funds. In the absence of federal oversight, nursing homes often divert public funds to hide profits in contracts with related parties or in inflated administrative costs. As elucidated in the brief, more financial accountability for facilities would decrease the likelihood of facilities funneling cash to owners and investors at the expense of better resident care.