



Not for Profit News¹

News Highlights for Not for Profit (NFP) Long Term Care Providers

On the Hill.....1

Webinars: **NEW VETERANS AFFAIRS/ NF AGREEMENT**, Governance.....3

Events Update.....3

CMS News.....5

Medicaid.....6

Quality Corner.....7

Assisted Living Highlights.....8

OSHA/Workforce.....8

AHCA/NCAL Trend Tracker.....10

Finance and Reimbursement.....10

Funding Opportunities.....11

Flu Findings.....11

Corporate Compliance.....12

IRS Item.....13

On the Hill

AHCA/NCAL Card Check Bill Toolkit Now Available

As we have reported, AHCA/NCAL strongly opposes the *Employee Free Choice Act*, better known as the "card check bill." To provide our membership with the necessary materials on this important issue, AHCA/NCAL has developed an educational toolkit that includes comprehensive information,

¹ January 15, 2009

Preserve The Secret Ballot



Oppose The Card Check Bill!

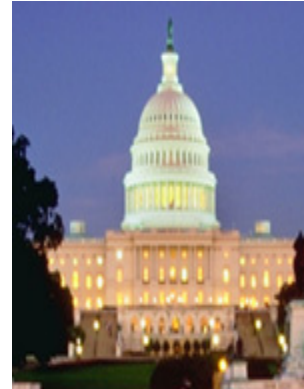
background, and recommendations on how you can take action on this issue. We also developed a "[Congressional Toolkit](#)" intended as a resource for visits with Members of Congress. To take action by sending a letter to Congress opposing the bill, click [here](#).

The *Employee Free Choice Act* is expected to be a top priority with the new Administration and the 111th Congress and be addressed early in 2009. AHCA/NCAL will continue our efforts to oppose the *Employee Free Choice Act* and will keep you informed. For more information, please contact [Francesca Fierro O'Reilly](#).

Sign Up for AHCA/NCAL's Legislative Action Center!

AHCA & NCAL's Legislative Action Center provides the latest information about legislation and policy pertaining to long term care facilities. Our featured action alerts allows you to easily advocate to Members of Congress on the issues that matter to you the most.

To begin receiving alerts, go to <http://capwiz.com/ahca/mlm/signup/> and join your colleagues, who already receive AHCA & NCAL Advocacy Action Alerts. Once you have signed up, we will send action alerts straight to your e-mail inbox. Then, with a few clicks of your mouse, you can tell your Members of Congress what matters to you most - and get them thinking about long term care!



Kohl Workforce Bill Introduced

Recently, the Senate Special Aging Committee Chairman Herb Kohl (D-WI) introduced a comprehensive workforce development bill, [Retooling the Health Care Workforce for an Aging America Act of 2008 \(S. 3730\)](#). AHCA/NCAL [endorsed](#) this bill, which seeks to expand vital education and training opportunities in long term care as well as geriatrics for nurses, physicians, psychologists, social workers, nurse aides, and family caregivers among others. Click [here](#) for a summary of the bill. We were pleased to work with Chairman Kohl's staff during the drafting process. For more information, contact [Francesca Fierro O'Reilly](#).

AHCA/NCAL Joins Request to Fund Lifespan Respite Care Act

AHCA/NCAL recently signed on to a [letter](#) to Congressional leadership requesting funding for the Lifespan Respite Care Act in the FY 2009 Labor, HHS and Education Appropriations bill. The Act authorizes competitive grants to Aging and Disability Resource Centers in collaboration with a public or private non-profit state respite coalition or organization to make quality respite available and accessible to family caregivers regardless of age or disability. The Act has board bipartisan support.

