

HLTC 101

Assisted Living and Skilled Nursing Care for our Most Vulnerable State Citizens



DECEMBER 20, 2024

ABOUT US

Washington Health Care Association (WHCA) represents assisted living and skilled nursing service providers in Washington State. For 40 years, we have provided committed experts that are dedicated to removing barriers and supporting providers and their employees in their efforts to enrich the lives of our state's elderly.

- **Data to support decision makers.**
- **In-house regulatory expertise.**
- **Training and education for our workforce.**
- **Serve on national quality committees.**
- **Support providers to help ensure high quality services delivered to residents.**

Current Membership:

401 Assisted Living and 155 Skilled Nursing Providers



Skilled Nursing Facility (SNF) Services



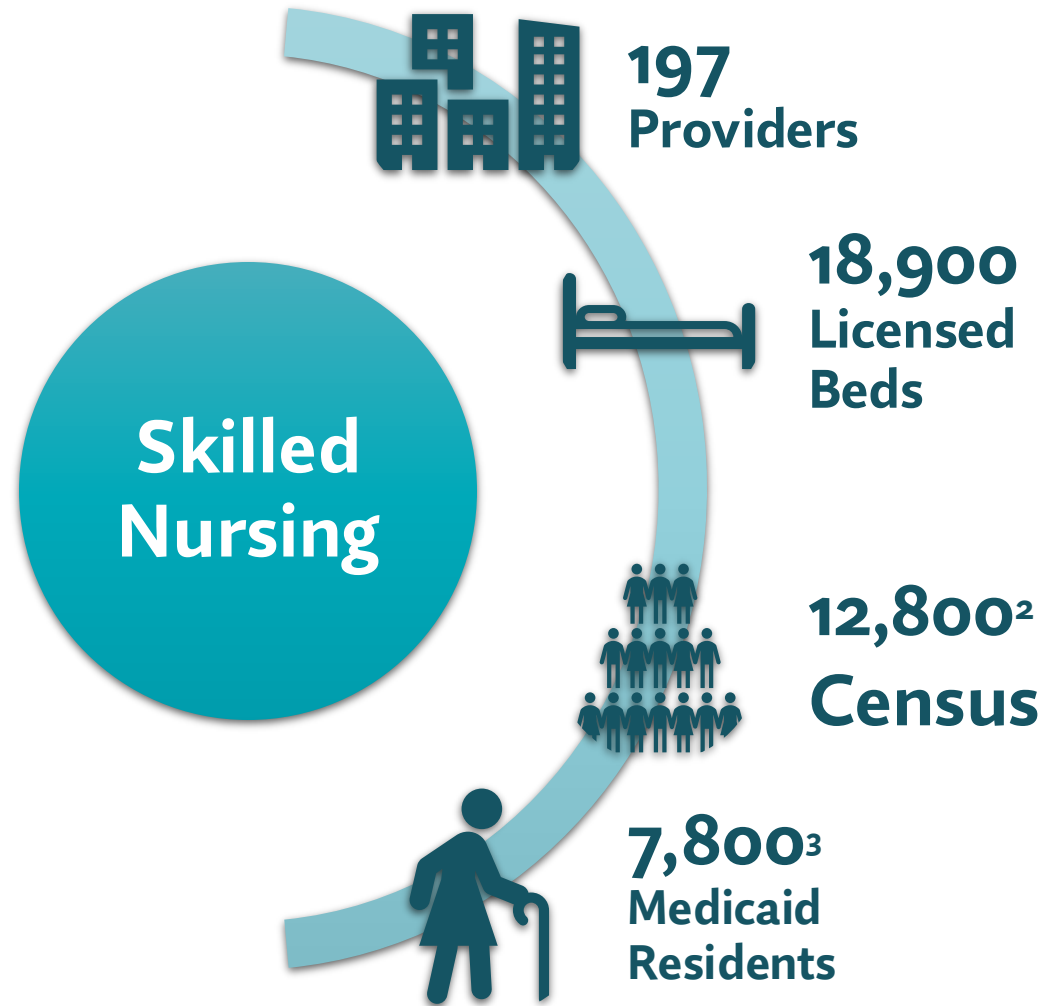
Just the Facts

A good option when acuity is best addressed with 24/7 skilled nursing care and for those who need ongoing medical care in addition to assistance with ADLs

- In addition to supports that a person would receive in community care, SNFs provide care for anything requiring frequent and persistent skilled nursing or skilled nursing oversight:
 - ✓ Complex Wound Care
 - ✓ Bowel & bladder programs, catheter care
 - ✓ Chronic disease and condition management (including cancer, kidney failure, tracheotomy)
 - ✓ Post-surgery rehabilitation
 - ✓ Intravenous therapies, injections
 - ✓ Oxygen therapies
 - ✓ Liquid diets, soft diets, tube feeding
 - ✓ Post-surgery therapies such as speech, occupational, or physical
 - ✓ Care that requires specialty equipment and two or more person assists on a regular basis (bariatrics)
 - ✓ Support for those with intense needs related to chronic medical treatment
 - ✓ Transportation arrangements for chemotherapy, dialysis, or other consistent and ongoing treatments
- Average age = 77¹
- Washington ranks 10th in the nation for not having low care residents in SNFs.¹ A sample of the complex conditions of our residents include:
 - 32% are obese.¹
 - 59% have moderate or high cognitive impairment and 42% are diagnosed with Alzheimer's or dementia.¹
 - 85% are bladder incontinent and 70% are bowel incontinent.¹
 - 75% have hypertension¹
 - 28% have congestive heart failure.¹
 - 17% are bedfast.¹

¹ Brown University LTC Focus .
Average Age is based on Resident History Files.
Low acuity comparison to other states is based on 2021 RUGs data.
MDS data is used for conditions of residents.

