

**In this Industry Update you will discover:**

1. *“Light at the End of the Tunnel’: 95% of Nursing Home Residents taking Vaccine, Parkinson Says”*  
- **McKNIGHT’S LONG TERM CARE NEWS, 1/4/2021; pg. 1**
2. *“Fear of Potential Side Effects the Top Reason Nursing Home Workers Hesitate to Get COVID Vaccine: Study”*  
- **McKNIGHT’S LONG TERM CARE NEWS, 1/4/2021; pg. 2**
3. *“Lawmakers Want Fresh LTC Vaccination Data in MDS, on Nursing Home Compare”*  
- **McKNIGHT’S LONG TERM CARE NEWS, 1/4/2021; pg. 3**
4. *“Executive Outlook 2021: Nursing Homes Must Change or Face Extinction after a Disastrous 2020”*  
- **SKILLED NURSING NEWS, 1/3/2021; pg. 4**

# McKnight’s

## LONG-TERM CARE NEWS

### ‘Light at the End of the Tunnel’: 95% of Nursing Home Residents taking Vaccine, Parkinson Says

Written by: Danielle Brown

1/4/2021

A vast majority of nursing home residents are signing up to receive the first dose of available coronavirus vaccine, according to the leader of the nation’s largest nursing home association.

Mark Parkinson, president and CEO of the American Health Care Association, revealed that more than 90% of residents have consented to receiving the initial available doses.

“What we’re learning is when the clinics are set up in [long-term care facilities], the residents are taking the [vaccines] — 95% of the residents are taking the vaccine,” Parkinson said during [an interview](#) on CNN on Dec. 29.

“As awful as it’s been, as tragic as this has been, there is light at the end of the tunnel,” he added.

Paired with resident willingness, Parkinson noted that if state leaders and health officials make vaccination efforts in long-term care facilities a top priority, then the programs can be completed by early spring. He highlighted long-term care vaccination efforts in [West Virginia](#) and [Connecticut](#), where the programs are nearing completion.

“If every governor would come out and say, ‘We’re going to have everybody vaccinated in these facilities with their first dose in January, by the time we got to the first of March the COVID death rates in this country would be cut in half,’” Parkinson said. “That’s with a very limited amount of vaccines that we need to solve this problem and it can get done.”

“What priority level do we give the Greatest Generation?” he added about national strategies.

“Historically, we have underfunded long-term care. We haven’t provided the resources that are needed to take care of the people with the dignity that they deserve,” he said. “Hopefully, when we get through this pandemic and the dust settles, we can take a long look at that and put the priorities where they need to be.”

## McKnight's

### LONG-TERM CARE NEWS

#### Fear of Potential Side Effects the Top Reason Nursing Home Workers Hesitate to Get COVID Vaccine: Study

Written by: Danielle Brown

1/4/2021

More than two-thirds of nursing home staffers cited associated side effects as the top reason for why they’re skeptical to receive a COVID-19 vaccine, according to a new study.

An analysis of more than 8,200 Indiana nursing home and assisted living workers revealed that overall, 69% of staff said they would receive a federally-approved vaccine either immediately or they would consider taking the vaccine doses at a later date. Additionally, 23% said they would be unwilling to receive the vaccine because it’s “too new,” a lack of trust, the need for more research or because the topic is too political, according to the study.

Of the workers who were unwilling to take the vaccine, 70% cited concerns about side effects, while 20% questioned the medications’ effectiveness and 12% expressed religious reasons as to why they would receive the doses.

Researchers argued that though vaccinations hold promise of protection against serious illness and death, and a return to normalcy for long-term care facilities, that promise cannot be realized without a “strong uptake of the vaccines.”

“Long-term care staff will be weighing both risks to the resident they care for, and their own beliefs and personal concerns when they make decisions regarding receiving the COVID-19 vaccine. The rates of willingness to receive the vaccine found in this survey are a positive sign and may be able to be improved with dedicated education and outreach efforts,” the authors concluded.

[Full findings](#) were published Thursday in the *Journal of the American Geriatrics Society*.

The analysis comes after an [early December survey](#) of certified nursing assistants found that nearly three out of four of the workers said they wouldn’t take the vaccine, citing skepticism over the rapidity of its launch and lack of information on potential risks.

**(New article on next page)**

# McKnight's

## LONG-TERM CARE NEWS

### Lawmakers Want Fresh LTC Vaccination Data in MDS, on Nursing Home Compare

Written by: Danielle Brown

1/4/2021

A pair of prominent lawmakers are urging the federal government to provide ongoing data updates about the progress of its COVID-19 vaccination program at long-term care facilities in a push for more transparency.

Sens. Robert Casey (D-PA) and Ron Wyden (D-OR) issued the call to action in late December in [a letter](#) to the Department of Health and Human Services and the Centers for Medicare & Medicaid Services, saying the effort should fold into CMS' current data collection and reporting standards. CMS started posting COVID-related [nursing home data](#) online in June, and the numbers are updated on a weekly basis.

