

Cuts to SNFs: Individual and Cumulative Impacts

State	Impact of ACA Productivity Adj.: FY 2014	Impact of Case-Mix Cut in FY 2010 Rule: FY 2014	Impact of Forecast Error Cut in FY 2011 Rule: FY 2014	Impact of Sequestration: FY 2014	Impact of Bad Debt Cut in 2012 "Doc Fix" Bill: FY 2015	TOTAL ANNUAL SNF CUTS (approximate)
AK	\$300,000	\$300,000	\$50,000	\$200,000		\$900,000
AL	\$15,300,000	\$15,900,000	\$2,800,000	\$9,300,000	\$100,000	\$40,000,000
AR	\$11,400,000	\$11,800,000	\$2,100,000	\$6,900,000	\$100,000	\$30,000,000
AZ	\$11,900,000	\$12,300,000	\$2,200,000	\$7,200,000	\$200,000	\$30,000,000
CA	\$124,600,000	\$129,500,000	\$22,900,000	\$75,900,000	\$300,000	\$350,000,000
CO	\$13,000,000	\$13,500,000	\$2,400,000	\$7,900,000	\$4,100,000	\$40,000,000
CT	\$26,300,000	\$27,300,000	\$4,800,000	\$16,000,000	\$40,000	\$70,000,000
DC	\$1,200,000	\$1,200,000	\$200,000	\$700,000	\$0	\$3,000,000
DE	\$5,400,000	\$5,700,000	\$1,000,000	\$3,300,000	\$50,000	\$20,000,000
FL	\$108,300,000	\$112,600,000	\$19,900,000	\$66,000,000	\$60,500,000	\$370,000,000
GA	\$21,800,000	\$22,700,000	\$4,000,000	\$13,300,000	\$16,700,000	\$80,000,000
HI	\$1,700,000	\$1,800,000	\$300,000	\$1,000,000	\$0	\$5,000,000
IA	\$10,800,000	\$11,200,000	\$2,000,000	\$6,600,000	\$3,100,000	\$30,000,000
ID	\$4,000,000	\$4,200,000	\$700,000	\$2,500,000	\$1,400,000	\$10,000,000
IL	\$75,800,000	\$78,800,000	\$13,900,000	\$46,200,000	\$28,800,000	\$240,000,000
IN	\$41,200,000	\$42,800,000	\$7,600,000	\$25,100,000	\$18,800,000	\$140,000,000
KS	\$11,800,000	\$12,200,000	\$2,200,000	\$7,200,000	\$3,900,000	\$40,000,000
KY	\$20,500,000	\$21,300,000	\$3,800,000	\$12,500,000	\$13,200,000	\$70,000,000
LA	\$17,100,000	\$17,800,000	\$3,100,000	\$10,400,000	\$20,300,000	\$70,000,000
MA	\$46,600,000	\$48,500,000	\$8,600,000	\$28,400,000	\$100,000	\$130,000,000
MD	\$30,200,000	\$31,400,000	\$5,600,000	\$18,400,000	\$8,700,000	\$90,000,000
ME	\$6,100,000	\$6,300,000	\$1,100,000	\$3,700,000	\$0	\$20,000,000
MI	\$49,600,000	\$51,600,000	\$9,100,000	\$30,200,000	\$400,000	\$140,000,000
MN	\$15,900,000	\$16,600,000	\$2,900,000	\$9,700,000	\$2,400,000	\$50,000,000
MO	\$26,000,000	\$27,100,000	\$4,800,000	\$15,900,000	\$500,000	\$70,000,000
MS	\$13,500,000	\$14,000,000	\$2,500,000	\$8,200,000	\$15,100,000	\$50,000,000
MT	\$2,200,000	\$2,300,000	\$400,000	\$1,400,000	\$10,000	\$10,000,000
NC	\$36,900,000	\$38,300,000	\$6,800,000	\$22,500,000	\$22,600,000	\$130,000,000
ND	\$1,500,000	\$1,600,000	\$300,000	\$900,000		\$4,000,000
NE	\$8,200,000	\$8,500,000	\$1,500,000	\$5,000,000	\$30,000	\$20,000,000
NH	\$7,200,000	\$7,500,000	\$1,300,000	\$4,400,000	\$20,000	\$20,000,000
NJ	\$61,600,000	\$64,000,000	\$11,300,000	\$37,500,000	\$16,500,000	\$190,000,000
NM	\$4,400,000	\$4,600,000	\$800,000	\$2,700,000	\$40,000	\$10,000,000
NV	\$7,000,000	\$7,300,000	\$1,300,000	\$4,300,000	\$2,100,000	\$20,000,000
NY	\$77,400,000	\$80,500,000	\$14,200,000	\$47,200,000	\$300,000	\$220,000,000
OH	\$61,200,000	\$63,600,000	\$11,200,000	\$37,300,000	\$30,500,000	\$200,000,000