What Does Skilled Nursing Look Like in Our State?



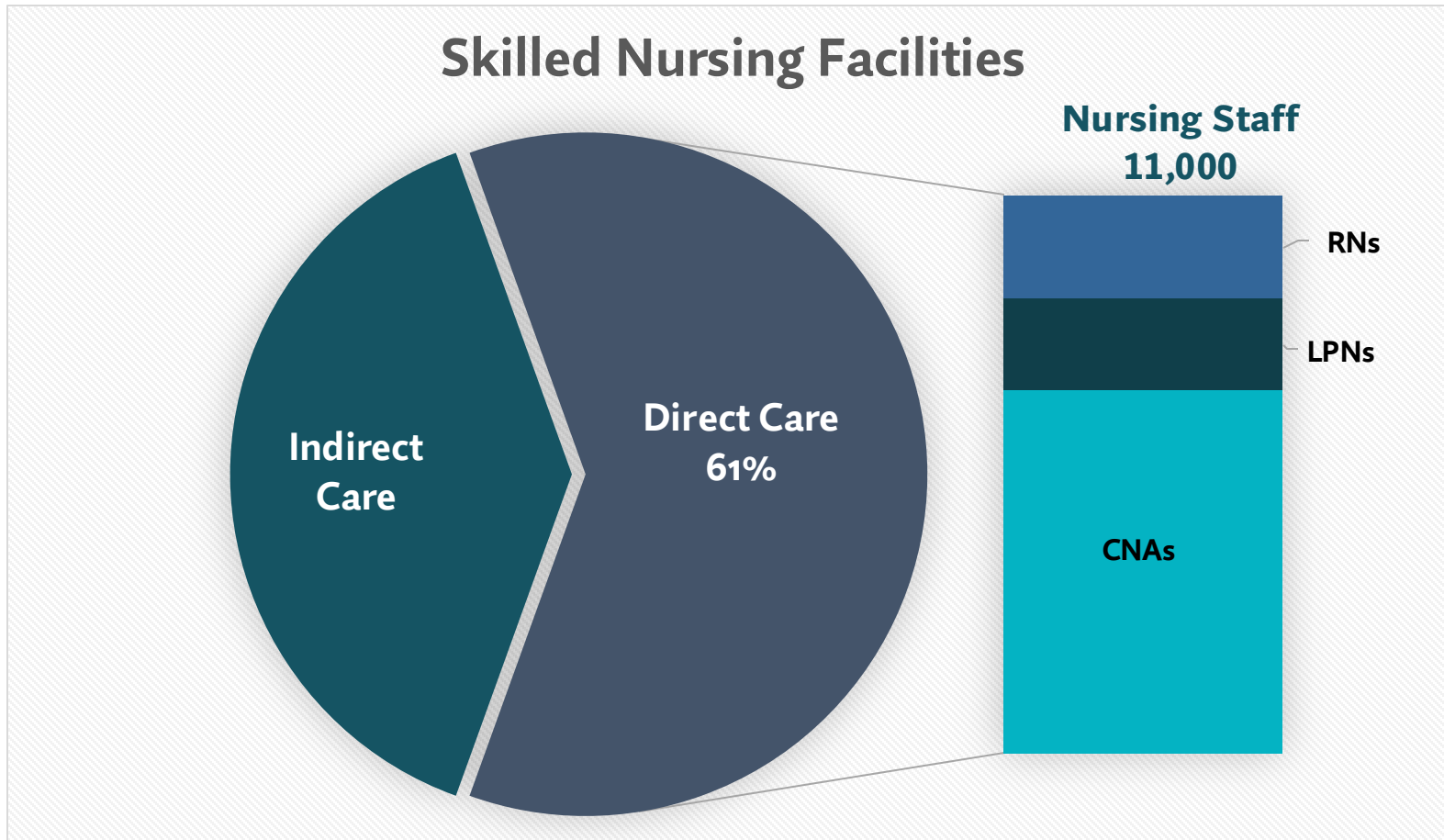
- 71% average occupancy (SNFs in WA have not rebounded from COVID)
- RCW required staffing levels combined with staffing shortages have slowed recovery.
- Average overtime use in WA exceeds the national average. See Appendix.
- Contracted nursing labor has reached 1.8 million hours annually which is 17% higher than the national average. See Appendix.
 - Contracted direct care labor costs are largely disallowed in our state's Medicaid system. For 2023, \$115 million in provider costs were disallowed.
- In addition to contracted labor costs absorbed by providers, Medicaid costs currently exceed rates by over \$60 million per year.⁴

²WA Medicaid Cost report data disk as published by AL TSA

³CFC last actual, July 2024. See Appendix.

⁴Department of Social & Health Services "SP290 Shortfall History"

Skilled Nursing Facilities Are Employers to 18,000 Workers in WA State⁵



WA Skilled Nursing Facilities have had mandatory staffing requirements since 2016:

24/7 RNs

3.4 Direct Care Hours Per Resident Day

This chart recognizes nursing staff employed by the providers. It does not recognize contracted agency staff which at 1.8 million hours is roughly 865 FTEs.

