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Gov. John Kasich and nursing home lobby battle over proposed budget cuts

By Reginald Fields

COLUMBUS, Ohio -- The nursing home lobby unsheathed the sharp knives last week, running a blistering television ad targeting Gov. John Kasich over his plan to cut Medicaid payments to nursing facilities.

The staggered Republican governor didn't see it coming but quickly regained his footing. He responded with a biting commentary on the deep-pocketed nursing home industry and vowed not to be intimidated by special interest groups.

"For them to get their way would continue a precedent of bullying, intimidation and the power of special interests in our state," Kasich said in an interview at his office.

The governor, whose own hard-charging style has drawn comparisons to bullying, sees a bigger issue here than just a budget debate. He sees potential sea change in how policy is set in the state of Ohio, one where the power of special interests is limited. But this is the test case: Can he stand up to a group big enough to launch public relations warfare on him?

The governor has proposed chopping Medicaid reimbursement rates for nursing homes by \$420 million over the next two years. The plan would give more money to home-based care programs. Nursing facilities complain that they are being unfairly targeted.

The ad literally implied Kasich was pulling the plug on the sick and elderly. It was the first salvo in the battle between one of the most powerful and best-funded lobbying efforts in Columbus and the newly minted and strong-willed governor bent on shaking up the status quo.

"What we were trying to do is educate the public about what the governor propose cuts would do," said Peter Van Runkle, executive director of the Ohio Health Care Association. "There is going to be significant job loss and it will have an impact on care, and it is going to be a negative impact."

The Ohio Health Care Association -- the largest of the three nursing home lobbying groups was behind the commercial.

By the end of the week, Van Runkle announced he was pulling the ad because it was scaring off lawmakers who felt they were being forced to publicly choose a side. But he warned this commercial, and others already in the works, would return if negotiations do not go well soon for nursing homes.

Kasich said he will not back down because the outcome of this fight will affect how policy is shaped in the state.

"This notion of laying in the weeds until the end to try to get your way and beat people up, this is a culture we cannot afford to have in Ohio," he said.

Read the rest of the article here:

http://www.cleveland.com/open/index.ssf/2011/05/ohio_nursing_home_lobby_takes.html

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