AHCA/NCAL Moving Forward With Legislation About Part D Co-Pays

AHCA/NCAL is currently working with Senator Herb Kohl's (D-WI) to discuss strategy for the reintroduction of a Medicare Part D legislation that eliminates co-payments for assisted living residents with low incomes during the 111th Congress. We have played a leadership role to pass legislation that includes bipartisan bills introduced during the 110th Congress. Children's health insurance expansion legislation that was passed by Congress in 2007 included a provision that would have eliminated Part D co-pays for those dual eligible assisted living residents receiving benefits under Medicaid waiver programs, but the bill was vetoed by President Bush. AHCA/NCAL will provide timely updates in regard to any new legislation introduced. For more information, click to contact Karl Polzer.

Webinars

Great Webinars: New Veterans Agreement, NFP Operations

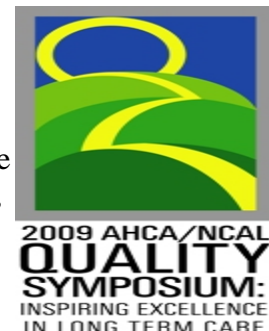
Two webinars with great information for NFPs are now archived on AHCA/NCAL's web-site. These include:

- A webinar about the new Veterans Affairs/Community Nursing Home agreement: This revised agreement rectifies many of the administrative burdens of the VA/CNH contract, including onerous Dept. of Labor requirements, life safety code issues, etc. Although Central Office VA approves use of this new agreement, individual VA Medical Centers can choose whether/not to use the agreement when they place VA beneficiaries into civilian NFs. The webinar is available at <http://www.ahcancal.org/events/Pages/Webinars.aspx> under "Past Webinars." Questions? Contact Melissa Temkin
- A webinar entitled "The Seven Disciplines of Governance Excellence:" This webinar, facilitated by Cathie Leimbach of the *Strive!* consulting group, will assist NFPs with Board development, showing community benefit, and many other integral aspects of NFP operations. To view the webinar, go to <http://www.ahcancal.org/events/Pages/Webinars.aspx> and look for it under "Past Webinars."

Events Update

Make Plans to Attend the First Quality Symposium Feb. 5-6, 2009 in St. Louis

Make plans to attend the inaugural AHCA/NCAL Quality Symposium: Inspiring Excellence in Long Term Care. This intense day-and-a-half conference will be held in St. Louis, Mo., Feb. 5-6, 2009. The symposium will highlight many journeys toward



performance excellence and provide a dynamic forum for exchanging ideas and best practices. You will be inspired and empowered to lead your organization to sustain results that meet and exceed the expectations of those you serve.

Attendees can earn 12.5 CEUs. A pre-symposium workshop, Leadership Excellence: The Exceptional Long Term Care Leader Self Assessment, is scheduled for Feb. 4, 2009. This workshop helps leaders benchmark their leadership skills and develop a personal action plan to enhance their abilities. Six CEUs can be earned by attending this special opportunity.

You can register for this event at

<http://www.ahcancal.org/events/qualitysymposium/Pages/default.aspx>. For more information, contact [Chris Condeelis](#).

Price Reduction For AHLA "LTC And The Law" Program

AHCA/NCAL is pleased to announce its sponsorship of the upcoming American Health Lawyers Association (AHLA) annual Long Term Care and the Law Conference, at Planet Hollywood Resort & Casino in Las Vegas, NV. The conference, which takes place February 25 – Friday 27, 2009, features some of the best, most in-depth regulatory and legal sessions for both nursing and assisted living facility providers and attorneys. All AHCA/NCAL members will receive a special discounted rate of \$550 for non-attorney providers and \$690 for AHCA/NCAL In-House Counsel. Under this special offer, AHCA/NCAL members who write “AHCA/NCAL Member – non-attorney provider or in-house counsel” on his or her registration form will receive the respective discounted rate. To register, please click [here](#). For more information, please contact [Dianne De La Mare](#).

National Pressure Ulcer Advisory Panel Biennial Conference!

