
LTC Facility COVID 19 Challenges

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LTC Facility: COVID Related Challenges

Increase in costs

Reduction in revenue

Ongoing staff shortage and intense workforce needs

These are long term problems that will create financial instability that will extend well beyond the end of CY'20 and SFY'21



Nursing Facilities: Capacity & Utilization

Facilities:

- 37 Nursing Homes
- 33 Medicaid/Medicare
- 1 Veteran's Home
- 1 CCRC, including a SNF (Medicare)
- 2 private pay only
- 2978 beds

Utilization:

62% Medicaid (long term care)

15% Medicare (short stay, post acute care)

13% Private Pay (long term care)

10% hospice, VA, out-of-state Medicaid, other

Total Provider Tax Paid = \$14.65 million (2978 beds x \$4919.53/bed)



Nursing Facilities: Examples of Increased Expenses Related To COVID

PPE

Disinfection products

Medical supplies

Food

Increased staffing

Staff training costs to cross-train and bring on new staff

Staff support costs (meals, child-care, transportation)

Renovations to create isolation rooms and convert communal spaces for surge capacity and COVID+ areas

Modifications to air flow and ventilation systems

Increased lab and supply costs to prevent hospital transfer

Single serve dining-ware to reduce exposures

Purchase of transportation vehicles as community transport services have been lost

Purchase of technology to support telemedicine and family visitation



Nursing Facilities: Facing Reduced Revenue Due To COVID

Census/admission driven declines in revenue

Significant Medicare losses due to decreased admissions for post-acute short stay rehab and skilled nursing services as hospitals ceased/reduced non-essential procedures

Delay in long-term care residents seeking admission

Anticipate patient delay on non-essential procedures

Facility holds on admissions, long and short-stay, due to shortages of PPE, staffing and the need for isolation space



Nursing Facilities: State Financial Support

Extraordinary Financial Relief

15 applications

10 granted, \$1.1 million awarded

5 pending

*Anticipate additional applications to address long term revenue reductions and increased costs



Nursing Facilities: CARES Act Funding

Medicare: April 10th HHS released \$30 billion in provider relief funds based upon an individual provider's share of the total, national, Medicare FFS reimbursements in 2019.

- \$5.8 million to VT nursing facilities

Medicaid: May 22nd HHS released \$4.9 billion in Provider Relief Funds to Skilled Nursing Facilities

- \$8.5 million in VT (\$50,000 per facility + \$2500/bed)
- Largest facility in VT 158 beds = \$445,000 relief funds
- That same 158 bed facility pays \$4919.53/bed provider tax, total \$777,285.74 tax
- Smallest facility in VT 30 beds = \$125,000 relief funds
- That same 30 bed facility pays \$4919.53/bed provider tax, total \$147,585.90 tax



Nursing Facilities: CARES Act Funding

Total CARES Act Funding = \$14.3 million

Total Provider Tax = \$14.65 million



Nursing Facilities: Workforce

Existing shortage made difficult to staff up in anticipation of surge

Increased costs for additional staffing

Increased costs for training new staff and cross-training existing staff

Loss of staff due to:

- Lack of childcare/need to home school children
- COVID19 diagnosis for staff or family
- Medical advice due to age or underlying health condition of staff
- UI benefits



Residential Care & Assisted Living

Residential Care Homes

119 facilities

96 ACCS (Medicaid)

65 ERC (CFC Medicaid)

2591 beds

Assisted Living Residence

15 facilities

11 ACCS (Medicaid)

11 ERC (CFC Medicaid)

765 units

** These facilities do not provide Medicare services



Residential Care & Assisted Living: Examples of Increased Expensed Related To COVID

PPE

Disinfection products

Medical supplies

Food

Increased staffing

Staff training costs to cross-train and bring on new staff

Technology to support telemedicine and family visitation



Residential Care & Assisted Living Facing Reduced Revenue Due To COVID

Census/admission driven declines in revenue

Delay in long-term care residents seeking admission

Facility holds on admissions due to shortages of PPE, staffing and the need for isolation space



Residential Care & Assisted Living: Workforce

Similar challenges to nursing facilities

Variation in scale of challenge



Residential Care & Assisted Living: Financial Support

State Financial Relief: Medicaid Retainer Payments

Phase I

10 ERC facilities applied and received \$45,000

15 ACCS providers applied and received \$29,000

5 additional pending applications at time of data collection

Phase 2 data not available

CARES Act Funding

None provided to date



LTC Facility: COVID Related Challenges

Nursing facilities care for the most medically complex, frail, cognitively impaired population, requiring 24/7 care

Choices for Care has succeeded in ensuring that nursing facilities only serve those individuals who cannot be cared for at home or a lower level of care as might be provided by residential care or assisted living

Residential Care and Assisted Living providers have similarly seen increasing levels of acuity in their residents as people are able to remain at home longer

The LTC facility population is most vulnerable to COVID 19

Investment in LTC facilities is critical to prepare, prevent, respond and mitigate COVID 19

