



Hearing
Senate Aging & Youth Committee

Current Status and Needs of Long-Term Care Facilities One Year
after COVID-19

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Good Morning Chairwomen Ward and Collett, and members of the Senate Aging & Youth Committee. Thank you for your commitment to the health and safety of older adults and all Pennsylvanians during the COVID-19 pandemic.

I am Anne Henry, Sr. Vice President and Chief Government Affairs Officer at LeadingAge PA. I am grateful for the opportunity to be with you today to discuss long-term care providers' ongoing battle with COVID-19. LeadingAge PA represents more than 380 nonprofit providers of senior housing, health care, and community services across the Commonwealth. Our members include about 200 nursing facilities, nearly 200 personal care homes or assisted living residences, more than 100 affordable housing developments, and 175 Continuing Care Retirement Communities. Our members also provide adult day services, LIFE programs, home health care, home care, hospice, and independent living options for older adults.

We are all becoming fatigued by the pandemic. We are all weary of the restrictions that the mitigation efforts have required. The residents, family members, and staff in our commonwealth's long-term care facilities feel this weariness even more acutely. We are all ready to move on, but it is not over for senior services providers and the people they serve.

In addition to the mental, physical and emotional exhaustion the pandemic has wrought; COVID-19 has resulted in tremendous levels of unbudgeted and uncompensated costs for providers. Long-term care providers like nursing homes, personal care homes, and assisted living residences need to be prioritized during this budget cycle to help them continue their battle to protect their residents and staff from the ongoing threats of the virus, as well as the financial and workforce challenges they continue to face.

We, and our members, remain grateful for the stop-gap funding the General Assembly provided in Act 24 of 2020. Many healthcare providers had spent that funding long before it arrived in their accounts, which was still months before the legislatively designated sunset for use of November 30, 2020. This deadline fell before Pennsylvania faced the most prolific rates of the virus' spread in December and the early months of 2021. The need to use unprecedented amounts of PPE and to test residents and staff as frequently as twice per week continues. Prevalence of positive tests in long-term care facilities has decreased, but only recently have we seen meaningful reductions in community transmission rates. These rates are important as they play a role in facilities' compliance with federal staff and resident COVID-testing requirements.

Although mitigations measures such as testing are being lifted for vaccinated people, it's not over for our members, even as providers continue one by one to convince vaccine-hesitant staff to accept vaccinations. Facilities must continue to conduct surveillance testing of all unvaccinated staff as frequently as twice weekly and must still test anyone who has been exposed to or displays symptoms of COVID-19. Tests cost facilities an average of \$50 per person. The Pennsylvania Department of Health and others promoted the idea that testing could be conducted at no cost to the individual. Facilities were told to submit their testing bills to the health insurance of the person being tested. Some facilities are self-insured for health insurance benefits to their employees, so these facilities are responsible for the costs. For communities that use commercial insurance, their results were not notably better. Commercial insurance providers are responsible only for paying for medically necessary tests. Most have decided that the surveillance testing that continues to be mandatory for all long-term care facilities is not medically necessary. Unfortunately, some of the denials for these bills were only recently

received from the insurance company. The cost for these tests often range from five to six digits per month depending on the size of the facility.

Workforce has posed a significant challenge and a risk to the stability of long-term care for a number of years prior to the pandemic. Contributing factors are multifaceted and range from the intimacy of the work, to hours, compensation, and risks. Facilities lost workers through the pandemic because of children home from school without supports or education or the fear of catching and spreading the coronavirus to their loved ones at home.

For periods of time, some facilities had staff who were unable to work because they were quarantined as a result of asymptomatic positive tests, or full-blown COVID-19 infections.

Hiring during the pandemic and through today may be the single largest challenge to our member's ability to continue to offer the best care at the capacity they are designed to serve. This profession has been historically undervalued and underappreciated for the close and intimate care they provide. Unfortunately, the pandemic has offered a megaphone to those already poised with negative perceptions towards our senior services providers. Not all providers are cut from the same cloth, and even the best providers saw outbreaks and deaths within their walls. Trumpeting negative images while ignoring the thousands of lives protected within long term care hamstrings our members' ability to attract workforce. Any workforce, let alone the skilled, caring, compassionate, and well-trained workforce that they need.