The National Pressure Ulcer Advisory Panel (NPUAP) is having its biennial conference "Ushering in New International Guidelines for Pressure Ulcer Prevention and Treatment: Public Policy and Clinical Practice" February 27-28, 2009 at the Hyatt Crystal City in Arlington, VA. The conference features two concurrent, exciting tracks, *International Guideline Consensus on Implementation* and *Current Best Practice in Pressure Ulcer Management*. Please click [here](#) to view the complete conference brochure and to register online. Hotel reservations can be made by calling Hyatt Reservations at 800-233-1234 or 703-418-1234 by the February 4 hotel room cut-off date and asking for the NPUAP group rate.



NFP Sessions at the 2009 Independent Owner (IO) Leadership Conference

The IO leadership conference will take place in [Fort Lauderdale, Florida](#) on [March 19 and 20, 2009](#). Don't miss out on this opportunity to earn up to 9 CEU credits, network with your peers, and discuss strategies and solutions on the most current long term care (LTC) issues.

Participants will benefit from two days of outstanding education, including these sessions:

- Free Stuff for NFPs: The Foundation Center
- Telemedicine Through Your Computer
- Legal Update, Including Arbitration Agreements

And much more!

The advance registration deadline is **Sunday, February 22**, which is a savings of \$75 off the on-site member rate. The hotel reservation deadline at the Hyatt Regency Pier Sixty-Six is also Sunday, February 22. For more information and to register on-line, see the "Events" menu on the top of the page at www.ahcancal.org.

National Nursing Home Week 2009 Theme Unveiled: "Nurturing a Love that Lasts"

AHCA is proud to announce this year's National Nursing Home Week® (NNHW) theme: *"Nurturing a Love that Lasts"*. NNHW will be held May 10 - 17, 2009, beginning on Mother's Day. *"Nurturing a Love that Lasts"* will encourage all to think of generations of parents and grandparents nurturing future generations to carry on life and family traditions. A supportive and caring environment, such as a nursing home, nurtures and enables residents and families to continue growing, learning and teaching through various ways. Nursing home staff, residents and volunteers nurture a caring environment that values communication, relationships and partnership. Be a part of this celebration in May 2009!

CMS News

CMS Unveils "5-Star" Rating System

Despite ongoing concern and cautioning from the long term care community, the Centers for Medicare and Medicaid Services' (CMS') recently rolled out their new "5 Star" Quality Rating System. AHCA believes that the index, which is based on the broken survey system, is a forced simplification of an overly complex formula. Despite our urging, CMS declined to provide their methodology of the ratings or specific facility ratings to AHCA or our State Affiliates in advance of the December 18th launch – even though CMS had already provided that data to the media.

In many meetings and conference calls with CMS, AHCA has expressed great concern regarding the design and methodology of 5 Star, specifically that it is based on the flawed survey system, it provides little useful information for the consumer, and may confound the already difficult decision of which facility best serves the consumer's needs. Additionally, the staffing ratings are built on the findings of a study completed eight years ago – one that does not take into account the adoption of culture change within long term care (e.g., where a facility has trained all staff within a facility to serve as CNAs) nor the significant shifts in the health care market overall.

As requested by AHCA, CMS has posted its 5 Star *Technical Users' Guide*, as well as state and facility rankings. In order to best serve our members regarding 5 Star, AHCA has developed 5 Star specific talking points, general quality talking points, and a "myths and realities" guide that may be helpful when speaking to residents and family members or local media regarding this new rating system and/or a facility's specific star ratings. For more information, please contact Lyn Bentley.

CMS Final Rule on State Flexibility for Medicaid Benefit Packages

CMS released a final rule to implement Section 6044 of the Deficit Reduction Act (DRA) that allows states flexibility to define the scope of covered Medicaid medical services by offering benchmark benefit packages or benchmark-equivalent packages in place of the standard Medicaid benefit package. The impact for individuals in long term care facilities is lessened because these vulnerable populations are exempt from mandatory enrollment in a benchmark or benchmark-equivalent benefit package.

