

# LONG TERM CARE FACES WORST FINANCIAL CRISIS IN HISTORY

The COVID-19 pandemic has taken a heavy toll on residents, staff and providers. Without additional government assistance, thousands of facilities may be unable to keep their doors open, threatening access to care for vulnerable seniors and individuals with disabilities.



## The Cost To Fight The Virus

Expenditures to fight the virus - such as routine testing, personal protective equipment (PPE) and staffing - have skyrocketed. **Nine out of 10 providers have had to hire additional staff and/or pay staff overtime.**



**\$30 BILLION**

How much nursing homes spent on PPE and staffing alone in 2020

## Revenue Is Declining



Nursing home occupancy has dropped **16.5%**, from 85% in January 2020 to 68.5% in January 2021. **Among assisted living communities, the census dropped to 77.7%** in the fourth quarter of 2020, down 7.4% since March - a record low for assisted living.

## Closures Loom

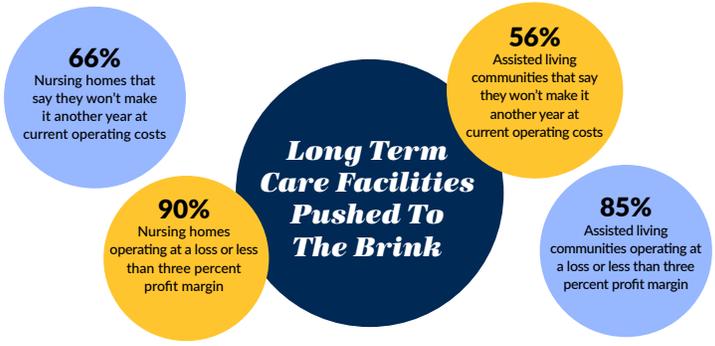


In total, **143 closures/mergers occurred in 2020, with 1,670 projected in 2021.** Facility closures will have a devastating impact on long term care residents, most of whom are older adults with multiple underlying health conditions.



**\$94 BILLION**

The amount the industry is expected to lose during the pandemic (2020-2021)



**1,843**

The number of nursing homes that could close (2020-2021)

## Congress Must Act Now

The economic stability of the long term care sector depends on Congress. AHCA/NCAL is urging lawmakers to approve \$20 billion in funding for nursing homes and assisted living communities, either through an enhanced Federal Medical Assistance Percentage (FMAP) for long-term services and supports or through the Provider Relief Fund. This funding will help long term care providers with the ongoing costs of fighting the pandemic and ensure that a growing elderly population continues to have viable long term care options.