

# Alabama

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Alabama is a reduction of \$23,937,450 in business activity, a reduction of \$11,748,585 in labor income, and a loss of 397 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Alabama.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Alabama				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	14,907,172	2,937,777	6,092,501	23,937,450
Income Impacts (\$)	8,995,960	864,244	1,888,381	11,748,585
Employment Impacts (Jobs)	315	25	57	397

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Alaska

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Alaska is a reduction of \$485,166 in business activity, a reduction of \$255,735 in labor income, and a loss of 7 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Alaska.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Alaska				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	333,851	47,403	103,912	485,166
Income Impacts (\$)	206,997	15,054	33,684	255,735
Employment Impacts (Jobs)	6	0	1	7

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Arizona

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Arizona is a reduction of \$14,243,537 in business activity, a reduction of \$7,176,235 in labor income, and a loss of 213 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Arizona.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Arizona				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	8,699,488	1,750,443	3,793,606	14,243,537
Income Impacts (\$)	5,304,794	591,449	1,279,992	7,176,235
Employment Impacts (Jobs)	168	13	32	213

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Arkansas

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Arkansas is a reduction of \$13,911,911 in business activity, a reduction of \$6,718,290 in labor income, and a loss of 255 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Arkansas.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Arkansas				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	8,829,569	1,715,647	3,366,695	13,911,911
Income Impacts (\$)	5,249,783	466,284	1,002,223	6,718,290
Employment Impacts (Jobs)	207	15	33	255

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# California

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for California is a reduction of \$155,193,744 in business activity, a reduction of \$77,148,450 in labor income, and a loss of 2,039 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of California.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

California				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	89,571,336	21,613,690	44,008,718	155,193,744
Income Impacts (\$)	55,095,668	7,316,542	14,736,240	77,148,450
Employment Impacts (Jobs)	1,600	134	305	2,039

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Colorado

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Colorado is a reduction of \$17,624,879 in business activity, a reduction of \$8,702,464 in labor income, and a loss of 251 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Colorado.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Colorado				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	10,383,510	2,448,397	4,792,972	17,624,879
Income Impacts (\$)	6,346,588	792,420	1,563,456	8,702,464
Employment Impacts (Jobs)	195	17	39	251

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Connecticut

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Connecticut is a reduction of \$42,197,193 in business activity, a reduction of \$22,053,070 in labor income, and a loss of 528 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Connecticut.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Connecticut				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	26,105,784	5,132,245	10,959,164	42,197,193
Income Impacts (\$)	16,233,575	1,881,450	3,938,045	22,053,070
Employment Impacts (Jobs)	413	33	82	528

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Delaware

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Delaware is a reduction of \$4,975,955 in business activity, a reduction of \$2,551,022 in labor income, and a loss of 73 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Delaware.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Delaware				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	3,261,472	560,202	1,154,281	4,975,955
Income Impacts (\$)	2,001,477	168,415	381,130	2,551,022
Employment Impacts (Jobs)	59	4	10	73

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# District of Columbia

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for District of Columbia is a reduction of \$1,533,893 in business activity, a reduction of \$885,820 in labor income, and a loss of 22 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the District of Columbia.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

District of Columbia				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	1,216,921	179,264	137,708	1,533,893
Income Impacts (\$)	755,156	75,219	55,445	885,820
Employment Impacts (Jobs)	20	1	1	22

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Florida

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Florida is a reduction of \$132,245,791 in business activity, a reduction of \$65,934,953 in labor income, and a loss of 1,960 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Florida.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Florida				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	78,425,424	16,802,106	37,018,261	132,245,791
Income Impacts (\$)	47,868,501	5,747,229	12,319,223	65,934,953
Employment Impacts (Jobs)	1,502	137	321	1,960

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Georgia

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Georgia is a reduction of \$34,566,482 in business activity, a reduction of \$16,870,033 in labor income, and a loss of 552 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Georgia.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Georgia				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	20,529,642	4,884,110	9,152,730	34,566,482
Income Impacts (\$)	12,363,161	1,560,201	2,946,671	16,870,033
Employment Impacts (Jobs)	440	35	77	552

