

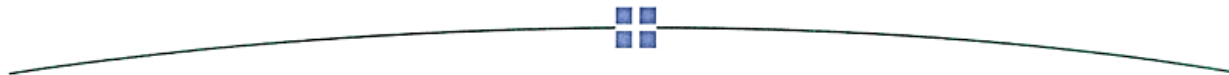


# **MHCC**

## **Nursing Home Situational Update**

*February 24, 2022*

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President & CEO



# Factors on the Most Recent COVID Surge

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- The Omicron variant of the most recent surge was highly contagious and spread much more rapidly than the earlier Delta variant.
- Among vaccinated individuals, Omicron was far less likely to result in hospitalization, ICU care, or death than earlier variants.
- That said, breakthrough cases of Omicron among vaccinated individuals were somewhat common.
- Maryland nursing homes and hospitals boast some of the highest vaccination rates among residents, patients, and staff.
- The most recent Omicron surge drew our nation to a standstill in terms of testing availability.
- At the beginning of this surge, hospitals were relatively full and visitation across all settings was mandatory.
- Across care settings in Maryland and throughout the country, we fought the most recent surge of the COVID-19 pandemic with fewer people working in healthcare, and particularly fewer people working in skilled nursing and rehabilitation centers.

**As a result of all of this, at the height of the Omicron Surge, the majority of hospitals and skilled nursing and rehabilitation centers had a high number of COVID positive patients or residents.**

# Occupancy in SNFs

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- The vast majority of people enter skilled nursing and rehabilitation centers from hospitals. Post-acute patients typically return home stronger after their hospital and nursing home stay.
- Long-term care residents live in skilled nursing and rehabilitation centers. Often their care is a collaboration between the nursing home care team, hospital partners, and other physicians.
- There are approximately 28,000 licensed nursing home beds in Maryland's 225 SNFs. (1)
- When elective procedures decrease in hospitals, so do admissions into SNFs.
- Occupancy in Maryland SNFs has dramatically declined during the pandemic.
- Today occupancy stands at 78.5 percent. This is 6 percentage points above the national average. (2)
- There are approximately 22,000 Marylanders in need receiving quality care in nursing homes. (3)
- The range of occupancy over the last two years on average has ranged from about 58 to 78 percent. (4)

Sources:

- (1) [OHCQ Licensee Directory](#)
- (2) [AHCA/NCAL COVID-19 Nursing Home Dashboard](#)
- (3) [MD Department of Aging SNF Vaccination Dashboard](#)
- (4) [AHCA/NCAL COVID-19 Nursing Home Dashboard](#)

# Federal Data Review <sup>(1)</sup>

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## 2020

- Resident Total All Deaths Year End = 6,173 (all causes)
- Resident Total COVID 19 Deaths Year End = 1,865
- Staff Total COVID 19 Deaths Year End = 36

## 2021

- Resident Total All Deaths Year End = 4,843 (all causes)
- Resident Total COVID 19 Deaths Year End = 576
- Staff Total COVID 19 Deaths Year End = 57

**Considering the tens of thousands of Marylanders cared for in our skilled nursing and rehabilitation centers, those teams and their organizations are true healthcare heroes.**

Source:

(1) [CMS COVID-19 Nursing Home Data](#)

# Labor and Workforce

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- Workforce recruitment and retention were a challenge before the pandemic and these issues have only grown worse over the last two years.
- Tens of thousands of healthcare workers in Maryland have left the field since the start of the pandemic.
- Healthcare professionals are scarce and all settings are competing for employees from the same labor pool.
- The most recent surge proved to us yet again that there is no individual hospital, nursing home, or physician's office workforce – there is one singular healthcare workforce in Maryland. It is short-handed, and we are all drawing upon it.
- Data shows that other parts of the healthcare continuum have regained workforce while long-term care continues to struggle due to not only the overall shortage of workers but also because of the competition with hospitals and other non-healthcare employers.
- Our national affiliate, the American Health Care Association/National Center for Assisted Living (AHCA/NCAL) released a [report](#) showing long-term care facilities are suffering from the worst labor crisis and job loss than any other healthcare sector.

# Labor and Workforce Continued

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- Amid ongoing workforce challenges, staffing agencies are charging exorbitant rates for temporary staff.
- These agencies are charging more than double and – in some cases – as much as quadruple the amount operators are currently paying staff.
- According to a recent survey by [Skilled Nursing News](#), widespread staffing agency use is expected to continue for the foreseeable future. Approximately 37.5 percent of those surveyed expected their organization to utilize staffing agencies more in 2022.
- The challenges that have come with this workforce crisis will be measured in years, not months.
- Despite these healthcare workforce challenges, direct hours of care provided to Marylanders in skilled nursing and rehabilitation centers actually increased. <sup>(1)</sup>

Source:

(1) Maryland Department of Health Medicaid Cost Reports

# Funding

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- While the long-term care sector continues to face unprecedented challenges, we remain unequivocally committed to quality care.
- Direct federal payments to nursing homes in 2020 kept our doors open during the first year of the pandemic.
- There is no doubt that Maryland's prioritization of testing and vaccination in nursing homes, PPE distribution, staffing augmentation, and financial support saved countless lives in our sector.
- Maryland issued a one-time \$26 million payment in 2021, which was paid quarterly.
- Most recently, Governor Hogan announced \$25 million in grant funds to help nursing homes with staffing, testing, vaccination, and COVID therapies. These funds are currently being distributed by the Maryland Department of Health (MDH).
- Unlike other states, Maryland has not implemented a COVID-specific base Medicaid rate increase to help cover increased costs associated with the pandemic.

# Funding Continued

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- Today, our centers remain challenged. Historically high labor costs and skyrocketing operational expenses paired with historically low census have exacerbated financial issues that have long existed in our sector and have left Maryland nursing homes severely underfunded.
- Adequate long-term care Medicaid funding is now more important than ever to maintain care capacity, support wage increases, pay inflated agency costs, and cover increased operational expenses.
- Unlike other businesses, we cannot unilaterally adjust our pricing. Our centers are reliant on the state to raise rates to compensate for the extraordinary new costs and reduced volumes associated with the pandemic.
- Skilled nursing and rehabilitation centers urgently need a base Medicaid rate increase. This will make a huge difference to the crisis we currently face and will ensure continued access to quality care in the longer term.



# Learnings from COVID-19

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- Equal partnerships between skilled nursing and rehabilitation centers, hospitals, and other providers across the care continuum will continue to be critical to the triple mandate of improving healthcare outcomes, reducing overall costs, and attacking healthcare disparity.
- In Maryland and throughout the nation, we do not have adequate behavioral health capacity.
- We do not yet know the full scope and impact of the mental health crisis we are facing among people in the community and in our workforce.
- The length of this workforce crisis and its associated challenges will be measured in years, not months.
- The pandemic has disproportionately impacted minority groups and has highlighted the dire need to ensure that everyone has equal access to healthcare. In our way forward, we must include considerations of health equity, healthcare disparities, and social determinants of health in our policy proposals.
- Throughout the COVID-19 pandemic, healthcare workers in all settings have faced increased encounters with threats and harassment as they continue to provide quality care. This is a dangerous and serious problem.



## Questions/Comments/Discussion

