

## Senate Testimony on Nursing Homes

Good Afternoon, Honorable Members of the Joint Budget committee on Health:

Thank you for the opportunity to appear before you today and present some ideas for your consideration as you develop your budget.

To begin, I would like to associate myself with the comments that have been submitted by my friend Stephen Hanse of NYSHFA. We support the Governor's budget proposal as it relates to long term care facilities.

By recognizing Governor Hochul's efforts to reverse the historic disinvestment by NYS in the LTC industry, we ask for your support in continuing to rebuild Long Term care.

The Long Term Care industry has suffered through the most difficult experience of its history. For residents, staff administrators and ownership, never have they faced more loss and sorry. There are different opinions as to how to bring the industry back but there is consensus on two points: with the growing population of adults over the age of seventy it is essential that the Long Term Care industry rebound and the only way to do that is to improve the availability, support and development of staffing. On this, we all agree.

The state is facing its greatest shortage of health care workers in history, all while our population continues to age. New York nursing homes have a turnover rate of 94%, with most staff opting to work in retail in positions that have traditionally paid far less. Meanwhile, facilities across the state are holding their collective breath each week, praying they'll have enough staff to provide care. This is particularly the case on the weekends, when ensuring adequate staffing has become the greatest challenge to overcome.

Across all industries, but within the long-term care industry in particular, costs have increased, capital costs have risen, and product costs, especially for Personal Protect Equipment, have skyrocketed. Despite this, Medicaid rates have remained stagnant. In the absence of a modified trend factor that accounts for rising costs, as well as a 1.5% reduction to Medicaid reimbursement rates in March of 2020. This has provided a real disincentive to join this industry. The erosion of the starting wage of a Certified Nurse Assistant in comparison with the rise in the minimum wage, non nursing home employment has never been more attractive. For example, Amazon is advertising its beginning hourly wage of \$29 an hour, putting more pressure on other employers in tight labor markets. Just four years ago, the giant retailer increased its starting wage to \$15 an hour.

This situation creates a disincentive for joining a long term congregate care facility. Combine this with the changing nature of the workforce and you have the most difficult employment environment ever.

Last year, after the several laws were passed which will impact the economics of the industry, and against a fourteen year drought of Medicaid increases, and prior to the release of the Governor's Budget Proposal, a Labor and Management came together to finalize a Collective Bargaining Agreement that impacts 230 nursing homes in the metro area. These negotiations solidified the largest increase in pay for LTC staff in over 20 years, resulting in a 3.5% wage increase and \$1,500 bonus for all employees. However, the union funds do not have the applicants needed to assist

facilities with crisis staffing needs.

This is not an all-encompassing solution to the staffing crisis that has long plagued the LTC industry. The recovery of staff within the LTC industry has no quick fix. It will take time. While the Governor's Budget Proposals and CBA are steps in the right direction that increase the rate of pay for Long Term Care workers, there are other essential needs.

Workers need to be given educational support to go to school with tuition assistance and then graduate and work in the industry. The Governor has proposed what I call a "Peace Corp for Healthcare Workers" which provides tuition assistance in return for a commitment to work within the industry for a period of time. We support this initiative and ask that it be expanded to include Licensed Nurse Practitioners.

In addition, there must be opportunities for advancement. Long Term Care has lacked the opportunity for advancement and as a result, many workers feel that the industry is a dead end for opportunity. One way to change this is to provide an interim step between a CNA and an LPN, in the form of a Medical Technician position. A person within this job title would be able to administer prescription drugs as an interim step to becoming an LPN. This change will also stretch the staff resources available per shift in a home.

Lastly, I want to address a subject based upon my work in the field of emergency management.

As I wrote in yesterday's Newsday, this pandemic must be studied. Many mistakes were made but also many good things have come out of our experience. This should either be rejected or institutionalized, but that cannot happen without a robust study of all facets of our healthcare network.

One idea would be to develop a much more sensitive "syndrome surveillance" model for nursing homes. The first signs of a contagious disease may not be in an emergency room of a hospital but rather on the floor of a Long Term Care Facility. With the capabilities of Machine Learning and Artificial Intelligence, signs of community spread could be recognized earlier, and if paired with an experienced and practiced systemic response, could save lives.

We must continue our efforts to fortify our State's LTC industry and protect our most vulnerable, and ensure we are better equipped to combat the next pandemic.

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