

COVID-19 and the Impact on Kentucky's Long-Term Care Community

August 26, 2020





CMS Data on Kentucky's Nursing Facilities

93.9 cases and deaths per 1000 residents ¹

23.5 resident average deaths per 1000 residents ¹

3145 total positive COVID-19 resident cases in LTC

514 total COVID19 resident deaths in LTC

1847 total positive COVID-19 staff cases in LTC

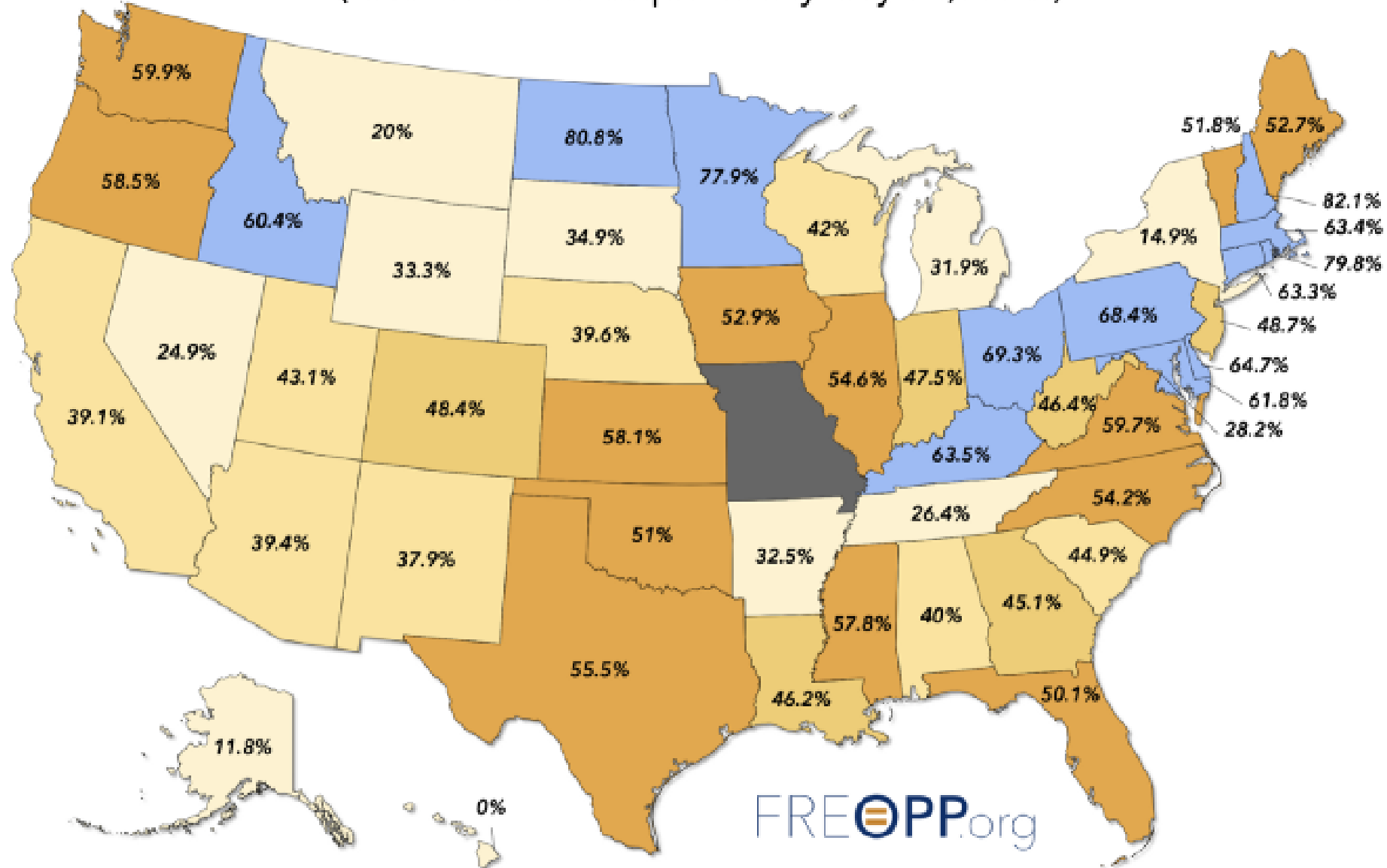
5 total COVID-19 staff deaths in LTC

63.5% of all deaths of COVID-19 are in Kentucky LTC facilities (see map on next slide)