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Hawaii

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Hawaii is a reduction of \$2,171,747 in business activity, a reduction of \$1,124,308 in labor income, and a loss of 33 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Hawaii.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Hawaii				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	1,421,568	226,449	523,730	2,171,747
Income Impacts (\$)	873,778	73,549	176,981	1,124,308
Employment Impacts (Jobs)	26	2	5	33

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Idaho

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Idaho is a reduction of \$6,000,059 in business activity, a reduction of \$2,923,386 in labor income, and a loss of 109 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Idaho.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Idaho				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	3,758,027	754,079	1,487,953	6,000,059
Income Impacts (\$)	2,243,003	220,259	460,124	2,923,386
Employment Impacts (Jobs)	86	7	16	109

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Illinois

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Illinois is a reduction of \$101,930,621 in business activity, a reduction of \$49,863,076 in labor income, and a loss of 1,459 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Illinois.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Illinois				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	58,048,696	14,393,128	29,488,797	101,930,621
Income Impacts (\$)	35,310,262	4,838,731	9,714,083	49,863,076
Employment Impacts (Jobs)	1,143	91	225	1,459

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Indiana

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Indiana is a reduction of \$51,701,069 in business activity, a reduction of \$25,081,465 in labor income, and a loss of 812 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Indiana.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Indiana				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	31,426,829	6,419,065	13,855,175	51,701,069
Income Impacts (\$)	19,049,853	1,853,893	4,177,719	25,081,465
Employment Impacts (Jobs)	635	51	126	812

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Iowa

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Iowa is a reduction of \$14,346,525 in business activity, a reduction of \$6,951,972 in labor income, and a loss of 262 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Iowa.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Iowa				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	8,917,005	1,792,074	3,637,446	14,346,525
Income Impacts (\$)	5,293,037	524,469	1,134,466	6,951,972
Employment Impacts (Jobs)	210	15	37	262

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Kansas

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Kansas is a reduction of \$14,513,744 in business activity, a reduction of \$6,985,546 in labor income, and a loss of 261 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Kansas.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Kansas				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	8,894,962	1,856,248	3,762,534	14,513,744
Income Impacts (\$)	5,278,597	552,611	1,154,338	6,985,546
Employment Impacts (Jobs)	210	15	36	261

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Kentucky

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Kentucky is a reduction of \$26,297,493 in business activity, a reduction of \$13,114,557 in labor income, and a loss of 398 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the commonwealth of Kentucky.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Kentucky				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	16,647,711	2,985,487	6,664,295	26,297,493
Income Impacts (\$)	10,204,136	872,098	2,038,323	13,114,557
Employment Impacts (Jobs)	309	26	63	398

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Louisiana

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Louisiana is a reduction of \$20,177,495 in business activity, a reduction of \$9,903,317 in labor income, and a loss of 377 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Louisiana.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Louisiana				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	12,920,665	2,416,029	4,840,801	20,177,495
Income Impacts (\$)	7,666,082	739,155	1,498,080	9,903,317
Employment Impacts (Jobs)	310	21	46	377

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Maine

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Maine is a reduction of \$9,167,876 in business activity, a reduction of \$4,534,738 in labor income, and a loss of 155 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Maine.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Maine				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	5,707,316	1,014,774	2,445,786	9,167,876
Income Impacts (\$)	3,433,909	301,303	799,526	4,534,738
Employment Impacts (Jobs)	122	9	24	155

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Maryland

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Maryland is a reduction of \$37,950,667 in business activity, a reduction of \$19,239,158 in labor income, and a loss of 531 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Maryland.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Maryland				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	23,149,663	4,816,343	9,984,661	37,950,667
Income Impacts (\$)	14,224,604	1,643,562	3,370,992	19,239,158
Employment Impacts (Jobs)	414	34	83	531

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Massachusetts

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Massachusetts is a reduction of \$63,729,605 in business activity, a reduction of \$33,021,646 in labor income, and a loss of 787 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the commonwealth of Massachusetts.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Massachusetts				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	38,372,722	8,036,787	17,320,096	63,729,605
Income Impacts (\$)	23,886,736	2,902,984	6,231,926	33,021,646
Employment Impacts (Jobs)	606	50	131	787