AHCA/NCAL commented on the proposed rules, asking CMS to strengthen the requirements relating to the exemption of vulnerable populations. CMS revised the final rule to require states to "effectively" inform individuals that enrollment is voluntary and amended the final rule to clarify that "informed choice" must take place before enrollment in the benchmark plan and requires an individual's file to be documented to reflect that they were fully informed and had ample time for an informed choice.

HHS Semi-Annual Regulatory Agenda

The Department of Health and Human Services (HHS) has released its Semiannual Regulatory Agenda, outlining the significant upcoming rulemaking actions under development and review. Click here to view a more detailed analysis of what is expected from the Centers for Medicare & Medicaid Services (CMS) and is relevant to long term care organizations. For more information, please contact Dianne De La Mare.

Medicaid

Kaiser Commission Releases Policy Brief on Vermont Waiver

A new Kaiser Commission policy brief analyzes Vermont's Choices for Care waiver. Created through a five-year Medicaid waiver in 2005, the waiver was designed to increase access to home and community-based services (HCBS) while reducing the use of nursing facilities (NFs) and controlling overall costs. The analysis found that VT was able to expand access to HCBS and extend some services to a "moderate need" group for the first time. However, while the state has seen a shift of people and money toward community settings, it also has experienced the return of waiting lists for some populations. The brief notes that VT could have achieved significant rebalancing while still maintaining an entitlement to NF services for the "high need" group. For a summary of the policy brief, please visit AHCA's Regulatory Blog.

Medicaid Payment Clearinghouse is Now Available!

AHCA is pleased to announce that after many months of data collection, the Medicaid Payment System Clearinghouse website is now online. This clearinghouse is a new, members-only resource that will help coordinate and disseminate current information regarding ongoing and emerging Medicaid long-term care payment activity across states. This website will truly make Medicaid payment related information available at your fingertips, and it will be periodically updated.

Information about state Medicaid programs is particularly key, not only because Medicaid is a major payer for long term care but also because state Medicaid payment programs play a significant role in determining the nature and character of the operating environment in each state. While state programs vary considerably across states, tracking and monitoring those differences is important as a means to understand the implications of potential developments in the states.

Currently, there are completed surveys for 26 states and the District of Columbia. More states and further enhancements to summarize the state survey data will be posted in the coming months. Questions? Contact Steven Gregory.

Quality Corner

2009 AHCA/NCAL National Quality Award Applications Now Available!

Apply today for the 2009 AHCA/NCAL National Quality Awards! Communities may apply for recognition and awards at three levels, each of which requires a more detailed and comprehensive demonstration of systematic quality.



Since its inception in 1996, more than 1,200 facilities have been recognized with a Step I, II or III Quality Award, with more than 340 facilities receiving awards in 2008. All LTC facilities that are members in good standing of AHCA/NCAL are eligible to participate.

To download an application packet, please visit the AHCA/NCAL Quality Award Web site. For more information, please contact Courtney Krier.

Recognize Physicians That Make A Difference In Your Facility

The American Medical Directors Association (AMDA) invites you to submit your recommendations for the 2009 Medical Director of the Year Award. This national award recognizes those individuals whose vision, passion, leadership, knowledge and commitment succeed in taking patient care to high levels of quality, excellence and innovation. The 2009 Medical Director of the Year award will be announced on Friday, March 6 at the AMDA Annual Symposium in Charlotte, NC. The deadline for

nominations is January 11th. For more information call AMDA at (800) 876-2632 or [click here](#).

Assisted Living Highlights

2009 National Assisted Living Week® Theme: Traditions of the Heart

Mark your calendars for NCAL's 2009 National Assisted Living Week®, which will take place September 13-19, 2009. Next year's theme "Traditions of the Heart" will provide participants with a wide range of event and celebratory opportunities for residents, staff, volunteers, and families of assisted living communities across the nation. A comprehensive planning guide and product catalog is being created by NCAL and will be available in the next few months. This once-a-year event is a great opportunity to take advantage of a nationwide celebration of assisted living. If you have any questions, please contact [Shane Osborne](#).

