

GET REAL ON RATIOS

LEADINGAGE CALLS FOR CONGRESS TO GET REAL ON RATIOS

As planned CMS staffing ratios near, nonprofit nursing homes offer a realistic approach to staffing in the current workforce crisis. As part of the Biden Administration's nursing home quality initiative, the Centers for Medicare & Medicaid Services (CMS) is poised to impose staffing ratios. LeadingAge and its nonprofit, mission-driven nursing homes have long maintained a commitment to delivering the highest level of quality care. Implementing a staffing mandate without first addressing the severe workforce shortages and inadequate reimbursement levels impacting providers will place more nursing homes in financial jeopardy, forcing additional closures and further limiting access to care for older adults and their families.

To ensure that federal action is realistic and can achieve its intended effect, LeadingAge proposes a new framework and perspective for federal legislation concerning staffing ratios in nursing homes.

OUR PROPOSAL

LeadingAge seeks federal legislation to address the call for nursing home staffing ratios within the reality of the current staffing and funding crisis. Under this proposal, the following six conditions would have to be in place before mandatory staffing ratios could be implemented:

1. The Medicaid fee for service nursing home rate covers at least 95% of the cost of care.
2. States with Medicaid Managed Long-Term Services and Supports have a set benchmark rate equal to at least 95% of the cost of care.
3. The secretaries of Labor and Health and Human Services have certified there is not a shortage of potential employees qualified to work in long-term care settings.
4. Standards are flexible enough to meet the current needs of the residents being served.
5. A national public health emergency is not in place.
6. Staffing ratio mandates include waivers for local emergency conditions in place.

THE CRITICAL ISSUES

- **There are too few people available to hire in nursing homes.** Like much of the health care sector—and many other jobs in the current economy with nearly two jobs for every job seeker—nursing homes are struggling with employee shortages—on top of an ongoing workforce crisis marked by significant challenges in recruiting and retaining qualified care professionals.
- **The cost of delivering quality nursing home care far exceeds reimbursement. Adding staff will require additional reimbursement to pay them.** Nursing homes rely on Medicaid for most of their financing. Unlike other businesses, they cannot simply charge consumers more. Average Medicaid base rates across [states covered just 86% of nursing home costs](#) in 2019—and that was before pandemic costs and inflation were a factor. Providers are largely dependent on publicly set rates to cover the cost of delivering quality care. Without it, they can't survive.
- **One staffing level does not fit all needs.** The needs and underlying conditions of nursing home residents nation-wide vary widely—as do the skills of available care professionals, each location's size and structure, and local workforce conditions.

LeadingAge stands ready to work with Congress and the Administration on behalf of our members and looks forward to continuing the ongoing discussion about how to ensure quality nursing home care for older Americans and their families.