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Michigan

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Michigan is a reduction of \$57,635,738 in business activity, a reduction of \$28,396,262 in labor income, and a loss of 910 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Michigan.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Michigan				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	34,737,437	7,610,247	15,288,054	57,635,738
Income Impacts (\$)	20,995,500	2,463,006	4,937,756	28,396,262
Employment Impacts (Jobs)	720	55	135	910

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Minnesota

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Minnesota is a reduction of \$27,869,144 in business activity, a reduction of \$13,274,491 in labor income, and a loss of 466 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Minnesota.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Minnesota				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	16,073,576	4,187,641	7,607,927	27,869,144
Income Impacts (\$)	9,570,884	1,290,685	2,412,922	13,274,491
Employment Impacts (Jobs)	371	30	65	466

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Mississippi

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Mississippi is a reduction of \$14,867,508 in business activity, a reduction of \$7,286,047 in labor income, and a loss of 260 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Mississippi.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Mississippi				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	9,635,652	1,656,557	3,575,299	14,867,508
Income Impacts (\$)	5,787,925	449,981	1,048,141	7,286,047
Employment Impacts (Jobs)	211	15	34	260

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Missouri

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Missouri is a reduction of \$40,486,703 in business activity, a reduction of \$19,137,014 in labor income, and a loss of 696 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Missouri.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Missouri				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	23,400,147	5,819,130	11,267,426	40,486,703
Income Impacts (\$)	13,912,865	1,733,280	3,490,869	19,137,014
Employment Impacts (Jobs)	548	47	101	696

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Montana

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Montana is a reduction of \$4,136,295 in business activity, a reduction of \$2,024,180 in labor income, and a loss of 73 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Montana.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Montana				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	2,670,611	458,715	1,006,969	4,136,295
Income Impacts (\$)	1,602,978	123,012	298,190	2,024,180
Employment Impacts (Jobs)	59	4	10	73

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Nebraska

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Nebraska is a reduction of \$11,104,618 in business activity, a reduction of \$5,437,754 in labor income, and a loss of 193 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Nebraska.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Nebraska				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	6,852,967	1,391,567	2,860,084	11,104,618
Income Impacts (\$)	4,102,035	426,639	909,080	5,437,754
Employment Impacts (Jobs)	152	12	29	193

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Nevada

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Nevada is a reduction of \$6,295,027 in business activity, a reduction of \$3,303,308 in labor income, and a loss of 92 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Nevada.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Nevada				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	4,229,514	633,516	1,431,997	6,295,027
Income Impacts (\$)	2,604,421	219,173	479,714	3,303,308
Employment Impacts (Jobs)	75	5	12	92

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# New Hampshire

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for New Hampshire is a reduction of \$8,720,120 in business activity, a reduction of \$4,458,050 in labor income, and a loss of 126 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of New Hampshire.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

New Hampshire				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	5,462,377	974,203	2,283,540	8,720,120
Income Impacts (\$)	3,356,369	324,651	777,030	4,458,050
Employment Impacts (Jobs)	98	7	21	126

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# New Jersey

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for New Jersey is a reduction of \$79,855,187 in business activity, a reduction of \$40,843,645 in labor income, and a loss of 1,009 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of New Jersey.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

New Jersey				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	48,272,384	10,211,304	21,371,499	79,855,187
Income Impacts (\$)	29,939,884	3,627,042	7,276,719	40,843,645
Employment Impacts (Jobs)	792	65	152	1,009

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# New Mexico

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for New Mexico is a reduction of \$5,061,421 in business activity, a reduction of \$2,474,413 in labor income, and a loss of 86 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of New Mexico.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

New Mexico				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	3,131,069	632,496	1,297,856	5,061,421
Income Impacts (\$)	1,886,360	191,307	396,746	2,474,413
Employment Impacts (Jobs)	67	6	13	86

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# New York

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for New York is a reduction of \$120,395,295 in business activity, a reduction of \$62,605,496 in labor income, and a loss of 1,491 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of New York.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

