

SENIOR CARE POLICY BRIEFING



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NEWSFLASH: INDUSTRY PROFITS & PAYOUTS BELIE CLAIMS OF LOW MARGINS, INABILITY TO HIRE & RETAIN MORE CARE STAFF

- [US lawmakers sent letters](#) to [Brookdale Senior Living](#), [Ensign Group](#), and [National HealthCare Corporation](#), three of the largest nursing home companies in the US, calling out their hypocrisy for opposing the [new federal minimum staffing rule](#).
 - ⇒ “(We) seek an explanation for the discrepancy between (your organization’s) massive payouts in executive salaries, stock buybacks and dividends, and the nursing home industry’s simultaneous opposition — based on claims that they are too expensive — to new rules to increase staffing and protect nursing home residents. These two competing claims do not add up.”

LTC BY THE NUMBERS

- Ensign Group reported “another record quarter.” The for-profit company stated that it has \$1 billion for further investment in the sector, [McKnight’s reported](#).
- [CareTrust REIT touts \\$260 million investment pipeline](#), according to McKnight’s. CareTrust’s president stated that “we continue to position the balance sheet to capitalize on the consistent, steady flow of attractive investment opportunities.”
- [Omega Healthcare Investors](#) reported a successful 2024 Q1 with “higher-than expected interest income.”
- [Healthpeak Properties](#) reported a 27% increase in same-store net operating income for its portfolio of continuing care retirement communities (CCRCs) in the first quarter.

GET THE FACTS

- **The nursing home industry has loudly decried the new minimum staffing standards as unaffordable.** “We hope to convince the administration to never finalize this rule as it is unfounded, unfunded, and unrealistic,” [said Mark Parkinson, president of AHCA](#), the nation’s biggest nursing home and assisted living lobby association.
- **However, nursing home companies are reporting a different financial situation to investors...**
 - ⇒ [“Ensign Group](#) has been on an acquisition spree.”
 - ⇒ [Brookdale Senior Living](#) is seeing its “highest reported adjusted margin rate since the initial impact of the pandemic.”
 - ⇒ [National HealthCare Corporation](#) announced a 3.4% increase over last quarter’s regular common dividend.
 - ⇒ [Sabra](#) reported that its “portfolio continues to grow stronger... [and their] balance sheet remains strong and is poised to support future growth.”
- For more insights, see the Center for Medicare Advocacy’s [“Residents’ Advocates Reject Industry Complaints About Nursing Home Staffing Rule.”](#)



“(The) nursing home industry diverts hundreds of millions of dollars in cash away from nursing home staff and patient care, and into the pockets of company executives and shareholders.”

- U.S. Senators Warren, Blumenthal, and Sanders; U.S. Representatives Doggett and Schakowsky