

Avoiding a train wreck in the county budget

To the Editor:

In June, the scare headline in the *Union Leader*, later echoed in the local papers, stated the county home was losing \$4,000 a day. On Oct. 17, a double-the-money headline in the *Eagle Times* claims the county home is losing \$8,000 a day. What a contrast to two years of news articles and statements claiming the Sullivan County nursing home was making a profit or at least breaking even under the management of Genesis. Now that the audit of county finances for fiscal 2006-07 have been made public, we know that the nursing home has been losing money throughout this fiscal year and, if previous audits are examined, has been losing money since Genesis came to town.

Is our county nursing home a social service or a for-profit business? In New Hampshire, counties take responsibility for the care of their elderly low-income residents. Medicaid, unfortunately, does not reimburse enough money (\$150 per day) to pay for the actual care the residents receive. These losses might be offset by keeping beds filled with Medicare-funded residents needing short-term, skilled care paid for at a much higher rate (\$400 per day). Genesis promised to attract these high-paying patients but vastly overestimated their success and created serious revenue shortfalls. As a social service, our

nursing home lost money. Managed as a for-profit business, it lost just as much money.

Medicaid-funded nursing home residents are not just liabilities; they are real people who have worked hard all their lives, raised families, and contributed to society. They are our parents or our grandparents. Someday, unless we fix our broken health-care system, we, the taxpayers, may be there, too.

Whether managed by a private company or by public officials, a county nursing home may lose some money and have to be subsidized by the taxpayers. But taxpayers have a right to demand truth in budgeting and careful cost control, not nasty surprises near the end of the fiscal year. Taxpayers should not be told that Genesis has the magic formula for curing the nursing home's financial problems, only to discover that the county is not only out of funds, but deeply in debt.

Sullivan County has entered fiscal 2007-08 with an audited deficit of \$2.2 million. Some in the county delegation, and especially the delegation chair, Rep. Peter Franklin, saw this train wreck coming and spent most of last year trying to get someone to put on the brakes, or at least to be honest about what was happening, but the runaway train went on barreling down the track.

Can we avoid another train wreck next June? We can if the county commissioners take direct control of the entire budg-

et, come up with new and more realistic revenue projections, and immediately control costs to reduce the damage this year. We don't need any magic formulas; there is no pie in the sky.

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