New York				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	74,986,057	15,498,980	29,910,258	120,395,295
Income Impacts (\$)	46,650,072	5,482,954	10,472,470	62,605,496
Employment Impacts (Jobs)	1,194	88	209	1,491

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# North Carolina

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for North Carolina is a reduction of \$48,272,816 in business activity, a reduction of \$23,400,115 in labor income, and a loss of 826 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of North Carolina.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

North Carolina				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	29,835,246	6,256,338	12,181,232	48,272,816
Income Impacts (\$)	17,852,029	1,786,741	3,761,345	23,400,115
Employment Impacts (Jobs)	669	47	110	826

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# North Dakota

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for North Dakota is a reduction of \$2,907,709 in business activity, a reduction of \$1,435,810 in labor income, and a loss of 56 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of North Dakota.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

North Dakota				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	1,947,772	312,405	647,532	2,907,709
Income Impacts (\$)	1,157,429	86,165	192,216	1,435,810
Employment Impacts (Jobs)	46	3	7	56

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Ohio

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Ohio is a reduction of \$99,032,887 in business activity, a reduction of \$48,707,168 in labor income, and a loss of 1,610 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Ohio.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Ohio				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	61,139,821	12,540,132	25,352,934	99,032,887
Income Impacts (\$)	36,925,321	3,869,602	7,912,245	48,707,168
Employment Impacts (Jobs)	1,273	102	235	1,610

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Oklahoma

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Oklahoma is a reduction of \$14,637,968 in business activity, a reduction of \$7,052,245 in labor income, and a loss of 254 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Oklahoma.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Oklahoma				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	8,919,211	1,885,120	3,833,637	14,637,968
Income Impacts (\$)	5,339,325	548,301	1,164,619	7,052,245
Employment Impacts (Jobs)	200	17	37	254

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Oregon

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Oregon is a reduction of \$10,957,395 in business activity, a reduction of \$5,468,570 in labor income, and a loss of 167 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Oregon.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Oregon				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	6,645,911	1,384,979	2,926,505	10,957,395
Income Impacts (\$)	4,060,259	442,562	965,749	5,468,570
Employment Impacts (Jobs)	128	12	27	167

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Pennsylvania

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Pennsylvania is a reduction of \$89,230,368 in business activity, a reduction of \$43,514,988 in labor income, and a loss of 1,215 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the commonwealth of Pennsylvania.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Pennsylvania				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	50,927,945	12,287,400	26,015,023	89,230,368
Income Impacts (\$)	31,255,507	3,903,815	8,355,666	43,514,988
Employment Impacts (Jobs)	924	82	209	1,215

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Rhode Island

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Rhode Island is a reduction of \$6,192,122 in business activity, a reduction of \$3,178,697 in labor income, and a loss of 94 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Rhode Island.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Rhode Island				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	4,053,823	626,550	1,511,749	6,192,122
Income Impacts (\$)	2,479,960	191,539	507,198	3,178,697
Employment Impacts (Jobs)	76	5	13	94

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# South Carolina

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for South Carolina is a reduction of \$21,481,309 in business activity, a reduction of \$10,568,920 in labor income, and a loss of 376 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of South Carolina.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

South Carolina				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	13,740,666	2,563,854	5,176,789	21,481,309
Income Impacts (\$)	8,227,299	728,516	1,613,105	10,568,920
Employment Impacts (Jobs)	305	21	50	376

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# South Dakota

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for South Dakota is a reduction of \$4,003,976 in business activity, a reduction of \$1,898,840 in labor income, and a loss of 74 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of South Dakota.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

South Dakota				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	2,444,022	502,809	1,057,145	4,003,976
Income Impacts (\$)	1,444,737	131,498	322,605	1,898,840
Employment Impacts (Jobs)	59	4	11	74

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Tennessee

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Tennessee is a reduction of \$42,406,690 in business activity, a reduction of \$21,018,682 in labor income, and a loss of 543 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Tennessee.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Tennessee				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	24,809,416	5,002,080	12,595,194	42,406,690
Income Impacts (\$)	15,460,382	1,530,581	4,027,719	21,018,682
Employment Impacts (Jobs)	397	40	106	543