⁵Occupational Employment and Wage Statistics (OEWS) Survey
Bureau of Labor Statistics, Department of Labor
May 2023 OEWS Research Estimates

Despite Staffing Shortages, WA is Recognized for Having High Quality SNFs

**#4 IN THE
NATION FOR
STAFFING
LEVELS**

AARP Score Card⁶

**#6 IN THE
NATION FOR
OVERALL
QUALITY**

U.S. News⁷

Reviewed short-term
rehabilitation, long term care,
staffing, & hospitalizations

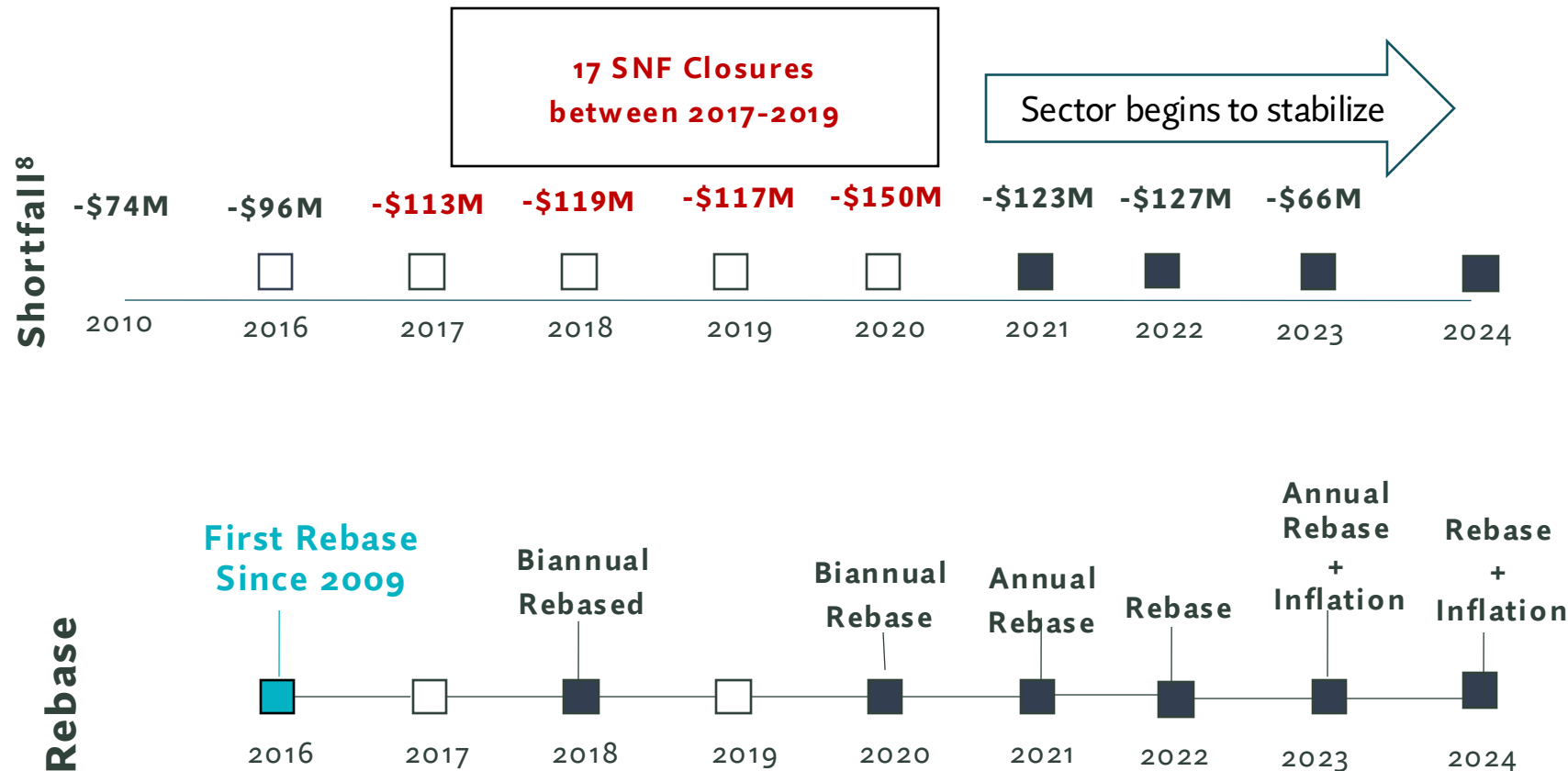
**#7 IN THE
NATION FOR THE
NUMBER OF SNFS
WITH TOP QUALITY
RATINGS**

AARP Score Card⁶

⁶ AARP Long-Term Services and Supports State Scorecard 2023 Edition: [Innovation and Opportunity: A State Scorecard on Long-Term Services and Supports for Older Adults, People with Physical Disabilities, and Family Caregivers | Long-Term Services and Supports State Scorecard](#)

⁷ U.S. News & World Report 2022-23 Best Nursing Homes Ratings: [US News Best Nursing Homes 2022-2023 Methodology Report](#)

Relationship Between Rebase & Operational Viability



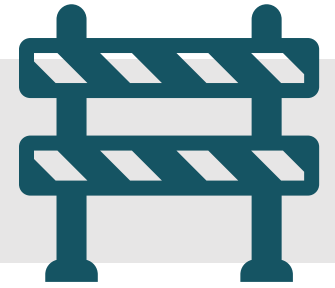
SNFs are part of the continuum on the highest acuity end of the scale. They admit complex patients from hospitals and must maintain mandatory staffing levels.

Recently, the legislature has taken great strides to stabilize this sector.

With the growing aging population, now is the time to make sure we have staffing and stable operations to support the complex needs of our SNF populations.