1. <https://data.cms.gov/stories/s/COVID-19-Nursing-Home-Data/bkwz-xpvg>

Share of COVID-19 Deaths Occurring in Nursing Homes & Assisted Living Facilities

(Based on Data Reported by July 15, 2020)



LTC COVID-19 Cases Unrelated to Quality Rating

A key finding was the quality rating of facility was NOT a factor in outbreaks of COVID-19.

“COVID-19 cases in nursing homes are related to facility location and size and not traditional quality metrics such as star rating and prior infection control citations”¹

David Grabowski, PhD; Professor of Health Care Policy at Harvard Medical School

“Counter to some assertions, regression analyses show that infection rates are unrelated to quality rankings...”²

Vincent Mor, PhD; Professor, Health Service and Policy at Brown University

“We found no meaningful relationship between nursing home quality and the probability of at least one COVID-19 case or death...Indeed, the first death reported was from a nursing home in Washington State that had a 5-star rating.”³

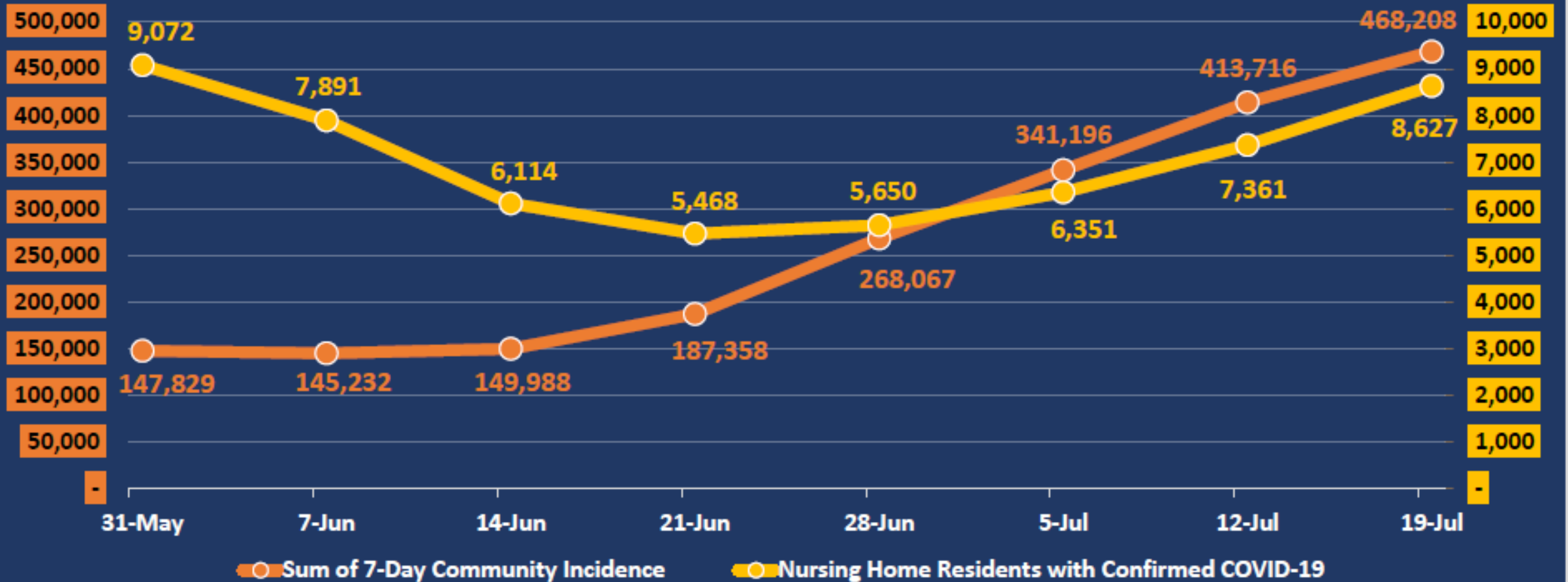
R. Tamara Konetzka, PhD;
Professor of Health Service
Research at University of
Chicago

