

SENIOR CARE POLICY BRIEFING



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NEWSFLASH

- Nursing home industry lobbyists persistently complain about low and stagnant Medicaid rates but "[Medicaid revenue per patient day \(RPPD\) for skilled nursing facilities is at an all-time high](#)" according to the industry's own data.
 - Note: The industry's long-standing, self-reported assertions of insufficient funding have never been verified with independent, audited data. At the same time, the percentage of nursing homes operated by for-profit companies has steadily increased, indicating that, in fact, nursing homes are seen as attractive investments.
- Due to the lack of any federal safety standards or protections, assisted living facilities are choosing to stop participating in Medicaid and [evicting residents who rely on Medicaid funding](#).

LTC BY THE NUMBERS

- **Overprescribed.** A new study found that [66% of nursing home residents were prescribed at least one antibiotic](#) during their stay in a facility.
- **Payday.** [CMS proposed a 3.7% pay hike](#) in Medicare payments for nursing homes, despite a Medicare Payment Advisory Commission finding of [high margins](#).
- **Screaming in Pain for Days - What's it Worth?** The Iowa Dept. of Inspections and Appeals [cited an Iowa facility \\$19k](#) for an incident where a woman contracted gangrene and screamed for days before a hospital transfer.

ARE NURSING HOMES EVEN LESS SAFE THAN WE THINK?
New federal audit finds large-scale failure to accurately report thousands of deficiencies for an estimated 2/3 of U.S. nursing homes.



Estimate Description	Point Estimate (Number of Nursing Homes)
Nursing homes with deficiencies related to health, fire safety, or emergency preparedness that were not accurately reported on Care Compare	10,303
Nursing homes with health deficiencies that were not accurately reported on Care Compare	5,228
Nursing homes with fire safety deficiencies that were not accurately reported on Care Compare	7,996
Nursing homes with emergency preparedness deficiencies that were not accurately reported on Care Compare	308

Chart by OIG, Appendix C, Table 2. For more information, visit <https://oig.hhs.gov/oas/reports/region9/92002007.pdf>.

GET THE FACTS

- A [new California study](#) provides insights into nursing home finances. Findings include:
 - Although occupancy declined substantially between 2019 and 2020, some (but not all) facilities had a substantial increase in profit margins.
 - Facilities with related-party transactions reported lower profits, indicating that these arrangements may be used to hide profits.
- [CMS issued a proposed rule](#) that would make it easier for nursing homes to reduce fines for substantiated deficiencies by 35%. Why this matters: Substandard care, even when it results in avoidable harm or degradation, is rarely penalized. Further reducing penalties sends a message to the nursing home industry that abuse and neglect are acceptable business practices.

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