The senators noted that though most states had begun vaccinations at facilities, nearly a dozen reported that some weekly allocations were less than expected. They added that [delays experienced](#) by CVS Health and Walgreens, who were contracted to administer the doses in facilities, have also been a top concern during the process.

"Given the range of issues affecting COVID-19 vaccine delivery to nursing homes and the devastating death toll in these facilities, the collection and dissemination of similar data regarding vaccine distribution is warranted," Wyden and Casey wrote.

"While CVS and Walgreens are required to provide vaccination data to government health authorities, it is not clear that the Trump Administration has any plan to make nursing home vaccination data available to the public," the senators added.

The two stressed the need for nursing homes to begin reporting the number of residents and workers who have received COVID-19 vaccines.

"These data should, in turn, be included in the weekly COVID-19 reports issued by CMS. Going forward, COVID-19 vaccination data should be included in Minimum Data Set reporting requirements and Nursing Home Compare — similar to flu and pneumonia vaccines," they concluded.

**(New article on next page)**

 **Skilled Nursing News**

## Executive Outlook 2021: Nursing Homes Must Change or Face Extinction after a Disastrous 2020

Written by: Alex Spanko

1/3/2021

As the calendar turns, the post-acute and long-term health care space looks to apply the punishing lessons learned during the pandemic year of 2020.

Every January, SNN rings in the new year by asking top executives from all areas of the landscape — from operators to real estate investors to therapy partners — for their top predictions and expectations for the 12 months ahead.

The tone of the answers this year, collected over the course of December, reflected the urgent need for evolution and revolution in the way America cares for its most vulnerable seniors.

Over the next few days, SNN will present visions of the future from those leaders, in their own words, in the hopes that the sector takes seriously the mandate for change.

### **Neil Pruitt Jr., CEO, PruittHealth**

There is no doubt COVID-19 has changed the long-term care industry forever. What remains to be seen is how our collective response will shape tomorrow's landscape. In many ways, the pandemic accelerated the next evolutionary stage of our profession that was, albeit at a much slower pace, already underway, thanks to a shift in health care consumers' preferences and expectations.

Simply put: Operators that fail to respond to these new consumer demands may not survive. While we anticipate these expectations to include more private rooms and amenities that make skilled nursing facilities feel like home, we also fully expect health care consumers to opt for home care, whenever possible, in the future.

In recent months, PruittHealth has seen a 15% increase in episodic admissions for PruittHealth @ Home while our skilled nursing facility occupancy rate has decreased by 15%. Undoubtedly, the pandemic played a role in these numbers, but we believe this is indicative of a larger trend unlikely to reverse course and are prepared to meet patients and their loved ones wherever and whenever they need us.

One crucial way we'll accomplish this is through radical transparency, an approach we adopted during our pandemic response and will continue. Access to timely and accurate information is key to maintaining trust, and trust is at the core of all we do as a family-run organization for more than 50 years. Throughout the pandemic, we saw family members of home health and skilled nursing patients increasingly ask about their loved ones' temperatures, blood oxygen levels, and more — all of which now will be available for loved ones to see via a new web portal called My PruittHealth.

Health care consumers are more informed than ever, and are willing and active participants in their and their loved ones' care. At PruittHealth, we embrace this team approach and believe the first step in bringing our

patients and their loved ones along on that journey is to provide information and resources they need to make the best possible care decision.

We've been given a new mandate from those who trust us with their care and that of their loved ones: partner with us to deliver a patient experience that better suits our family. That experience not only will serve as a point of differentiation in the profession, but also will determine which companies in the profession stay in business in the years to come.

### **Wendy Simpson, CEO, LTC Properties**

#### **Biggest Challenges 2021 and Beyond**

Of course, it is helping our operators to continue to navigate the impact of COVID, whether that is in terms of financial support for rent obligations or financing of property renovations to better position the operator to address any future wide-spread health emergency.

After that, we will need time to re-evaluate the businesses of skilled nursing and senior care to properly establish underwriting data.

We need to do that while balancing our responsibilities to our shareholders. As a company who is financing for-profit businesses and is a publicly held company that strives to make a profit and a return to its shareholders, the social movements to run a business more for the benefit of the employees, the environment, and human-kind creates interesting business conflicts.

#### **Biggest Opportunities: 2021 and Beyond**

There will be operators that throw in the towel because of the horrendous pressure and challenges COVID, has caused and there will be operators who emerge stronger for having come through the pandemic. No one will be unscathed, but some will be stronger in terms of operating ability and programs. These will be operators to support and help grow.

LTC has endeavored to reduce the number of high-concentration operators in our portfolio, and I believe there is an opportunity to do that in the future.