¹ “Characteristics of U.S. Nursing Homes with COVID -19 Cases”, 6/2/20

² McKnight’s Long Term Care News, 5/11/20

³ Testimony to United States Senate Special Committee on Aging, 5/21/20

COMMUNITY SPREAD IS LINKED TO CASES IN NURSING HOMES



Sources: Centers for Medicare & Medicaid Services (CMS), May 31 – July 19 on Nursing Home COVID Cases and Johns Hopkins on COVID Cases in General Population

[DATA: Nursing Homes See Spike in New COVID Cases Due to Community Spread](#), AHCA/NCAL, 8/11/20

CARES/FMAP Funding

The long-term care industry warned of imminent outbreaks at nursing homes and assisted living communities given the major spikes in new cases in several states across the U.S., combined with serious PPE shortages and significant delays in getting testing results.

We urgently request our federal and state health agencies help secure and direct more PPE supplies to nursing homes and assisted living communities, especially N95 masks.

Some states either increased the FMAP add on for providers or used CARES money that they received to assist long-term care providers

“With the recent major spikes of COVID cases in many states across the country, we were very concerned this trend would lead to an increase in cases in nursing homes and unfortunately it has. This is especially troubling since many nursing homes and other long term care facilities are still unable to acquire the personal protective equipment and testing they need to fully combat this virus.”

“Without adequate funding and resources, the U.S. will end up repeating the same mistakes from several months ago....”

-Mark Parkinson, AHCA/NCAL President & CEO



SUPPORT FMAP FUNDS TO NURSING HOMES

COVID-19 HAS IMPACTED KENTUCKY'S NURSING HOMES

In ways you may not think...

- Staffing costs are high - over 300 staff are positive for COVID-19
- PPE is costly - supplies are scarce...providers are paying up to 500% mark ups
- Drop in census for rehab patients - loss of revenue
- More ER visits - drop in quality score for facility
- Higher re-hospitalizations - Medicare penalty costs

#WENEEDFMAP

#WeNeedFMAP

“It could be a huge economic mess,” said Charlene Harrington, a professor emerita of nursing at the University of California, San Francisco. “It is possible that many nursing home chains could go bankrupt with the virus.”

- New York Times, 4/21/20

Support FMAP Add-On for Nursing Homes

FMAP Add-Ons

Tennessee- The state increased rates for LTSS, including nursing homes, from March 13 to May 12. These increases are conditioned on retaining staff and paying them the same rate as before the March 13 start date.

Ohio- On May 22, the state was approved to pay nursing homes for health care isolation centers to provide care for COVID-19 patients. These centers will be paid based on acuity, with a low rate of \$250 per diem for basic care and as much as \$984 per diem if patients need care "beyond the capacity" of a traditional nursing home and needs a ventilator.

Indiana- The state increased nursing facility rates by 4.2% effective March 1. Subsequently, the state announced an additional 2% rate increase for states that attest to COVID-19 readiness, which includes meeting criteria set by the state health department. The 2% increase became effective on May 1 and will continue a rolling basis as providers attest to readiness. Facilities that do attest to readiness will also receive an additional \$115 per diem for residents who are COVID-19 positive.

Virginia: On May 27, the state was approved to provide nursing homes a \$20 add on to their per diem rates. These payments are retroactive to March 12.