NCAL Encourages Providers To Complete National Assisted Living Survey Online: February 14 Deadline Fast Approaching

NCAL is pleased to announce that the assisted living profession-wide survey to collect core data on assisted living operations and residents nationwide is now available for providers to complete online. The "2009 Overview of Assisted Living" will be a critical component of the profession's advocacy efforts on Capitol Hill and is the only report of its kind. Please complete the [Operations Survey](#) and the [Resident Survey](#) by Saturday, February 14, 2009. All responses will be kept confidential.

Assisted Living Orientation Training Manual Available For New Employees

Providers looking to provide orientation to assisted living for new employees can obtain "Assisted Living What You Need To Know." This book is designed for all levels of employees, from the boiler room to the boardroom.

It offers a brief overview of assisted living: how it fits into the long term care continuum, state and federal regulations, customer service, resident and family councils, confidentiality, dementia, nutrition, disclosure, abuse and neglect, risk management, standard precautions, and emergencies. Readers will have a point of reference and a solid basis for further training.

[Click here to order online](#). Or call (800) 321-0343 and ask for product No. 6817. The cost for NCAL members is \$19.95. For non-members, the cost is \$23.95.

OSHA/Workforce

OSHA: Form 300A Must Be Posted February 1 - April 30

Beginning February 1, 2009, employers will be required to post a summary of the total number of job-related injuries and illnesses that occurred last year. The Occupational

Safety and Health Administration (OSHA) requires that the summary, OSHA Form 300A, remains posted from February 1 through April 30, 2009. Employers with ten or fewer employees are exempt from federal OSHA injury and illness recordkeeping and posting requirements. For more information and a link to the form, please see the January 7 Regulatory Update article [here](#).

OSHA Final Rule On Personal Protection Equipment

OSHA recently published the "Clarification of Employer Duty to Provide Personal Protection Equipment and Train Each Employee" final rule. AHCA/NCAL commented on this rule and are pleased with some of the clarifications made. The contents of the final rule which most apply to long term care are:

- Employers will be required to provide personal protective equipment (PPE,) to every employee whose position requires, and can be cited for noncompliance on a per-employee basis.
- Employers shall institute a training program for PPE for every employee whose position requires it, and ensure employee participation in the program. Failure to train an employee may be considered a separate violation.
- The above requirements also apply to temporary workers.
- The employer can argue that employee non-compliance led to lack of/inappropriate PPE use, and that per-employee violations are not appropriate.

For more information, including a link to AHCA/NCAL's comments and the final rule, please visit our [Regulatory Blog](#).

DOL Releases the FMLA Final Rule

The U.S. Department of Labor (DOL) has released its [final rule](#) amending the Family Medical Leave Act of 1993 (FMLA), that provides eligible employees the right to take job-protected, unpaid leave for absences due to the birth or adoption of a child or to take care of other serious family health care matters. The final rule is effective as of January 16, 2009 and clarifies the meaning of a qualifying "serious health condition" and changes notice requirements. AHCA/NCAL is pleased that the final adopts arguments that we made to DOL in our [comments on the FMLA proposed rule](#), specifically that an employee who returns to work in a light duty position should only retain reinstatement rights to his or her full duty position for the remainder of the weeks remaining in the employee's 12 week FMLA entitlement. DOL also modified the final rule to state that employers that have employee handbooks or other written materials concerning benefits and leave can use these written materials as general notice information but no annual notification is required. Questions? Click to contact [Dianne De La Mare](#).

AHCA/NCAL Trend Tracker

Don't Forget- LTC Trend Tracker™ is Now Available!