⁸Department of Social & Health Services "SP290 Shortfall History"

Barriers and Tension Points



STAFFING SHORTAGES CONTINUE TO PLAGUE SNFS

Per the Employment Security Department's review, long term care continues to experience high vacancy rates for RNs (10.5%) and LPNs (13.7%).⁹ SNFs are the main employer for these professions the in long-term care sector. A disproportionate aging workforce is a factor.

FEDERAL STAFFING MANDATES

While WA exceeds the new federal staffing mandates that are scheduled to go into effect in 2026, the federal mandates require ratios for CNAs. Our providers staff higher levels of LPNs and would not meet the CNA ratios. This would require additional hiring in a labor market that is already stretched too thin.

PROGRESSIVE WAGES CHALLENGE PROVIDERS TO COMPETE FOR STAFF

While WA SNFs pay some of the highest wages compared to SNFs across the nation, these still fall short when reviewed among other provider types within Washington (Hospitals, Physicians Offices, Agencies, & Outpatient Clinics).

MEDICAID RATE SHORTFALLS

Medicaid rates shortfalls make it difficult to compete for workers. One-time back of the budget funding for annual rebase expires 6/30/2025. This mechanism for funding SNF Medicaid does not provide predictability and impacts longer-term staffing solutions needed to compete such as planned COLAs.

AGENCY OR CONTRACTED NURSING IS LARGELY DISALLOWED IN OUR STATE

1.8 million hours of care are paid for by providers annually in order to meet staffing mandates and provide resident care. This cost is largely disallowed in the Medicaid payment system.

⁹LongTermCare_ESD Information_12-5-24
Data provided by Jeff Robinson, Current Labor Force & Statistics Manager

Skilled Nursing Value Proposition



AN AFFORDABLE CHOICE FOR THOSE WHO NEED 24/7 SKILLED CARE

As a consumer of in-home care, hourly rates vary from \$22/hour to \$45/hour for personal care only. For a 168-hour week (24hrs x 7 days), that is \$3,696 and \$7,560 respectively and no RNs or LPNs are included. At the current average daily rate of \$364.47, Medicaid pays \$2,551 for this same week in a SNF which includes skilled nursing care.



AN IMPORTANT STEP- DOWN FROM HOSPITALS

Hospitals rely on the ability of skilled nursing facilities to admit patients. When the system lacks SNF access, the backlogs in hospitals and emergency rooms worsens.



LEVERAGE OUR WORKFORCE

Skilled nursing facilities allows us to serve more people with fewer workers and can be part of the solution for workforce shortages.



IMPORTANT CONTRIBUTOR TO OUR COMMUNITIES

SNFs provide care for many in their own communities and close to home. They provide numerous jobs and support to the local economies.

Assisted Living (AL) Services



Just the Facts

A place of choice when home isn't quite enough.

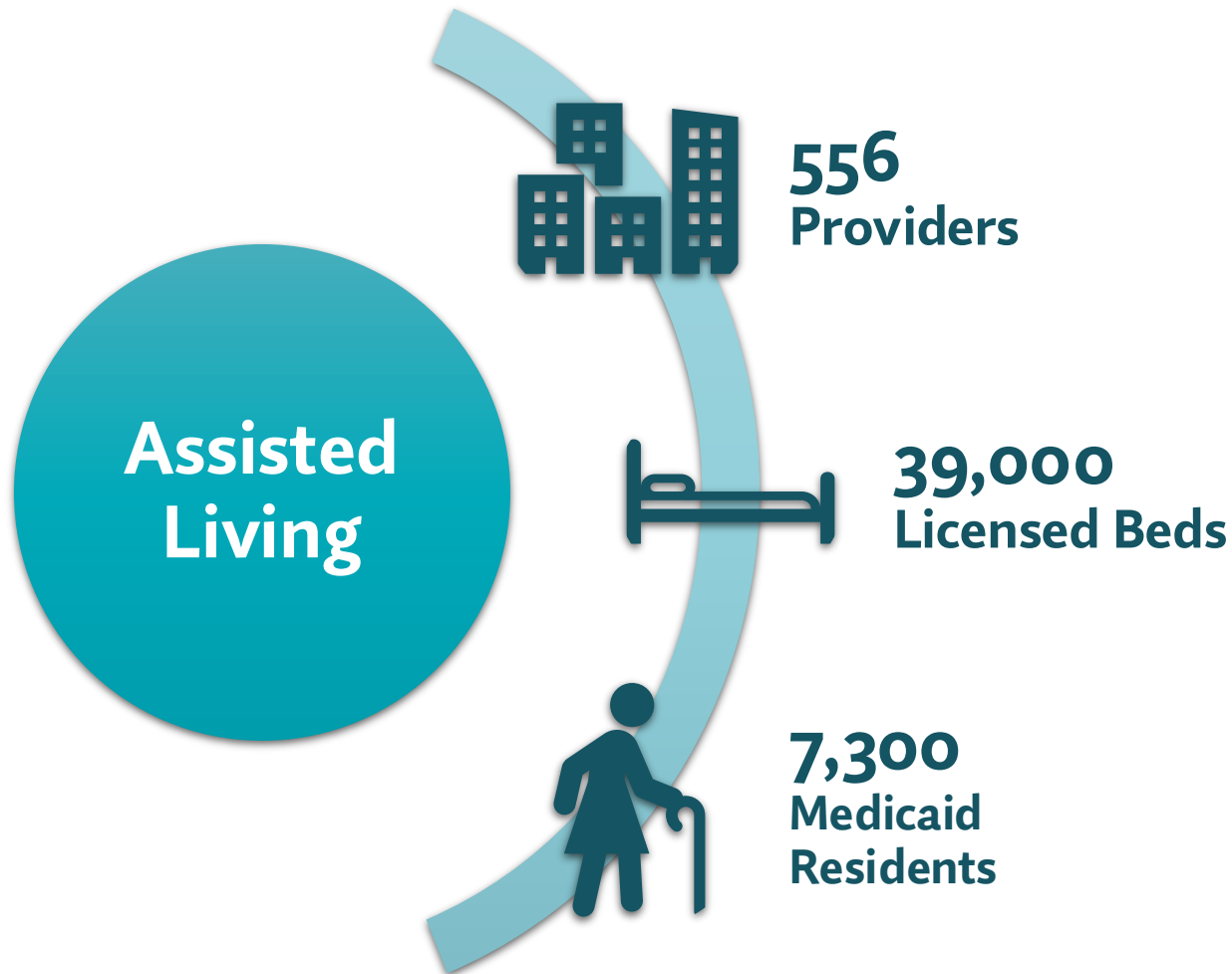
- The only option for long-term care that builds in:
 - ✓ Independent private apartments (AL contract)
 - ✓ 24/7 supervision
 - ✓ Daily personal care
 - ✓ Shelter, utilities, internet
 - ✓ Housekeeping
 - ✓ Intermittent nursing
 - ✓ Nurse delegation
 - ✓ Medication assistance
 - ✓ Social services & social activities
 - ✓ Transportation arrangements
 - ✓ All meals & snacks
 - ✓ Hospice is available
- 55% of residents are age 85 or older. 30% are between 74 and 84 years of age.¹⁰
- 85% of residents require medication assistance. Residents require an average of 12-15 medications per day.¹¹
- 54% have diagnosed Alzheimer's or dementia.¹²
- 72% of residents identify as female.¹²
- Most utilized areas of personal care supervision and/or support: Bathing, walking, dressing, toileting, and transferring.
- Assisted Living does not have 24/7 RNs or LPNs, does not typically provide complex wound care, and unless they have a specialty contract, they are not staffed for intense behavioral health supports.

