

GREATER NEW YORK HEALTH CARE FACILITIES ASSOCIATION

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To: Doug Wissman
From: Greater New York Health Care Facilities Association
Date: Friday, July 23rd, 2021
Re: Testimony for Senate Hearing on Tuesday, July 27th, 2021

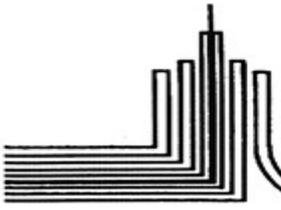
The Pandemic was and is the greatest challenge in the history of long-term care. It brought tragedy, sadness and loss to thousands of families. Staff and management came together heroically to try to keep residents safe. The impact on all who work in this industry will continue to be felt for years. This is reflected in the results of an industry survey conducted in June 2021 by the American Health Care Association. Of the 616 nursing homes and 122 assisted living communities surveyed nationwide, over half reported that they have been unable to fill vacant positions for all types of staff, not just nurses.

The long-term care industry was already fragile financially, physically, and from a workforce perspective even before the pandemic. The state has underinvested in these service providers for over a decade, and in the face of this health crisis, chose to cut, rather than support the response. Other states did and continue to INCREASE support. Rhode Island, Connecticut, and Oregon increased their Medicaid nursing home rates by 10% through the COVID-19 pandemic. Alabama and Washington provided add-on payments at a flat rate. Furthermore, both Massachusetts and Minnesota appropriated funds to directly support long-term care facilities ([Leading Age](#), 2020). Resources are key to managing crisis and to provide quality care for this fragile population.

Years before Covid, attracting individuals to the long-term care workforce has been a challenge. According to a study conducted by [Kaiser Family Foundation](#), four in ten long-term care employees are 65 years or older. Furthermore, nearly one third of employees have combined household incomes that are 200% below the federal poverty line. The advent of the increase in minimum wage and the federal Covid relief funding has exacerbated this situation to a crisis level. Throughout the state, positions in nursing homes and assisted living go unfilled.

Due to the devastating toll of the pandemic, census levels in our homes are and continue to be historically low. And yet, facilities are still having major staffing challenges. The [Bureau of Labor Statistics](#) ranked home health and personal care aides as among the fastest growing occupations, with an anticipated 1.2 million new jobs anticipated between the years 2016 and 2026. However, these are jobs that Americans do not want, as is demonstrated by the 74% annual turnover rate in nursing homes. In September of 2020, the [American Association of Colleges of Nursing](#) once again tried to convey the gravity of this staffing crisis. In its most recent publication, the Association explains factors that continue to compound the staffing crisis: as more Baby Boomers enter the long-term care system, nursing schools are struggling to expand their capacity and meet the rising demand for care.

In August 2020, the [New York State Department of Health](#) conducted a study to assess nursing and caregiver minimum staffing levels. In response to the minimum staffing ratios mandated by the Safe Staffing law, both the Healthcare Association of New York State and LeadingAge testified that such would require over \$1 billion to implement. In addition, the report highlighted that facility budgets do not possess the resources to hire additional staff, another major challenge associated with reinvesting in services and capital improvements. Some noted that reimbursement rates are insufficient to cover the



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cost of providing care and identified a need for additional financial resources if mandated ratios are implemented. The worst case scenario would be facility closures.

The Safe Staffing law ignored all of these factors and places the industry in an untenable position where it will not be able to meet this mandate, especially at the funding level that was provided. Bill Hammond, with the [Empire Center](#), said these new regulations will most likely make staff more expensive. “For about half of the nursing homes, they're going to have to go out and hire people, hundreds if not thousands of additional staff,” Hammond explained. “Some of them are already struggling to recruit staff, and that's going to have a ripple effect on all nursing homes and in fact the whole healthcare industry because suddenly nurses are going to be harder to find.”

At present, the American Association of Colleges of Nursing is working with schools, policy makers, nursing organizations, and the media in an effort to shape legislation, identify strategies, and form collaborations to address the shortage. If this law is to succeed, a multifaceted workforce development plan needs to be designed, enacted and funded.