FMAP Add-Ons

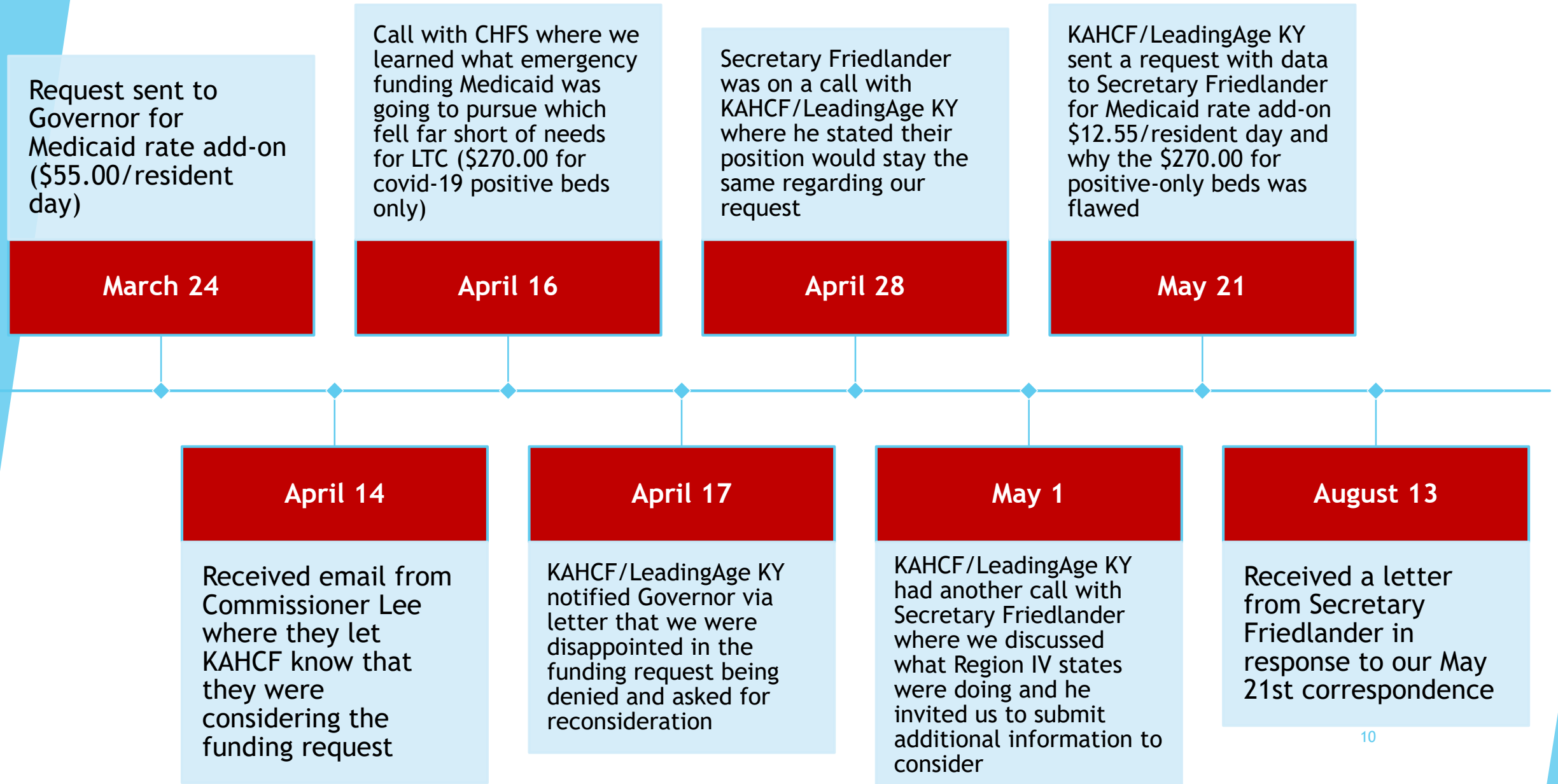
North Carolina: Effective April 1, the state increased Medicaid rates for nursing homes by 5%. According to rate data published by the state, the median daily increase is \$9.62.

