Impact of Federal Funding Letter

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Professional Letter on Federal Funding

Re: Impact of Federal Funding

Dear Editor,

Purpose and Policy Concern

The Congressional Budget Office's "Alternatives for Cutting the Deficit: 2017 to 2026" report covers healthcare options. As the COO of Brightview Hospital, I am writing to you to provide my opinion on the potential effects of this option. From 2018 to 2026, this option would lower payments to SNFs—post-acute care providers—by 5% annually. This option is very relevant to us as a healthcare business that manages numerous SNFs and could greatly impact how we operate (Congressional Budget Office).

Industry-Wide Importance of Funding Changes

I am writing to your professional association because I think many of our industry peers are impacted by this problem. As a community, we must comprehend how shifting state and federal healthcare financing and regulations may impact our businesses and clients. I want to be able to help people face the challenges that lie ahead by sharing my ideas and experiences. Medicare policy changes have repeatedly reshaped post-acute care payment, utilization, and provider behavior, making coordinated industry analysis essential (Cotterill & Gage, 2002).

Effects on Skilled Nursing Care Standards

As a skilled nursing facility, we are committed to the highest standards of medical care for our patients. However, we may find maintaining our excellent treatment standards difficult if payment rates decline as predicted. To address this issue, we're exploring potential new funding sources, such as partnering with local hospitals to deliver transitional care services or offering ancillary services that Medicare doesn't cover. We're also looking into our cost structure to see if we can discover ways to reduce expenses without compromising the quality of care we give to patients.

Workforce Retention and Staffing Risks

Another consequence of the anticipated cut in pay rates is the possible departure of competent workers. Skilled nursing facilities (SNFs) have the specialized staff necessary to meet the needs of our patients. If we can't pay our employees a fair wage and provide good benefits, they may search elsewhere for employment. To address this issue, we are considering offering our staff members perks like tuition reimbursement and opportunities for professional growth. We're also trying to reduce administrative costs and boost output to increase the budget for pay increases for staff.

Infrastructure and Capital Investment Challenges

Given the anticipated decrease in payment rates, investing in necessary facility infrastructure modifications may be difficult. SNFs require ongoing maintenance and upgrades to meet regulatory criteria and provide our patients with a safe and comfortable environment. It can be difficult to make these necessary investments if our income drops. We explore various non-traditional funding options to solve this issue, including grants from private foundations and public-private partnerships. To ensure that our patients continue receiving the best possible treatment, we also examine our capital spending strategy to establish which investments are most important.

Patient-Care Quality and Nurse Staffing

The decision may also affect the quality of care provided to the patient. If SNFs were paid less, they would have to lay off personnel, which might lead to a higher nurse-to-patient ratio. This can lead to a lowering of standards of care and an increase in undesirable events such as infections and falls. Reduced payments to SNFs could also force them to reduce the scope of care they provide, reducing the range of options available to patients and their families.

Cooperation Across Post-Acute Care Providers

Cooperation with other providers along the post-acute care continuum is crucial to our effort to mitigate the impact of the proposed drop-in payment rates. Working with hospice and home health companies can improve patient outcomes and reduce costs during care transitions. Through these collaborations, we can learn how to better coordinate patient care and reduce avoidable hospital readmissions, which can help us protect our financial resources.

Alternative Payment and Performance Models

In addition to working with other providers, we are investigating various alternative payment models, such as pay-for-performance arrangements. Providers are compensated based on specific quality indicators like patient satisfaction and hospital readmission rates in this model, which incentivizes them to offer high-quality services. Other quality indicators include the number of patients satisfied with their care. Standardized post-acute assessments, including cognitive-function measures, can support more consistent care planning and evaluation across settings (Shier et al., 2022). We can safeguard our revenue streams and provide superior medical attention to our patients if we emphasize the delivery of high-quality outcomes. This idea motivates medical professionals to collaborate to improve the coordination of patient care and reach shared objectives, both of which may result in improved patient outcomes and lower costs associated with medical treatment.

Commitment to Patient Care During Financial Pressure

Despite the difficulties that will arise due to the planned reduction in payment rates, our ultimate objective is to maintain our dedication to providing the very best treatment available to our patients. We are confident that we will successfully navigate this complex environment and continue to deliver the highest possible level of care to our patients if we investigate new potential sources of income, work together with other healthcare providers, and suggest novel approaches to payment. We have high hopes that if we join this organization and become members, we will be able to network with people working in the post-acute care field who are dealing with issues that are analogous to our own and gain insight from their experiences.

Conclusion and Call for Professional Advocacy

In conclusion, I believe the potential reduction in payments to post-acute care providers will have a major impact on our healthcare organization, other facilities of a similar nature, and the patients we serve. Working together, healthcare professionals can overcome these challenges and ensure they can continue providing high-quality treatment for their patients. Thank you for giving this important issue your time and attention; I look forward to continuing the conversation with my industry peers.

Yours faithfully,

Chief Operating Officer

BrightView Hospital

References

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