

Top Ten States:

Impact of Sequestration in the Budget Control Act on Medicare Payments to Skilled Nursing Facilities in FY 2014¹

State	Impact of ACA Productivity Adjustment: FY 2014	Impact of Case-Mix Cut in FY 2012 Rule: FY 2014	Impact of Forecast Error Cut in FY 2011 Rule: FY 2014	Estimated Sequestration Impact: FY 2014	Impact of Bad Debt Cut in 2012 "Doc Fix" Bill: FY 2015	TOTAL ANNUAL SNF CUTS (Approximate)
California	\$124,600,000	\$129,500,000	\$22,900,000	\$75,900,000	\$300,000	\$350,000,000
Florida	\$108,300,000	\$112,600,000	\$19,900,000	\$66,000,000	\$60,500,000	\$370,000,000
Texas	\$83,600,000	\$86,900,000	\$15,400,000	\$51,000,000	\$1,100,000	\$240,000,000
New York	\$77,400,000	\$80,500,000	\$14,200,000	\$47,200,000	\$300,000	\$220,000,000
Illinois	\$75,800,000	\$78,800,000	\$13,900,000	\$46,200,000	\$28,800,000	\$240,000,000
New Jersey	\$61,600,000	\$64,000,000	\$11,300,000	\$37,500,000	\$16,500,000	\$190,000,000
Ohio	\$61,200,000	\$63,600,000	\$11,200,000	\$37,300,000	\$30,500,000	\$200,000,000
Pennsylvania	\$60,600,000	\$63,000,000	\$11,100,000	\$36,900,000	\$24,200,000	\$200,000,000
Michigan	\$49,600,000	\$51,600,000	\$9,100,000	\$30,200,000	\$400,000	\$140,000,000
Massachusetts	\$46,600,000	\$48,500,000	\$8,600,000	\$28,400,000	\$100,000	\$130,000,000
U.S.	\$1,284,040,000	\$1,334,750,000	\$235,858,000	\$782,500,000	\$335,580,000	\$3,983,030,000

¹FY 2014 is the first full fiscal year of sequestration reductions under the Budget Control Act; the sequestration provisions take effect on March 1, 2013

A Note on Methods:

Avalere calculated Medicare payments to SNFs by state from the FY 2010 SNF cost reports, then trended those figures forward to FY 2014 using the OACT estimates (from the FY 2013 President's Budget) for total payments to SNFs in those two years. Avalere then applied a sequestration impact (reduction) of 2 percent, consistent with the limit in the Budget Control Act, to the estimated FY 2014 Medicare SNF spending by state to project the impact of sequestration by state. Additional methodology details available at www.aqnhc.org