Louisiana: On April 20, the state was approved by CMS to increase nursing home rates for non-state facilities by \$12 per day, effective as of March 1. In addition, the state also increased the payment for absence (e.g., bed hold) days from 10% of the per diem to 100%.

Georgia: On May 20, the state was approved to provide interim payments for nursing facilities, retroactive to March 1 and active through the end of the national emergency period. Each provider will receive a different payment amount based on average payments from December, January and February. Providers will be paid weekly.

Alabama: On April 13, the state received approval for a \$20 per diem add on payment per Medicaid resident. In addition, nursing homes with residents or staff diagnosed with COVID-19 are able to receive a one-time payment to help cover cleaning costs, based in part on the nursing home's square footage and its volume of Medicaid services. Both payments, the per diem add on and the cleaning fee reimbursement, are retroactive to March 1 and will expire when the national public health emergency ends.

KAHCF/KCAL Requests



What has Kentucky Done for Long Term Care Providers?

Medicaid

- \$270.00 per day add-on for positive COVID-19 residents who are in a facility
- Increased bed hold days from 14 to 30 days
- Self-Attestation- verbal confirmation of income and asset verification for Medicaid approval

Cares Act Funding

- Strike teams
- Surveillance Testing

CARES Act Funding

KAHCF/KCAL is very thankful for the Federal Government and their willingness to assist long-term care facilities in Kentucky

- A total of \$33.6 million HHS funding paid to NFs in KY
 - NFs received an average of \$169k per facility
 - However, NFs received only 7.1% of the total \$474.5 million of funds allocated
- \$5 billion to skilled nursing facilities throughout the US (details still pending)

“For nursing homes, the outbreaks mean surging costs for things such as protective masks, gowns and gloves, plus bonuses and other personnel expenses as they try to maintain staffing when employees are sidelined by the virus or fear coming to work.”¹

¹ <https://www.wsj.com/articles/covid-19-pandemic-hits-nursing-home-finances-11590604049>

Day-to-Day Impact of Covid-19

- ▶ **8%** increase in labor and benefit costs
- ▶ **50.79%** had a reduction in overall staffing which breaks out as follows:
 - ▶ **67.96%** have seen an overall reduction between 0-10%
 - ▶ **25.24%** have seen an overall reduction between 11-25%
 - ▶ **6.8%** have seen an overall reduction between 26-50%
 - ▶ **20.63%** have seen an increase in agency usage
- ▶ Members have seen anywhere from **10% to 75%** increase in cost from staffing agencies
- ▶ **53.97%** are giving some form of “hero bonuses” to staff

Day-to-Day Impact of Covid-19

Those surveyed gave the following breakdown of why staff quit employment

- ▶ **63.89%** stated childcare needs
- ▶ **73.15%** stated fear of contracting COVID-19
- ▶ **47.22%** stated they quit due to taking care of high-risk individuals at home

Yesterday at 9:22 AM • 

RN: \$65
LPN: \$50
CNA: \$32.50

I can be reached at 

Working with the State of Kentucky to put together a few crisis teams to send to LTC facilities in need of help across the state of Kentucky. Will be working with a mix of confirmed and non-confirmed COVID patients. Preferred schedule is 7 days on 7 off. Housing, meals, and mileage to and from the destination will be provided. Looking to start around Madisonville Kentucky and may travel to different locations over the course of the assignment.

Crisis Team Nurses & CNAs
Madisonville · Full-time

Contact

Day-to-Day Impact of Covid-19

- ▶ **20.7%** increase for our members in PPE costs
- ▶ **87.39%** of our members needed some form of PPE
- ▶ Our members were spending **10% or higher** than normal on PPE costs
- ▶ Currently still dealing with a high burn rate and paying higher than normal costs
- ▶ Per AHCA Kentucky is **19th** highest in the United States with an 8.0% positivity rate in nursing homes on testing for COVID-19
- ▶ According to a recent AHCA survey, the following is a percentage breakdown of nursing homes in Kentucky without 1-week supply which is concerning with the continued outbreak
 - ▶ Surgical masks- 9%, N-95- 10%
 - ▶ Gowns- 10%