¹⁰U.S. Census Bureau's 2021 County Business Patterns Survey

¹¹Seniorly Resource Center, "Medication Management in Assisted Living," April 27, 2023.

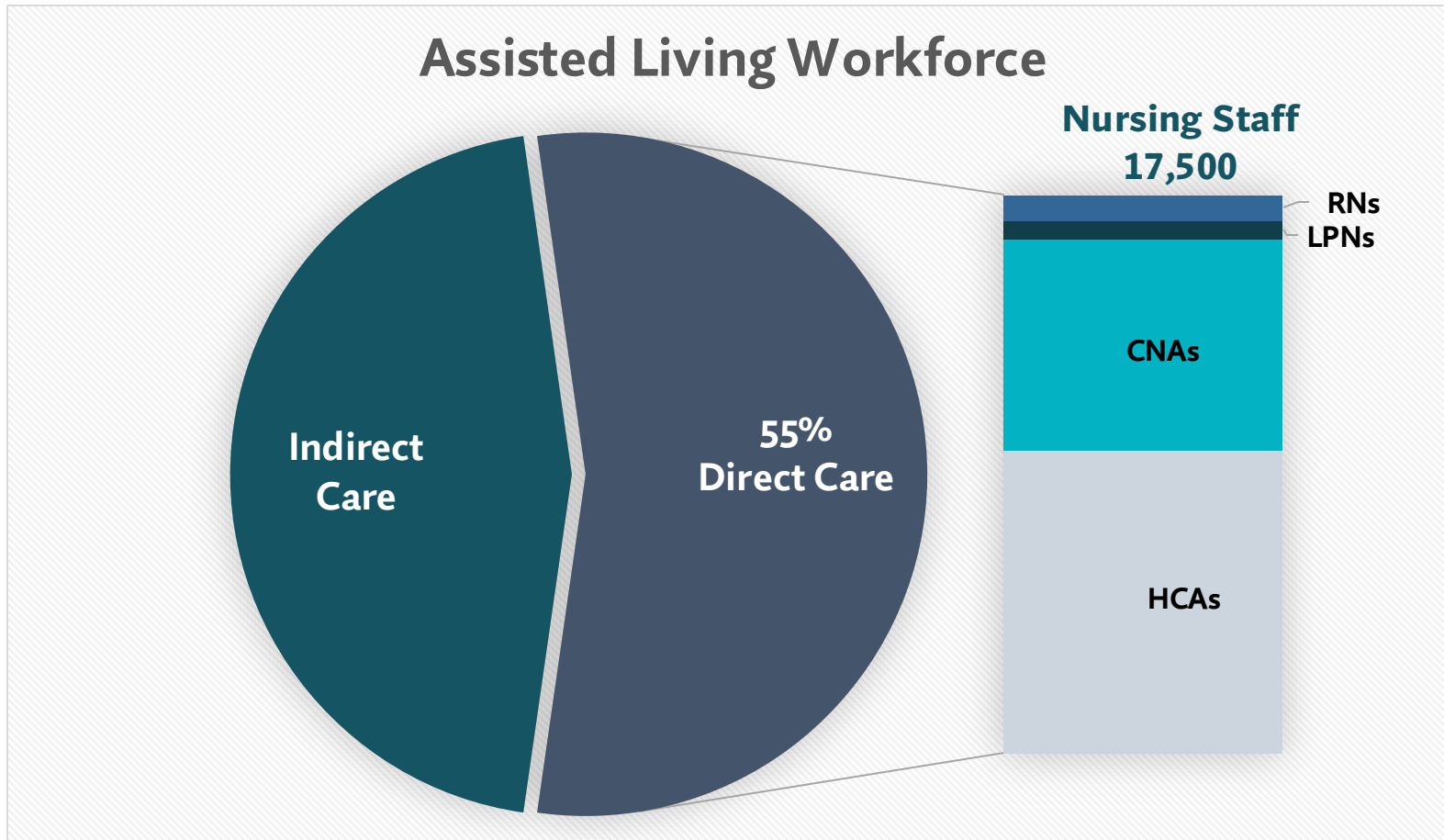
¹²National Center for Assisted Living, "Washington By the Numbers," [Washington-AL.pdf](#)

