May 2, 2019

Senator/Representative

ADDRESS HERE

Dear Senator/Representative

We respectfully request that the Joint Committee on Finance increase Medicaid reimbursement for skilled nursing facilities in the 2019-21 state budget. As you know, we are committed to providing first-rate care to frail elderly and persons with disabilities. However, our organization and providers throughout the State are facing significant challenges due to Wisconsin’s low Medicaid reimbursement rates, which, if left unaddressed, could severely limit access to care for our State’s most vulnerable citizens.

Wisconsin’s Medicaid reimbursement rate is far below the actual cost of serving our nursing facility residents. Wisconsin skilled nursing facilities lost approximately $324.8 million in 2017-18. The average Wisconsin nursing facility lost $78.58 per resident day. In fact, when comparing the Medicaid rate to the actual cost of providing care, a national study reported Wisconsin has one of the worst Medicaid nursing facility rates in the country.

The chronic underfunding of Wisconsin’s skilled nursing facility Medicaid reimbursement system has reached crisis levels. Inadequate reimbursement has led to the well-documented long-term caregiver workforce crisis, where 1 in 5 caregiver positions remains vacant in Wisconsin. Since 2016, thirty skilled nursing facilities have closed their doors – a staggering 11 facilities have closed since January 1st of this year and an additional 27 facilities are currently in receivership. A combination of workforce challenges, inadequate Medicaid rates, and facility closures are jeopardizing the future viability of our skilled nursing facilities and access to high quality care and services.

In order to address the severe and growing long-term care challenges facing facilities across the State, we respectfully ask you to support the budget request from Wisconsin’s long-term care provider associations:

**Invest $83.3 million GPR in the 2019-21 biennial budget to enable providers to better recruit and retain competent and caring staff. Approval of this proposal would be a major step toward alleviating the long-term care workforce and funding crisis.**

We look forward to working with you to advance our shared priority of ensuring high quality care for Wisconsin’s vulnerable skilled nursing facility residents.

Sincerely,