Is the sky really falling? The nursing home industry claims that nursing homes are going out of business because profit margins are too low, and that facilities will close if the federal government implements a minimum safe staffing standard. But these are the facts:

- The number of nursing homes has slowly declined for many years, as more people are able to avoid institutional nursing homes and receive care where they want to - at home.
- Occupancy rates showed significant improvements in June, according to CMS data, with a monthly increase of 40 basis points (0.40%).
- Nursing homes are not supposed to be operated like warehouses, taking in vulnerable people to fill beds and maximize profits without having sufficient staff to meet their needs.

While nursing home industry lobbyists are aggressively fighting safe staffing standards, claiming that meeting even known clinical minimum standards is an unfair expectation, providers are reporting easing staffing “challenges.”

LTC BY THE NUMBERS

- Understaffed. Federal data show that U.S. nursing homes collectively provided an average of 3.61 total nurse staff HPRD in Q4 2022, a number well below the amount needed to ensure basic resident care needs are met. Furthermore, the median nursing home provided 0.55 total RN HPRD, despite a 2001 federal study establishing the importance of having a minimum of 0.75 RN HPRD just to meet basic clinical needs.

- False Claims. Diversicare (a multi-state long-term care provider) along with two Certified Occupational Therapy Assistants have agreed to pay $1.3M+ to settle allegations of violating the False Claims Act by submitting false claims to Medicare for occupational therapy services they did not provide.

GET THE FACTS

- Despite nursing homes promising safety and 24/7 monitoring, a new study finds that older adults in nursing homes are 50% more likely to experience falls than those living in the community. The analysis found that medication usage, particularly when multiple drugs are taken, increases the risk of falls in nursing home residents, and that improved awareness and prevention programs decreased falls. Why this matters: Awareness, implementation of fall prevention programs, decreased med usage, etc. are within the nursing home operator’s control, but require sufficient numbers of competent staff.

The Government Accountability Office (GAO) is urging Medicaid overseers to improve efforts to recoup overpayments by addressing lenient oversight of state auditing programs. The chart above shows that 34 states and D.C. did not participate in the Medicaid Recovery Audit Contractor program during fiscal year 2021. GAO found that CMS did not consistently establish or communicate expiration dates for exemptions from the program. To learn more, see GAO’s report.