While providers face significant challenges recruiting new workers during the pandemic, we are very fortunate that this committee assisted the nursing home providers with Chairwoman Ward's SB 1268, which offered temporary nurse aides hired during the pandemic a path to permanent status if they completed training and were able to demonstrate skills competencies. We are grateful for this bill making it possible to hire, educate and allow new workers to begin to provide resident care while most of the training and testing facilities were shut down due to the pandemic. Our members appreciate this new program and many of them are using it to encourage some of their best workers to move into this caregiving role while others are finding it is an excellent recruitment opportunity. These steps make a difference. Thank you for supporting this bill last session through its unanimous passage in the Senate.

Many facilities also began offering financial incentives like hero pay for workers providing care in COVID-units, or willing to work off-hour shifts. Caring for people in nursing homes and personal care homes is a round-the-clock job. Unfortunately until recently, residents were, by CMS mandate, all but confined to their rooms. Providers and staff took extra care to offer what limited activities they could to residents within their rooms, or bring people to their doorways to experience socially distanced bingo or music, while technically remaining in their rooms.

Many believed that vaccines would be the silver bullet to end the pandemic. It was thought that transmission rates would fall dramatically and a return to normal was a soon-to-be-realized forgone conclusion. That has been quite far from the experience of our members. Even as vaccinations have made tremendous improvements in daily life already for vaccinated people in the community, there continue to be significant issues and risks from the virus for senior services providers and residents that must continue to be addressed. For example, vaccination rates among residents are high, while acceptance rates among staff are variable but hover around 60 percent for our membership. Unvaccinated staff are significantly more likely to test positive for the Coronavirus. One positive result

requires a facility to perform outbreak testing and suspend the much needed visitation that both our residents and their families need after a year or more of being physically separated. As I say this, the Centers for Disease Control has relieved fully vaccinated people of their responsibilities to even wear masks in most settings outside of healthcare and some travel situations.

While the broad population is giddy to return to fewer restrictions, the risk is not over and remains very real for our communities. Compliance with public masking recommendations is left to individual self-policing. This comes as some nursing facilities and personal care homes struggle with vaccination hesitancy from staff. Our members continue to screen staff for symptoms and adhere to guidance from our state and federal governmental agencies. As restrictions ease, the ability to protect residents by assuming unvaccinated staff are observing caution in their personal lives will be further strained.

All of these additional steps of testing and training take time and money that facilities don't have, with cost rising in all areas.

Wholesale costs for all items remain significantly above prior levels. Personal protective equipment prices have fallen from their highs at seven to ten times pre-pandemic prices, but remain two to three times higher than before the pandemic. Usage rates continue to register off the charts, far beyond anticipated and budgeted burn rates.

Cleaning supplies have become a lifeline for infection prevention and control. Facilities have used significantly more supplies than anticipated while supplementing their staff training and retraining on evolving infection prevention and control best practices. Though critically necessary, this training time costs money, and requires even more staff to provide the necessary patient care at a time when members struggled to bring enough applicants and staff into their buildings.

Separate though very much a part of the business of providing quality care are liability protections. Providers have faced premium increases in their general liability insurance premiums of 100 to 300%, costing well into the hundreds of thousands of dollars. Many of these renewals contain COVID-related or 'infectious pathogen' exclusions, even with the extraordinary increases in their bills. Many members expressed these realities early on in the pandemic, prior to any suits being filed. Liability insurance costs are untenably high, and remain a significant financial threat to healthcare providers. Without stabilizing market factors, these premiums will continue to rise, driving up costs without contributing to resident care. A facility could easily hire ten additional nurse aides, including the costs of health insurance and ancillary benefits, if dollars now needed for insurance premium bills were reallocated to payroll.

Senior services providers are financially stressed and need your help. We have done the math to calculate average COVID-related with costs, with many facilities spending far more than our estimates. Uncompensated costs are causing quality providers to sell or close their doors, while others have been forced to cut other benevolent service lines like family counseling, financial planning, and mental health supports for low income individuals in their communities.

We hope we can count on your support for \$396 million in direct allocations to nursing homes and \$50 million allocated to personal care homes and assisted living residences. It is imperative that both funding tranches be apportioned using an identical methodology to Act 24. This will ensure all long-term care facilities will receive funding just as COVID posed an infectious and financial threat to each and every facility in our commonwealth.

This one-time funding will be essential in sustaining viability of high quality providers through these uncertain times.

Thank you for the opportunity to offer comments on Pennsylvania's seniors and our members' experiences with COVID-19. On behalf of our membership, thank you for the work you do to support and protect seniors and senior service providers across Pennsylvania. I look forward to working with you to improve the financial stability of long-term care providers across the continuum to ensure there are quality providers available for your parents and grandparents in years to come. I would be happy to answer any questions you have.