



March 3, 2022

The Honorable Chiquita Brooks-LaSure

Administrator, Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244-1850

RE: Nursing Home reform initiative

Dear Administrator Brooks-LaSure:

On behalf of Lutheran Services in America, I write to you today to respond to the Administration's proposed reforms for skilled nursing facilities (SNFs). As one of the largest non-profit networks caring for older adults, we have been providing long-term care for older adults to age with dignity, respect, and abundance in the United States for well over a century.

Our member organizations continue to navigate the pandemic courageously, while ensuring a safe environment for our residents despite major shortages of medical supplies, personal protective equipment, provider relief funds and health care professionals. We strive to provide the reliable, high-quality care outlined in the President's State of the Union address and call on CMS to work with our members as partners in promoting quality, rather than as entities that warrant more enforcement.

The longstanding public-private partnerships that our health care providers have with the Administration are rooted in a common goal—to ensure that older Americans receive the high-quality care they need. Serving older adults and those who are chronically ill is an essential part of our ministries. We are concerned that the proposals regarding minimum staffing requirements and punitive enforcement for SNFs will exacerbate the current crisis our members face and lead to additional nursing home closures and fewer older Americans being able to access the care they need. We ask that as CMS embarks on this work that the views and experiences of our network be included in the research study being planned in the coming year that will inform the proposed rules around minimum staffing.

Faith-based long-term care providers are already in the midst of a critical workforce shortage that has led to facilities closing and vulnerable older adults without any quality care options. The demand for healthcare professionals has affected our members' ability to recruit workers. While employment had been growing steadily in the healthcare industry between 2017 and early 2020, nursing homes are the exception. According to The Peterson Center on Healthcare and The Kaiser Family Foundation, the number of workers at SNFs had already been going down at an average rate of 0.09% per month, with the pandemic accelerating this trend.

While other areas of the healthcare industry have nearly recovered their employment numbers to pre-pandemic levels, the number of workers employed at nursing homes has continued to decline. Nursing care facilities have seen a 15.0% drop in employment since February of 2020, from 1.59 million to 1.35 million in November 2021. This is despite the fact that nursing home employees had, on average, a 14.7% increase in wages over the same period, the highest average wage increase among healthcare workers during this time.



Now, many organizations are reducing the number of people served or are unable to meet increased demand for services because of workforce shortages. Workforce costs are skyrocketing as compensation is increased to compete for workers and exorbitant fees are paid to staffing agencies for temporary personnel to fill positions.

We also want to raise the longstanding issue of Medicaid financing and urge you to find ways to increase reimbursement rates for nursing home care. As the primary payer of long-term care, Medicaid has not fully met the costs of care for years, much less the significantly increased costs of care today with rising workforce and operating costs. The Administration's initiative to require staffing minimums will only add to the unfunded costs of long-term care and lead to increased nursing home closures and a lack of options for older adults in need of higher-level nursing home care. Rural communities which have more limited options for older adults today will be disproportionately affected.

We want to work with the Administration on meaningful solutions to expand the long-term care workforce, provide training and career advancement opportunities, and retain workers. We appreciate initiatives outlined that provide technical assistance through Quality Improvement Organizations and expand and develop the nursing workforce through collaborations with the U.S. Department of Labor. However, without an immediate expanded workforce and additional funding, the minimum staffing requirement along with increased surveys and enforcement will only exacerbate the workforce crisis, leading to fewer options and lower quality of care for older adults as our population ages in the coming years.

We urge the Administration to strongly reconsider the minimum staffing requirements and punitive enforcement in light of the ongoing workforce and reimbursement challenges for SNFs and to work to expand the workforce so that older adults have access to the services and supports they need to age with dignity and respect. We welcome any opportunity to share our insights and ideas towards our common goal to improve the quality of care for older adults.

Thank you for the work that you do and giving your time and attention to this important issue.

Sincerely,

A handwritten signature in black ink that reads "Charlotte Haberaecker".

Charlotte Haberaecker
President and CEO