As we have previously announced, the LTC Trend Tracker™ is now available. This is a web-based data collection and analysis product that will supply information to member NFs, allowing them to analyze their performance and assess it against their peers. LTC Trend Tracker™ is designed to assist facilities in identifying target issues they may have in their operations and to provide resources that may enhance their performance. For more information, please click [here](#), or contact [Bill Hartung](#)



Finance and Reimbursement

MedPAC Votes for No Market Basket Update for FY 2010 Recommendations will be presented to Congress in March

Recently, the Medicare Payment Advisory Commission (MedPAC) voted in favor of a zero market basket update for skilled nursing facilities (SNFs) in FY 2010. AHCA and the Alliance issued a [statement](#) disputing MedPAC's recommendation, warning that this recommendation, coupled with the national recession and deteriorating state budget conditions, undermines and directly conflicts with the economic stimulus objectives advanced by President-elect Obama and congressional leaders in terms of spurring job growth and boosting the U.S. economy. MedPAC predicts that the average Medicare margin for SNFs in 2009 will be 12.6 percent.

The payment recommendations for SNFs, and other healthcare sectors, will be presented to Congress in March. We will continue to illustrate to Congress why an update is needed for quality SNF care and must be preserved. For more information, click to contact [Peter Gruhn](#).

Therapy Cap Repeal Bill Swiftly Reintroduced

On January 6, the first day of the 111th Congress, the *Medicare Access to Rehabilitation Services Act of 2009 (S. 46/ H.R. 43)* was reintroduced in Congress by Senators John Ensign (R-NV), Daniel Akaka (D-HI), Bob Casey (D-PA), Ben Cardin (D-MD), Susan Collins (R-ME), Dick Durbin (D-IL), Lindsey Graham (R-SC), Patrick Leahy (D-VT), Blanche Lincoln (D-AR), Arlen Specter (R-PA), Debbie Stabenow (D-MI), and Sheldon Whitehouse (D-RI) and Representatives Xavier Becerra (D-CA), Roy Blunt (R-MO), and Mike Ross (D-AR). AHCA [applauds](#) the continued efforts of these Members of Congress to repeal the arbitrary Medicare Part B Outpatient Therapy caps, which are \$1,840 in 2009 for occupational therapy services in addition to a combination of physical and speech-language pathology therapy services. The current exceptions process will remain

in place until June 30, 2009. AHCA will continue to monitor this issue closely; if you need more information, please contact [Francesca Fierro O'Reilly](#).

Funding Opportunities

Capital Sources

In cooperation with NCB Capital Impact, AHCA/NCAL offer a summary of grant and related funding opportunities available to long term care professionals.

Capital Sources is based on a scan of federal, state, and local funding opportunities, and covers a wide range of topics, including funding for quality improvement, culture change, health information technology, and direct care staff development.

The funding opportunities include both public (e.g., federal and state government) and private sources (such as foundations and other charitable organizations). Click here to view the most recent edition of [Capital Sources](#). For more information, click to contact [Todd Smith](#).

Flu Findings

CDC Health Advisory on Influenza Antiviral Medications for this Influenza Season

The Centers for Disease Control (CDC) have issued [new interim recommendations](#) for the use of influenza antiviral medications. Preliminary data indicates that the prevalence of influenza A (H1N1) virus strains resistant to the antiviral medication oseltamivir is high. When influenza A (H1N1) virus infection or exposure is suspected, use of zanamivir or a combination of oseltamivir and rimantadine are acceptable alternatives. Amantadine can be substituted for rimantadine if rimantadine is unavailable. Local influenza surveillance data and laboratory testing can help with physician decision-making regarding the choice of antiviral agents for their patients.

The 2008-09 influenza vaccine is expected to be effective in preventing or reducing the severity of illness with currently circulating influenza viruses, including oseltamivir-resistant influenza A (H1N1) virus strains. Since influenza activity remains low and is expected to increase in the weeks and months to come, CDC recommends that influenza vaccination efforts continue.

CMS Transmittal on Influenza Pandemic Policy

CMS has [issued a transmittal](#) on certain emergency policies and procedures that may be implemented for the Medicare program in the event of an influenza pandemic. The policies are pending until CMS declares the policies to be in effect, i.e., an influenza pandemic emergency and public health emergency are declared. While the policy provided in the transmittal is limited to policy on accelerated/advance payments, waiving

interest on debts, and medical record documentation requirements, we are pleased that CMS is beginning to provide at least some advance policies that would become applicable during an influenza pandemic.

