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**HFAM & SAGE POLICY GROUP RELEASE NEW ECONOMIC REPORT TO SHOW SIGNIFICANT  
VALUE OF CARE IN MARYLAND**

**Report highlights return on investment of Medicaid spending; value of quality care; and  
forecast for aging population and increasing number of "younger" residents in facilities**

Annapolis, Md. – The Health Facilities Association of Maryland (HFAM) along with Anirban Basu, chairman and CEO of the Sage Policy Group, today released a study that details the economic impact of the state's nursing home and rehabilitation center provider community, including the value of facilities' employment, strong livable wages, and income generated.

"At a time when every taxpayer-funded Medicaid dollar is being stretched and must be justified, it is important to recognize the outstanding quality care and value provided to Marylanders most in need receiving skilled nursing care," said Joseph DeMattos, HFAM president. "Nursing and rehabilitative centers are doing an incredible job of helping tens of thousands of Marylanders return home after illness and injury. At a time when thousands of people are losing jobs, these facilities are hiring."

The report finds that skilled nursing facilities directly employ approximately 36,000 employees in Maryland with an annual payroll of \$1.5 billion generating an estimated \$68 million in annual state income tax revenue and \$46 million in local government tax revenue. The average wage of a nursing and rehabilitative center employee is \$41,000.

"Our study shows that skilled nursing facilities in Maryland offer high quality, low cost services for the unique populations they serve, as well as their substantial economic contributions and significant cost savings to Maryland taxpayers," said Anirban Basu, chairman and CEO of Sage

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Policy. "In the current budget environment, Maryland lawmakers may be tempted to shrink the Medicaid budget for long-term care; however, our research shows that would cost the citizens of Maryland dearly in terms of reduced quality of care for many of Maryland's most poor and

vulnerable residents, diminished savings in those categories in which skilled nursing facilities provide high quality care at significantly lower costs than hospitals, and result in reduced employment in facilities."

Basu also noted that further cuts to long-term care Medicaid could diminish capacity that will be needed to accommodate the growing demand for efficient and effective skilled nursing care among older and younger Marylanders alike.

"For years, I have worked on behalf of my constituents to ensure their well-being, safety and opportunities to enjoy strong, fulfilling lives," said Delegate Hattie Harrison of Baltimore City. "After spending several weeks as a resident of a nursing home, I can tell you first hand that the hard-working people working in these facilities are providing exceptional quality of care. They earn every dollar of their wages and frankly, deserve even more compensation for a tremendously difficult job. They are proud of their roles in helping people regain good health and dedicated to helping us return home when possible." Delegate Harrison recently completed a short-term stay at FutureCare Canton Harbor following an illness.

The report also notes the faces of nursing home patients have drastically changed through the years. Historically, skilled nursing facilities have been viewed as places devoted to the long-term care of older adults requiring moderate levels of ongoing medical care and assistance with the activities of daily living. While long-term care for the elderly continues to represent an important aspect of the work, today these facilities provide a much wider range of services to a much sicker, increasingly diverse and youthful patient population.

"At one point not too long ago, I was near death lying in a hospital bed in Shock Trauma," said Stevie Barnett, a 50-year-old, 29-year veteran of the Anne Arundel County Fire Department who was diagnosed with a near-fatal, flesh-eating disease last summer. "I am extremely grateful for the outstanding care I have received at Genesis Health Care's Severna Park Center. With a few more weeks of intensive physical therapy and medical treatment, I am hoping I can return home and possibly get back to work."

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