State of the Nursing Home Industry:
Survey of 524 nursing home providers highlights persistent staffing and economic crisis

January 2023
Workforce

The vast majority of nursing homes are experiencing staffing shortages and difficulties in hiring additional staff. Providers are concerned about being able to comply with a potential federal staffing mandate.
84% of nursing homes facing moderate to high levels of staffing shortages

What is your current staffing situation?
Note: "staffing shortages" are defined as on more than one occasion, you could not fill all of your shifts without agency or asking people to work overtime/extra shifts.

Source: American Health Care Association Survey of 524 Nursing Home Providers, December 7-16, 2022
45% of nursing homes say their overall workforce situation has gotten worse since mid-2022

Since May 2022, would you say your organization’s overall workforce situation has generally gotten better or worse?

- Much worse: 18%
- Somewhat worse: 27%
- Stayed the same: 25%
- Somewhat better: 27%
- Much better: 3%

Source: American Health Care Association Survey of 524 Nursing Home Providers, December 7-16, 2022
96% of nursing homes are experiencing difficulty hiring staff

How would you rate your ability to hire new staff?

- Very difficult: 52%
- Somewhat difficult: 44%
- Somewhat easy: 3%
- Very easy: 0%
- Do not know: 1%

Source: American Health Care Association Survey of 524 Nursing Home Providers, December 7-16, 2022
More than 9 out of 10 nursing home providers have increased staff wages and offered bonuses

In the past six months, what strategies have you implemented to try to recruit and retain staff?

- Increased wages: 93%
- Offered bonuses (including sign-on bonuses): 91%
- Offered additional benefits: 48%
- Paid for staff training/education: 71%
- Promoted staff: 64%
- Strengthened workplace culture: 82%

Source: American Health Care Association Survey of 524 Nursing Home Providers, December 7-16, 2022
A lack of interested or qualified candidates is the biggest obstacle for nursing homes in hiring new staff.

<table>
<thead>
<tr>
<th>Obstacle</th>
<th>Not an Obstacle</th>
<th>Moderately Big</th>
<th>Extremely Big</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current financial situation/lack of funding</td>
<td>19%</td>
<td>39%</td>
<td>40%</td>
</tr>
<tr>
<td>Lack of interested or qualified candidates</td>
<td>2%</td>
<td>26%</td>
<td>71%</td>
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<tr>
<td>Personal commitments (e.g., childcare)</td>
<td>17%</td>
<td>20%</td>
<td>49%</td>
</tr>
<tr>
<td>Regulatory/survey environment</td>
<td>28%</td>
<td>33%</td>
<td>31%</td>
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<tr>
<td>Vaccination requirement</td>
<td>23%</td>
<td>28%</td>
<td>46%</td>
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Source: American Health Care Association Survey of 524 Nursing Home Providers, December 7-16, 2022
More than half of nursing homes are having to limit new admissions due to staffing shortages.

What adjustments have you made in recent months due to staffing shortages?

- 98% asked current staff to work overtime/extra shifts
- 78% hired temporary agency staff
- 54% limited new admissions
- 2% closed our facility
- 0% we don’t have staffing shortages
- 12% other

Source: American Health Care Association Survey of 524 Nursing Home Providers, December 7-16, 2022
More than two-thirds of nursing homes are concerned about having to close their facilities over staffing woes.

How concerned are you that if your workforce challenges persist that you may have to close your facility(ies)?

- Very concerned: 24%
- Somewhat concerned: 43%
- Not at all concerned: 25%
- Do not know: 8%

Source: American Health Care Association Survey of 524 Nursing Home Providers, December 7-16, 2022
Nearly all nursing home providers are concerned about being able to meet a potential federal staffing mandate.

The Biden Administration wants to issue a federal staffing minimum for nursing homes next year. If the Administration issues a minimum requirement of 4.1 hours per day for each resident, how concerned are you about meeting the mandate?

- Very concerned: 79%
- Somewhat concerned: 16%
- Not at all concerned: 4%
- Do not know: 1%

Source: American Health Care Association Survey of 524 Nursing Home Providers, December 7-16, 2022
Nursing home providers’ biggest concern with a federal staffing mandate is finding staff

What are your biggest concerns about a potential federal minimum staffing requirement? (Please Rank)

- Finding staff to meet the requirement: 6.14
- Having to rely more on costly agency staff to fill shifts: 4.8
- Having to limit the number of residents we serve or closing altogether: 3.92
- Not receiving corresponding federal resources to recruit/retain staff: 4.41
- Staffing minimums/ ratios do not encourage innovative staffing models or address retention challenges: 3.3
- The fines and citations we may receive: 3.38
- Residents will not receive customized care specific to their needs: 3.11

Source: American Health Care Association Survey of 524 Nursing Home Providers, December 7-16, 2022
COVID-19 Pandemic

While many nursing homes believe we are entering a new normal, nearly all believe ongoing public health support, like the federal public health emergency, is necessary.
83% of nursing homes say the COVID-19 Public Health Emergency should be extended

The COVID-19 Public Health Emergency (PHE) is currently set to expire in April 2023, unless the federal government issues another 90-day extension. How important is it to your organization that the PHE be extended?

- Extremely important: 42%
- Very important: 21%
- Somewhat important: 20%
- Not so important: 10%
- Not at all important: 8%

Source: American Health Care Association Survey of 524 Nursing Home Providers, December 7-16, 2022
3 in 10 nursing homes say they need ongoing resources to continue to fight COVID-19

Which best describes your opinion of the current state of the COVID-19 pandemic as it relates to your long term care (LTC) organization?

- The pandemic is far from over. Now we're grappling with the "tripledemic", and our LTC organization needs ongoing resources from public health officials to help protect residents and staff from respiratory viruses. (31%)
- Our LTC organization is better able to manage COVID thanks to vaccines, treatments, and infection control practices. We are entering a new normal. (54%)
- COVID is no longer an issue for us, and we should be able to return to the ways things were before the pandemic. (16%)

Source: American Health Care Association Survey of 524 Nursing Home Providers, December 7-16, 2022
More than half of nursing homes are operating in the red and are concerned they may not be able to continue operating more than one year.
More than half of nursing homes are operating at a loss

What is your current operating situation relative to your budget? (i.e., total margin for all payers)

- Operating at a loss or negative total margin: 55%
- Operating on a total margin between 0-3%: 34%
- Operating with a total margin of more than 3%: 11%

Source: American Health Care Association Survey of 524 Nursing Home Providers, December 7-16, 2022
More than half of nursing homes say they can’t sustain operations at the current pace for more than one year

Source: American Health Care Association Survey of 524 Nursing Home Providers, December 7-16, 2022
Respondent Demographics

“Are you answering for…”

- More than one facility: 35%
- Single facility: 65%

“Is your single facility located in a rural or urban setting?”

- Rural: 62%
- Urban: 38%

“Approximately what percentage of your revenue comes from the following?”

- Medicaid (including managed care): 59%
- Medicare (including managed care): 20%
- Private pay: 15%
- Other: 6%

Source: American Health Care Association Survey of 524 Nursing Home Providers, December 7-16, 2022