What Does Assisted Living Look Like in Our State?



- 85% average occupancy (AL has largely rebounded from COVID)
- Of the 556 providers, 39% are contracted for Medicaid services
- System-wide, Medicaid access remains low (18.8% occupancy)
- While they have improved Medicaid access over the past four years, chronically low Medicaid rates are largely to blame.
- In AL, private pay rates must be raised to subsidize costs not covered by Medicaid.
- For Medicaid residents, assisted living is housing and food security.

Assisted Living Providers Employ 32,000 workers in WA State¹³



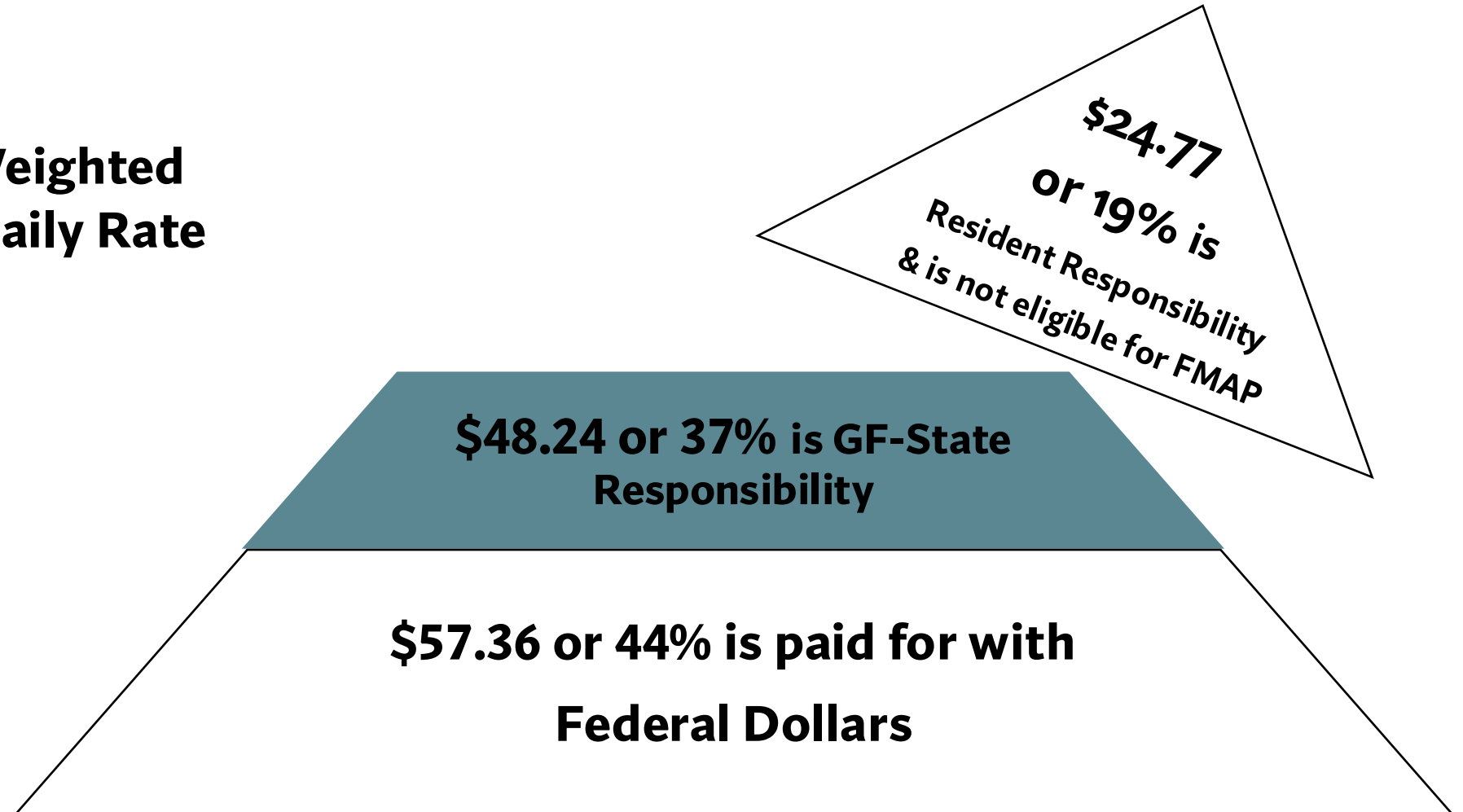
70% of the operating costs for assisted living are labor costs.

Because assisted living includes private apartments in a congregate setting, it allows us to leverage our workforce by caring for more people within the constraints of workforce shortages.