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Texas

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Texas is a reduction of \$108,658,065 in business activity, a reduction of \$52,310,689 in labor income, and a loss of 1,649 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Texas.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Texas				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	63,491,957	15,983,237	29,182,871	108,658,065
Income Impacts (\$)	38,446,166	4,904,646	8,959,877	52,310,689
Employment Impacts (Jobs)	1,314	109	226	1,649

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Utah

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Utah is a reduction of \$8,550,762 in business activity, a reduction of \$4,036,995 in labor income, and a loss of 143 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Utah.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Utah				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	4,965,408	1,241,133	2,344,221	8,550,762
Income Impacts (\$)	2,968,387	358,206	710,402	4,036,995
Employment Impacts (Jobs)	112	10	21	143

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Vermont

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Vermont is a reduction of \$3,697,956 in business activity, a reduction of \$1,868,304 in labor income, and a loss of 58 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Vermont.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Vermont				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	2,359,688	386,552	951,716	3,697,956
Income Impacts (\$)	1,441,108	117,111	310,085	1,868,304
Employment Impacts (Jobs)	45	4	9	58

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# United States

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for United States is a reduction of \$2,538,574,941 in business activity, a reduction of \$1,102,133,619 in labor income, and a loss of 30,323 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the United States.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

United States				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	1,050,000,000	457,958,967	1,030,615,974	2,538,574,941
Income Impacts (\$)	640,413,737	139,085,410	322,634,472	1,102,133,619
Employment Impacts (Jobs)	20,219	2,842	7,262	30,323

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Washington

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Washington is a reduction of \$30,040,458 in business activity, a reduction of \$15,196,492 in labor income, and a loss of 419 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Washington.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Washington				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	18,519,092	3,635,648	7,885,718	30,040,458
Income Impacts (\$)	11,402,364	1,189,070	2,605,058	15,196,492
Employment Impacts (Jobs)	330	26	63	419

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# West Virginia

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for West Virginia is a reduction of \$9,702,232 in business activity, a reduction of \$4,814,503 in labor income, and a loss of 170 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of West Virginia.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

West Virginia				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	6,365,450	1,025,948	2,310,834	9,702,232
Income Impacts (\$)	3,827,789	290,836	695,878	4,814,503
Employment Impacts (Jobs)	137	9	24	170

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Wisconsin

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Wisconsin is a reduction of \$36,359,453 in business activity, a reduction of \$17,724,521 in labor income, and a loss of 621 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Wisconsin.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Wisconsin				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	22,163,336	4,684,405	9,511,712	36,359,453
Income Impacts (\$)	13,274,617	1,428,671	3,021,233	17,724,521
Employment Impacts (Jobs)	490	40	91	621

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# Wyoming

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for Wyoming is a reduction of \$2,081,647 in business activity, a reduction of \$1,058,795 in labor income, and a loss of 32 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of Wyoming.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

Wyoming				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	1,419,997	211,120	450,530	2,081,647
Income Impacts (\$)	869,352	59,967	129,476	1,058,795
Employment Impacts (Jobs)	26	2	4	32

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.

# United States

The proposed \$1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for United States is a reduction of \$2,538,574,941 in business activity, a reduction of \$1,102,133,619 in labor income, and a loss of 30,323 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the United States.

## Economic Impact of Medicare Nursing Facility Payment Cutback Fiscal Year 2010

United States				
	Direct	Indirect	Induced	Total
Business Activity Impacts (\$)	1,050,000,000	457,958,967	1,030,615,974	2,538,574,941
Income Impacts (\$)	640,413,737	139,085,410	322,634,472	1,102,133,619
Employment Impacts (Jobs)	20,219	2,842	7,262	30,323

Direct Effect represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

Indirect Effect represents the impact (e.g., change in employment) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

Induced Effect represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

Total Impact is the sum of the direct, indirect, and induced effects.

Labor Income is the sum of employee compensation and proprietary income.

Economic Impact Analysis: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.

Copyright, American Health Care Association, The Alliance for Quality Nursing Home Care, 2009.

Prepared by Research Department of American Health Care Association using IMPLAN software, 2007 claims data, and components of proposed SNF PPS rule for fiscal year 2010.