

As Congress continues to debate reforming our health care system, Aging Services of Minnesota, the state's largest association of older adult service providers, urges you not to forget the need to also reform our long-term care system.

We cannot have true health care reform until we also have long-term care financing reform. The CLASS Act, currently in the Senate HELP Committee's health reform legislation, would establish a national insurance trust to assist individuals with their long-term care needs. The Congressional Budget Office has said that the insurance trust will not add to our national deficit but actually save money over time.

Aging and disability is not a partisan issue and it is heartening to see that individuals and groups from across the ideological spectrum are supporting the idea of long-term care financing reform through a national insurance trust. This agreement is unprecedented. When groups from such different perspectives see the wisdom in reform, it is clearly time to act.

We also urge Congress to reconsider the House proposal to freeze Medicare rates for nursing homes and home health care, as well as the proposed cut to hospice care. Minnesota's nursing homes are mostly not-for-profit and must charge equal rates to Medicaid and private pay residents. This means that they often operate below costs. Freezing Medicare rates will only increase this gap between costs and reimbursements.

In addition, freezing Medicare rates for home health care and cutting rates for hospice take us away from our innovative home and community-based services policies that support people in their own homes for as long as possible. We ask you to please continue supporting these vital support services.

This the right time for reform. It is the right thing to do for our parents and grandparents, and it is sound fiscal policy. As providers of older adult services, we know first-hand the need to reform our long-term care financing system. The time is now.

Sincerely,