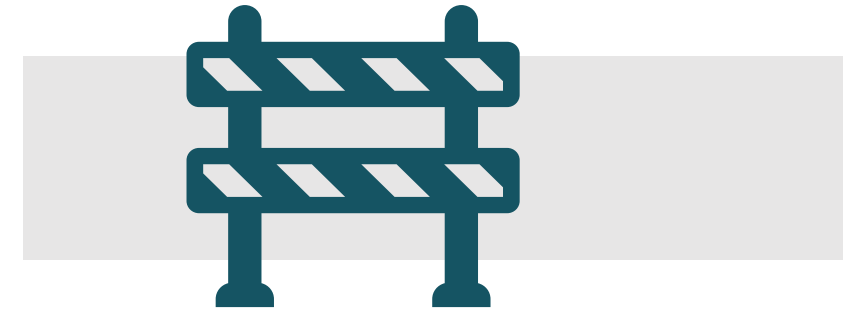
¹³Occupational Employment and Wage Statistics (OEWS) Survey
Bureau of Labor Statistics, Department of Labor
May 2023 OEWS Research Estimates

Assisted Living is a Very Affordable State Medicaid Option

**\$130.37 =
Current Weighted
Average Daily Rate**



Barriers and Tension Points



TIMELY LICENSING & CERTIFICATION

The backlogs and red tape to licensing and certification for homecare aides worsen workforce shortages, create barriers for entry level workers, and cause administrative burdens for providers.

MEDICAID RATE SHORTFALLS

Medicaid rates shortfalls make it difficult to compete for workers. The statutory payment method is only funded at 82% of costs. One-time funding for high Medicaid census providers expires 6/30/25.

LAWS ON DIABETIC TREATMENT NEED TO CATCH UP WITH CURRENT MEDICATION PRACTICES

Statutory definitions limit the provision of more contemporary diabetic treatments.

OUTDATED CRIMINAL BACKGROUND HISTORY CHECKS

The current process creates barriers for workers.

Assisted Living Value Proposition



CLOSE THE GAP & CREATE MEDICAID ACCESS

Funding the statutory Medicaid model will go a long way to creating access to this place of choice for our low income. In addition to addressing LTC needs, it provides housing and food security for low-income, vulnerable seniors.



HIGH VALUE AT LOW COST TO THE STATE

Assisted living is a part of a continuum and as a step-down from hospitals and skilled nursing facilities it gives residents who need a little extra support a safe place to live.



INVEST IN AND LEVERAGE OUR WORKFORCE

Assisted living allows us to serve more people with fewer workers and can be part of the solution for workforce shortages.



A SAFEGUARD FOR THOSE WHO NEED IT

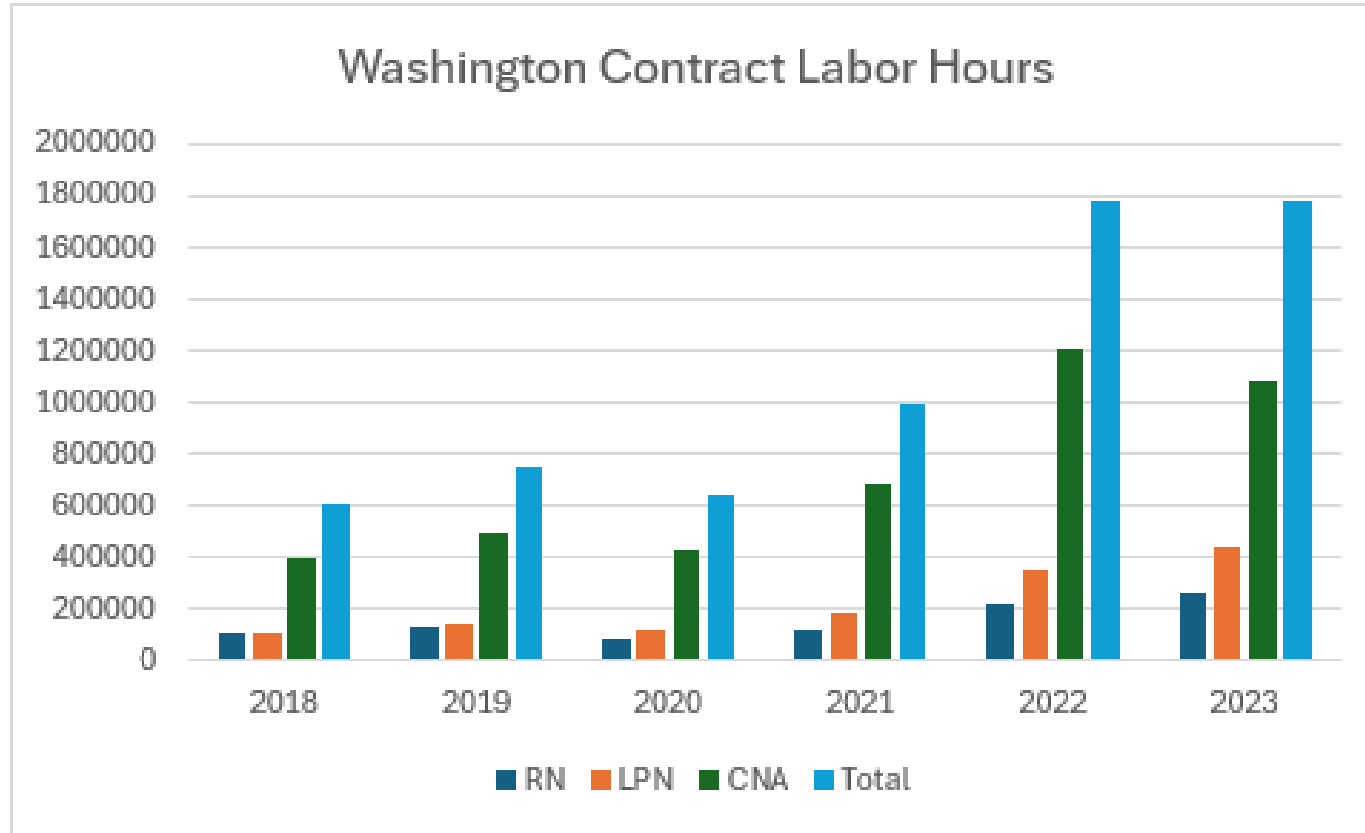
According to the Center for Disease Control, falls are the number one reason for deaths and hospitalizations for our elderly. This is followed by medication management issues and accidents related to fires (leaving the stove on, smoking in bed, etc). Assisted living support prevention of incidents that lead to acuity issues and care in higher cost environments.