HHS Guidance on Antiviral Drug Use During an Influenza Pandemic

The Department of Health and Human Services (HHS) released two new guidances, *Guidance on Antiviral Drug Use during an Influenza Pandemic* and *Considerations for Antiviral Drug Stockpiling by Employers in Preparation for an Influenza Pandemic*. AHCA expressed concern regarding the cost of stockpiling antivirals and suggested that the Federal government expand the national strategic stockpile and its subsidy program. The final documents state that there are no current plans to expand the public sector stockpiles and instead refers to a new program by antiviral drug manufacturers in which employers can annually reserve a contracted amount of antivirals, which would be delivered at the time of a pandemic with payment of the full drug cost. More information about the program can be found on the manufacturers' website [here](#) and [here](#). Please review AHCA's memo [here](#).

Corporate Compliance

OIG Releases Semiannual Report to Congress

The U.S. Department of Health and Human Services (HHS), Office of Inspector General (OIG) has released its *Semiannual Report to Congress*, which summarizes the activities of the OIG for the 6-month period from April 1, 2008-September 30, 2008. The OIG identifies the most significant management and performance challenges the agency currently faces including oversight of Medicare Part D; Medicare integrity; quality of care; emergency preparedness and response; oversight of food, drugs and medical devices; grants management; integrity of information technology systems; and infrastructure and ethics program oversight and enforcement. The report also highlights its "industry guidance" for this period, including a new and revised *Self-Disclosure Open Letter* and a new *Supplemental Compliance Program Guidance for Nursing Facilities*. The report also states that the OIG recovered or saved more than \$20 billion in federal funds for FY 2008. For more information, please contact [Dianne De La Mare](#).

HHS/DOJ Releases Fraud And Abuse Annual Report

HHS and the U.S. Department of Justice (DOJ) have released a joint annual report, *Health Care Fraud and Abuse Control Program: Annual Report for FY 2007*. The *Health Insurance Portability and Accountability Act of 1996* (HIPAA) established a national Health Care Fraud and Abuse Control Program, under the joint direction of the HHS Secretary and the DOJ Attorney General in order to coordinate federal, state and local law enforcement activities related to healthcare fraud and abuse. During FY 2007, the federal government won or negotiated approximately \$1.8 billion in judgments and settlements. Further, the Medicare Fraud Strike Force in Miami is among the most

successful in 2007, successfully recovering \$400 million in 74 cases, according to the report. Questions? Click to contact [Dianne De La Mare](#).

IRS Item

IRS Releases Proposed Regulation on 3% Withholding

The IRS has released a notice of proposed rulemaking regarding the Tax Increase Prevention and Reconciliation Act of 2005 (TIPRA). Section 511 of TIPRA requires that government agencies making any payments to individuals shall deduct and withhold an amount of 3% of such payment. These payments will apply to Medicare payments, but not Medicaid. This provision will become effective to payments made after December 31, 2010. The 3% withholding will not only deprive nursing homes and other providers of critical funds, it will impose new administrative burdens, and may create cash flow problems.

AHCA is part of a coalition working to repeal this provision. To view the coalition whitepaper on this issue, please click [here](#). Senator Larry Craig (R-ID) and Representative Kendrick Meek (D-FL) have introduced legislation to repeal this provision and it is expected that legislation will be reintroduced in the 111th Congress. AHCA is in the process of reviewing the proposed rule and will file comments prior to March 5, 2009. For additional information, please contact [David Hebert](#).

American Health Care Association/National Center for Assisted Living
1201 L Street, N.W.
Washington, D.C. 20005
202-842-4444
www.ahcanal.org

Staff Contact: Melissa Temkin
mtemkin@ahca.org
202-898-2822