STATEMENT ON PRESIDENT OBAMA’S BUDGET PROPOSAL

Rich Umbdenstock
President and CEO
American Hospital Association

February 13, 2012

Today’s budget is bad news for our nation’s seniors and most vulnerable citizens. It once again targets funding for hospital care and could result in fewer nurses, less access to cutting-edge treatments and longer waits for emergency care.

This budget proposal would jeopardize the ability of teaching and children’s hospitals to train the next generation of physicians, harm care for the people in rural communities by reducing funding for critical access hospitals and reduce assistance that helps defray some of these costs to low-income seniors. Proposed cuts to post-acute providers, particularly to rehabilitation hospitals, would limit specialized care, while an expanded Independent Payment Advisory Board would remove elected officials from the decision-making process. The Medicaid program would be harmed through the use of a single blended rate and limits on provider assessments that many states use to fund their Medicaid program.

The proposal would also thwart hospital job creation. Last month alone, hospitals added 13,000 jobs, but cuts already set to go in effect could translate into 278,000 jobs lost.

Hospital leaders recognize the fiscal challenges our country faces. But harming our most vulnerable citizens will not solve our nation’s problems.