Appendix- Overtime in SNFs

Metric	National	WA State
Total Nurse Overtime	9.03	9.31
RN Overtime	6.38	8.14
LPN Overtime	9.59	10.29
NAC Overtime	9.25	9.02

Data Source: Q2 2024 CMS PBJ Data Provided by LTC-Analytics.com

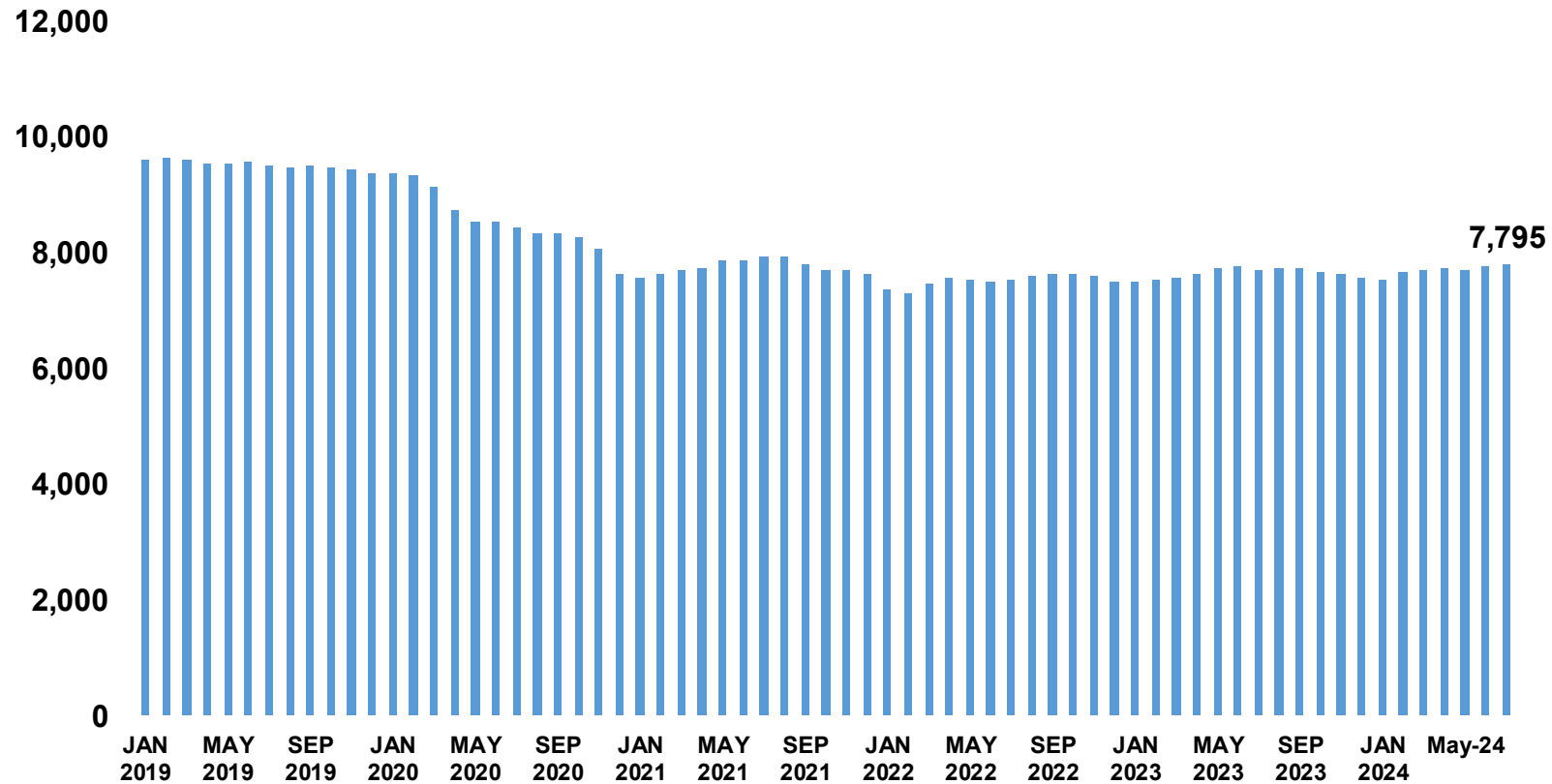
Appendix- Contracted Labor



Data source: CMS PBJ Data Provided by LTC-Analytics.com

Appendix- SNF Medicaid Caseload

SNF Medicaid Caseload Actuals



Data Source: WA State Caseload Forecast Council