#### **What the Industry Should Focus On**

I was amazed that Washington really was not that aware of how big the senior care industry was, and who was being cared for in those facilities. When our industry association groups were lobbying for support, there was quite a bit of education as to the population that needed to be covered. Both in the skilled and senior housing areas, the industries need more positive public exposure. This would also be beneficial to raise the profile of the industry as one that has worthwhile and rewarding careers.

### **Colleen Blumenthal, Chief Operating Officer/Partner, HealthTrust**

As the skilled nursing industry emerges from the pandemic, I find I have more questions than answers.

**Occupancy:** Going into the pandemic, the number of occupied skilled nursing beds declined by almost 55,000 over the preceding five years; CMS reports over 75,000 COVID-19 deaths in nursing homes through the end of November. How much of this lost demand can be recouped? Rehab demand is likely to return strongly due to

pent-up demand and the aging boomers, but how many will rehab at home, bypassing a nursing home stay? How many enrolled in Medicare Advantage and will have a shorter stay? What is the likely “stabilized” occupancy for a skilled nursing facility looking ahead?

**Reimbursement:** Both federal and state governments stepped up financial support for the industry in terms of the Provider Relief Fund and Medicaid rate add-ons. Further, CMS scrapped plans to revise the more-lucrative-than-expected PDPM reimbursement, as well as abandoned its effort to scrutinize and reform supplemental payments, offering a reprieve to operators. But as the federal deficit topped \$3 trillion in 2020 — and most states expended rainy day funds or are facing significant budget shortfalls — how much longer will this support continue? How long before CMS picks up the plans shelved this year to improve efficiency and fiscal accountability?

**Growing Gap Between the Haves and Have-Nots:** As in other areas, the pandemic has widened the gap between operators with strong clinical capabilities, established I-SNPs or participation in ACOs, and reasonable debt loads — and those that do not. Opportunities abound for those with access to capital, and despite the operational challenges during the pandemic, investor appetite for high-quality properties with good operators remains strong.

However, most transactions over the next 12 to 18 months will involve distressed sales or “value-add” properties. How many of these buildings can be turned around and how many will close?

The past year has underscored the importance for skilled nursing in the continuum of health care and accelerated evolutions that were in progress before the pandemic. The coming year should tell us operators adapt.

### **Martha Schram, President and CEO, and Mark Besch, Chief Clinical Officer, Aegis Therapies**

**Schram:** As 2020 began, our industry was looking forward to stabilizing operations in the PDPM and PDGM reimbursement environments. Aegis was also focused on expanding our clinical pathways to providing additional consistency across the full continuum of care. Clinical goals for the provision of therapy services in 2020 was to grow and refine our use of group and concurrent delivery models. Then COVID-19 hit, and the impact was harsh and swift.

As leaders in the post-acute space, we were faced not only with the challenges of providing care to the most vulnerable population in the country, but also with the unique needs of the employees providing that care. Perhaps surprising to us all, we had to engage in conversations justifying the essential nature of therapy, wellness and restorative services while working to procure necessary PPE and develop policies and procedures related to patient care and employee wellbeing.

At Aegis, we heightened our focus on transparency, communication frequency, clinical learning and quality as we worked toward understanding the unique issues with this virus and how to provide care to those patients recovering from COVID infection, those negatively impacted because of isolation or deconditioning, as well as those recovering from other illness and injury in skilled nursing and other post-acute settings.

To achieve success over the past year, our industry has learned a lot about how to collaborate differently. This learning will be valuable in the coming years as we will have to work together to ensure the trust, confidence, and willingness of patients to use skilled nursing services, as opposed to other alternatives.

**Besch:** Throughout COVID, consumers have learned more about the options they may have available for care, so I think we will see even more of a need to communicate to our customers, providers, and regulators about how we plan to deliver the enhanced quality of care that people will demand. The good news is, this Public

Health Emergency has greatly accelerated our learning and improved our clinical skills for higher acuity patients. This is especially true when it comes to acute pulmonary illness (aka a COVID-19 infection), and exactly what the industry has been moving toward for many years — focusing on the care and clinical outcomes of higher acuity patients is where we wanted to be headed, and I would argue we are further along than we ever expected to be.

Unfortunately, there are other changes on the horizon, not related to — but impacted by — COVID-19. This includes, of course, CMS's decision to move forward with steep cuts to reimbursement for services in post-acute settings, including an estimated 9% cut to physical and occupational therapy and a 6% cut to speech language pathology services. This cut, as part of the 2021 Physician Fee Schedule, raises major concerns related to access to services for Medicare beneficiaries and will no doubt negatively impact the ability for providers to operate effectively.

**Schram:** That said, if the past couple of years have taught us anything, it is that therapy providers are not only innovative, but resilient. We know how to adapt to change, both expected and unexpected, because all of us, at the end of the day, have made promises to the people we serve, and we are all very committed to keeping those promises. No matter the final result, this will be a major challenge in 2021, but what I know for sure is that our commitment to quality care is unwavering, and in that, we will persevere.