State	Impact of ACA Productivity Adj.: FY 2014	Impact of Case-Mix Cut in FY 2010 Rule: FY 2014	Impact of Forecast Error Cut in FY 2011 Rule: FY 2014	Impact of Sequestration: FY 2014	Impact of Bad Debt Cut in 2012 "Doc Fix" Bill: FY 2015	TOTAL ANNUAL SNF CUTS (approximate)
OK	\$10,100,000	\$10,500,000	\$1,900,000	\$6,200,000	\$7,400,000	\$40,000,000
OR	\$7,400,000	\$7,700,000	\$1,400,000	\$4,500,000	\$20,000	\$20,000,000
PA	\$60,600,000	\$63,000,000	\$11,100,000	\$36,900,000	\$24,200,000	\$200,000,000
PR	\$30,000	\$30,000	\$5,000	\$0		\$100,000
RI	\$4,700,000	\$4,900,000	\$900,000	\$2,900,000	\$10,000	\$10,000,000
SC	\$16,900,000	\$17,600,000	\$3,100,000	\$10,300,000	\$8,700,000	\$60,000,000
SD	\$2,800,000	\$2,900,000	\$500,000	\$1,700,000	\$0	\$10,000,000
TN	\$28,900,000	\$30,000,000	\$5,300,000	\$17,600,000	\$17,500,000	\$100,000,000
TX	\$83,600,000	\$86,900,000	\$15,400,000	\$51,000,000	\$1,100,000	\$240,000,000
UT	\$5,600,000	\$5,800,000	\$1,000,000	\$3,400,000	\$1,100,000	\$20,000,000
VA	\$29,600,000	\$30,800,000	\$5,400,000	\$18,000,000	\$13,300,000	\$100,000,000
VI	\$10,000	\$20,000	\$3,000	\$0		\$30,000
VT	\$3,000,000	\$3,100,000	\$500,000	\$1,800,000	\$0	\$10,000,000
WA	\$20,800,000	\$21,600,000	\$3,800,000	\$12,700,000	\$8,400,000	\$70,000,000
WI	\$24,500,000	\$25,400,000	\$4,500,000	\$14,900,000	\$40,000	\$70,000,000
WV	\$6,200,000	\$6,400,000	\$1,100,000	\$3,800,000	\$2,900,000	\$20,000,000
WY	\$1,400,000	\$1,500,000	\$300,000	\$900,000	\$20,000	\$0
Grand Total	\$1,284,040,000	\$1,334,750,000	\$235,858,000	\$782,500,000	\$355,580,000	\$3,983,030,000

Avalere calculated Medicare payments to SNFs by state from the FY 2010 SNF cost reports, then trended those figures forward to FY 2014 using the OACT estimates (from the FY 2013 President's Budget) for total payments to SNFs in those two years.

To estimate the impact of the productivity adjustment, Avalere estimated the national impact and applied that to each state's FY 2014 projection.

To estimate the impact of the regulatory cuts, Avalere applied the percentage cuts from those rules to the FY 2014 estimates (effectively trending the cuts forward).

Avalere calculated Medicare bad debt by state from the settled FY 2009 SNF cost reports, used those figures to estimate FY 2009 Medicare dual and non-dual bad debt, and trended those numbers forward to FY 2015 using CBO's estimates of change in the Part A hospital deductible (from the 2011 CBO baseline).

The SNF co-payment is indexed to the Part A hospital deductible. FY 2015 was used because the bad debt provision in the Middle Class Job Relief and Tax Reduction Act of 2012 is phased in over three years, from FY 2013 to FY 2015.