

The Academy of Senior Health Sciences Inc.



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Chair Carruthers, Ranking Member Liston, members of the House Finance Health and Human Services Subcommittee, my name is Chris Murray and I am the CEO of The Academy of Senior Health Sciences (The Academy). Members of The Academy are comprised of Ohio skilled nursing facilities, ICF-IIDs, and assisted living facilities. Thank you for the opportunity to testify on H.B. 33. The focus of my testimony today will be on skilled nursing facilities.

As many of you are acutely aware, the nursing home industry is in a state of change. The COVID pandemic exacerbated systemic problems in the industry that have been festering for many years. This includes difficulties in staffing and declining quality of care and quality of life. Yet the pandemic has also provided us with the opportunity to fix these problems and have the industry emerge stronger and better than ever before. It can become more efficient and provide better care for everyone. We need your help to get there. The Academy has created a multi-faceted approach to improving the quality of life of residents and strengthening the balance sheets of providers. I will be outlining this approach in my testimony today.

Incentives Work

Quality measures and “pay for performance” have been around for decades in long-term care; however, the monetary amounts tied to quality were minimal. There was little movement in the quality metrics the pay for performance programs were designed to impact. Nearly six years ago Ohio took a significant step towards improving quality in nursing homes by making a sizable investment in incentivizing clinical outcomes. The average incentive payment started at \$1.79 and has increased to over \$29 per day – and with results. Based on the February data from the CMS database, Ohio now has the highest average ranking in the country among those four clinical quality measures. Incentives work.

We must continue and expand the policies that have generated these outcomes. That includes ensuring the monetary point values for the quality measures remain significant even as we add more clinical measures. Nursing home providers in Ohio are getting the message: if you want to successfully operate in this state, you must provide quality clinical outcomes to your residents. Further investment in pay for performance will yield even better results for our residents.

It is important to realize that while focusing on the clinical outcomes has produced excellent results, not enough has been done to improve the quality of life for all nursing home residents. As you have heard from various testimonies, Ohio still ranks in the bottom half of the country related to survey and staffing rankings. We need to do more.

Private rooms in nursing homes increase the quality of life of the resident while also preventing the spread of contagious diseases such as COVID, flu and *C. difficile*. The benefits of private rooms are well documented: the resident has greater dignity, doesn't have to worry about a roommate, friends and family can visit in private, there are fewer medication and meal errors, better sleep patterns, fewer behavior issues, and less likelihood of acquiring an infectious disease. Incentivizing private rooms, especially in a manner that encourages the downsizing of facilities, benefits everyone. The Academy is looking forward to its continued work with legislators, the Department of Medicaid and other interested parties on developing a private room Medicaid rate policy that is amenable to CMS regulations and achieves the desired outcomes.

Monetary incentives can also have an impact on management practices that relate to quality. The use of agency staff has been connected with poor quality in nursing homes. Agency staffing use exploded during the pandemic as nursing home employees left the field or became ill with COVID. The agencies exploited this situation, charging exorbitant hourly rates while hiring invaluable staff away from nursing home providers. Many providers have returned to more normal operations, using agency staff to fill unexpected gaps in scheduling. However, there are some providers that continue to rely heavily on agency staffing at a much higher cost and with decreased quality. Regulating staffing agencies and properly incentivizing the use of agency staff would improve the provision of services in many nursing homes.

Finally, technology will play a vital role in the future provision of services. Staffing problems are not going to abate. We need to invest in technology that will help staff perform more efficiently while improving outcomes.

The Operator Matters

Those in charge of running a nursing home have a significant impact on the quality of the services provided by that home. It is probably the number one determinate of the working environment for staff and how well residents are treated. Sadly, we have seen a nationwide trend of homes being bought by investors whose objective is maximizing return on investment instead of maximizing the quality of life of the residents. This must end.

We are developing a proposal that will make sure incoming operators have the qualifications, experience, track record, and motivation necessary to generate positive outcomes. Furthermore, nursing home administrators are the eyes and ears of what is occurring in the facility on a day-to-day basis. They are the first to know if the facility is having difficulty meeting the needs of the residents. Yet there is currently no reporting requirements beyond abuse, neglect and misappropriation. We need to hold both the owners and the operators more accountable when there are indications that the nursing home is struggling.

Long Road

The path to improving our nursing homes is a long one. It will require further insight and discovery to determine the root causes of the poor quality. It will require thoughtfulness and creativity to develop policies that will encourage the production of quality in our nursing homes. And it will require dedication and effort throughout this process to maintain our focus on the goal and not be distracted by those who wish to undermine the process by drawing attention to imperfections. We must not let perfection impede our ability to improve the quality of life for nursing home residents. The Academy appreciates your past support of our initiatives to improve Ohio's nursing homes. We are encouraged and ask for your continued support as we advocate to make the industry better for providers and their residents.