Day-to-Day Impact of Covid-19

Kentucky has seen an average of an 8% drop in census since COVID-19 whereas early data has shown that nationwide it is around 10%

“The 10% decline was the result of deaths from COVID-19, non-COVID fatalities, and a sharp decline in incoming residents amid the suspension of non-essential surgeries and admission bans at facilities with outbreaks, the WSJ concluded”¹

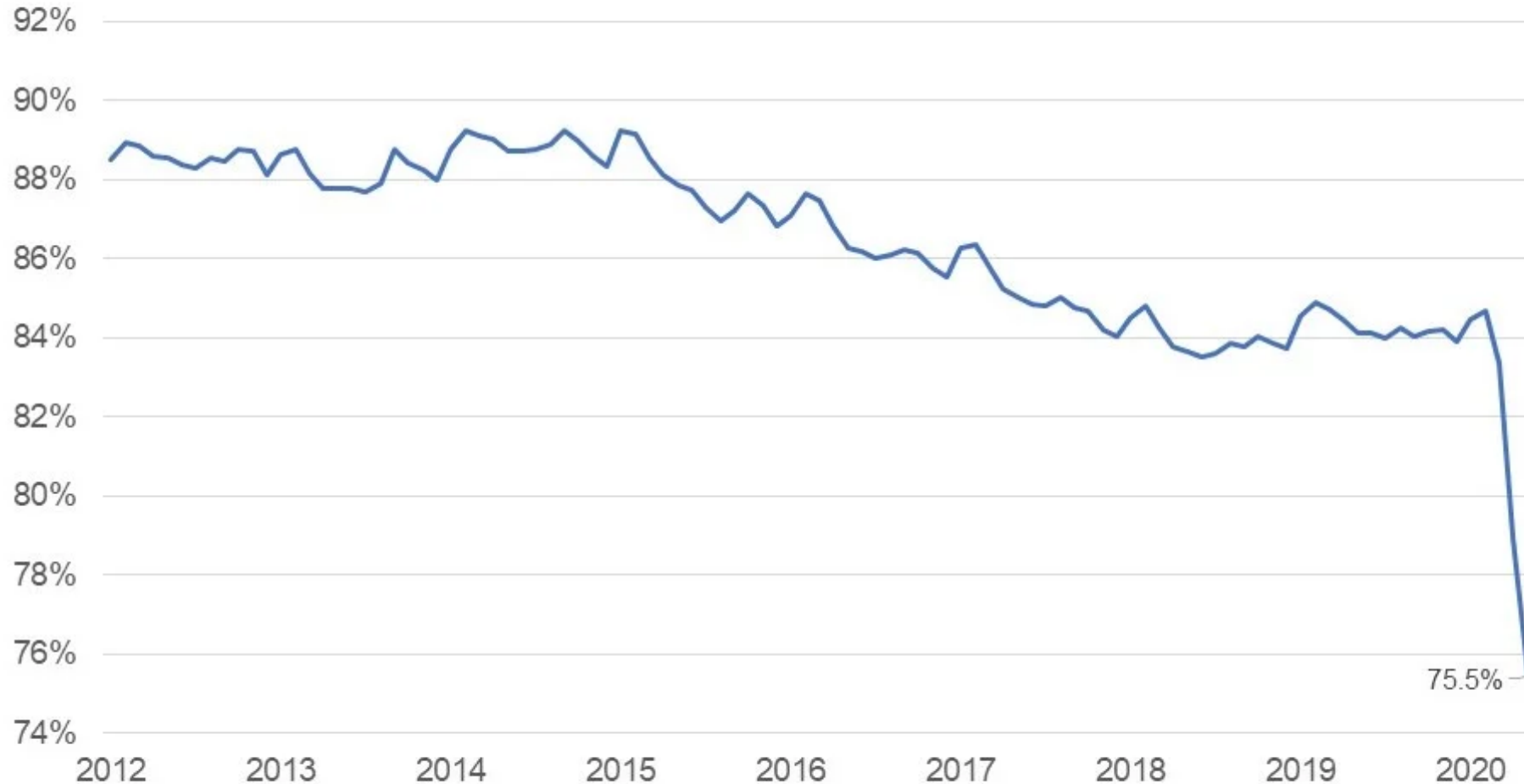
“The social impacts and the economic effects — bad debt, bankruptcies, and loss of jobs — of nursing home closures will grow as closures increase. The SNFs that will be disproportionately affected will be those serving rural communities, and the poorest, most vulnerable patients.”²

