

SENIOR CARE POLICY BRIEF

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NEWSFLASH

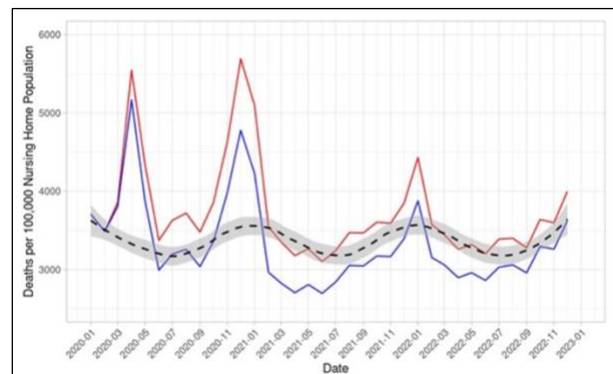
- A new report by Hindenburg Research, [“PACS Group: How To Become A Billionaire In The Skilled Nursing Industry By Systematically Scamming Taxpayers,”](#) investigates the growth of one of the largest nursing home operators in the US. According to the report, PACS’ success is based on exploiting taxpayer-funded Medicare and Medicaid programs and manipulating the reimbursement system to maximize income without regard to the needs of their residents.
 - ⇒ Between 2019 and 2024, PACS expanded its facility count from 61 to 276, largely by acquiring underperforming nursing homes and implementing what it describes as a “turnaround formula.”
- The [Justice Department has reached a settlement with Colorado](#) to address violations of the Americans with Disabilities Act (ADA) and the Supreme Court’s [Olmstead](#) decision. The lawsuit alleged that Colorado unnecessarily segregated adults with physical disabilities, including older adults, in nursing facilities by failing to provide adequate community-based services.
 - ⇒ The agreement will allow thousands of Coloradans with disabilities to move out of nursing facilities or avoid unnecessary admission by receiving services like personal care, medication management, and housing assistance at home.

LTC BY THE NUMBERS

- [The Des Moines Register reported](#) that a “private equity firm that recently purchased 29 Iowa nursing homes has been hit with 17 times as many federal fines for poor quality care as the homes’ previous owner.” The incursion of Private Equity (PE), Real Estate Investment Trusts (REITs), and other sophisticated investors in the nursing home industry is a serious concern, due to identified patterns of prioritizing profits over meeting minimum care standards. *The Register* cites research from the Center for Medicare Advocacy finding significantly higher problems among facilities owned or managed by the new owner, including 17 times higher fines per facility for failures to meet minimum standards of care.
- Though nursing home industry lobbyists persistently claim that operators have “razor thin margins,” Welltower, a REIT which owns hundreds of LTC facilities, [reported record-breaking revenue exceeding \\$2 billion](#) in Q3 2024. Its CEO highlighted the sector’s promising future, fueled by the growing 80+ population.

NURSING HOME MORTALITY RATES

- A [new study in Health Affairs Scholar](#) reveals that deaths among nursing home residents remained above pre-pandemic levels through June 2023, despite a significant decline from the peak all-cause mortality rate of 5,692 deaths per 100,000 residents in December 2020.
 - ⇒ Researchers argue that better data on mortality rates, health risks, and staffing levels could have improved the targeting of public health resources to protect residents.



Blue = pandemic era mortality rate: using the static January 2020 Population. Red = pandemic era mortality rate: accounting for population changes. Black dashed line = pre-pandemic trend. Source: [Health Affairs Scholar](#).