¹ <https://skillednursingnews.com/2020/06/early-data-reveals-10-nursing-home-census-drop-but-covid-19-reporting-remains-incomplete/>

² <https://skillednursingnews.com/2020/01/skilled-nursing-executive-outlook-question-of-nursing-homes-viability-will-continue-in-2020/>

National Skilled Nursing Occupancy Rates

Skilled Nursing Occupancy
January 2012 – May 2020



Source: NIC Skilled Nursing Data Initiative
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Day-to Day Impact of Covid-19

Data compiled by the American Health Care Association and National Center for Assisted Living (AHCA/NCAL) shows that nursing home closures have been increasing since 2014, topping nearly 200 in 2019.

Shortfalls in Medicaid funding are partly to blame. Medicaid covers more than 60 percent of all nursing home residents and roughly 50 percent of costs for long term care services. However, Medicaid reimbursements only cover 70 to 80 percent of the actual cost of care. Low reimbursements rates have forced nursing homes to operate under miniscule budgets and net losses.

These financial strains have only been exacerbated by COVID-19.

A new survey from the nursing home trade group American Health Care Association indicates that providers may not be able to keep up much longer.

A survey of 463 nursing home providers from August 8-10, found that **72%** cannot sustain operations at the current pace for another year, while **40% said they would last less than six months.**¹

¹ https://www.ahcancal.org/News/news_releases/Documents/Survey-SNF-COVID-Costs.pdf

People Over Paperwork

- ▶ Expanded Access to Healthcare/Telehealth
- ▶ Workforce
- ▶ Training and Certification of Nurse Aides
 - CMS waived the requirements which require that a SNF and NF may not employ anyone for longer than four months unless they met the training and certification requirements under § 483.35(d).
 - In-Service Training: CMS modified the nurse aide training requirements for SNFs and NFs, which requires the nursing assistant to receive at least 12 hours of in-service training annually.

People Over Paperwork

Paid Feeding Assistants

CMS modified the requirements regarding required training of paid feeding assistants.

Specifically, CMS modified the minimum timeframe requirements in these sections, which require this training to be a minimum of 8 hours. CMS is modifying to allow that the training can be a minimum of 1 hour in length.

State Personal Care Assistant/Attendant

Kentucky created a waiver that permits a long-term care facility to employ a trained Personal Care Attendant (“PCA”) to perform defined resident care procedures that do not require the skill or training required for a State Registered Nurse Aide (“SRNA”) who has successfully completed the nurse aide training and competency evaluation program established by 907 KAR 1:450.

They are permitted to complete their certification using the online AHCA CNA course and just disregard feeding and incontinence/perineal care (which PCAs are not permitted to do.)

<https://chfs.ky.gov/cv19/PersonalCareAssistant.pdf>

People Over Paperwork

- ▶ Waive Pre-Admission Screening and Annual Resident Review (PASARR)
 - Allowing nursing homes to admit new residents who have not received Level 1 or Level 2 Preadmission Screening.
 - Level 1 assessments may be performed post-admission.
 - On or before the 30th day of admission, new patients admitted to nursing homes with a mental illness (MI) or intellectual disability (ID) should be referred promptly by the nursing home to State PASARR program for Level 2 Resident Review.

Moving Forward LTC Still Needs Support

- ▶ Funding
 - ▶ PPE
 - ▶ Workforce
 - ▶ Ongoing support as needed
- ▶ Bring us to the table!

Questions?

