

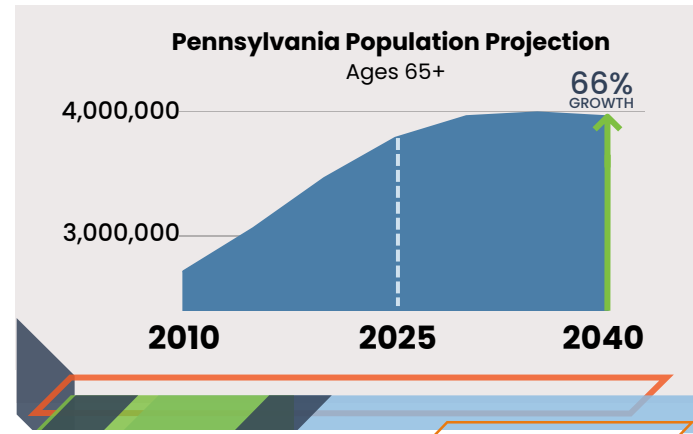
THE RETURN ON INVESTMENT: PRIORITIZING LONG-TERM CARE

The COVID-19 pandemic exacerbated challenges in long-term care, while creating new ones. At the center of these challenges remains state payment limitations that ultimately impact the access and sustainability of resident care. With funding support, providers continue to deliver a return on the state's investment.

Medicaid Means More

More than 70% of all nursing home care is paid for by Medicaid — a payor source that has increased in reliance by nearly five percent since 2017. Despite a historic investment in Medicaid by the General Assembly in the 2022-23 state budget, nursing home providers require an additional investment in reimbursement this year to fully implement new state minimum staffing requirements.

The state's population is rapidly aging and the result will be a need for more nursing care and a greater reliance on Medicaid to pay for care. To ensure sustainability in care for seniors and adults with disabilities, Pennsylvania must continue to invest in the cost of care, especially if providers are to meet state regulated staffing ratios.



Providers Committed to More

Pennsylvania nursing home providers committed to a requirement in the 2022-23 state budget that demands 70% of all facility costs will be either resident care or other resident-related costs.

Providers also committed to a new state regulation that implements staffing ratios and raises the minimum direct care hours per resident per day from 2.7 to 3.2 HPRD. **The state committed to funding this regulation.**

CNA : Resident Ratio

	Shift 1	Shift 2	Shift 3
2023	1:12	1:12	1:20
2024	1:10	1:11	1:15

LPN : Resident Ratio

	Shift 1	Shift 2	Shift 3
2023	1:25	1:30	1:40
2024	1:25	1:30	1:40



% OF YEAR OVER YEAR COST INCREASES (2019–2021)

MEDICAL SUPPLIES

19%

LABORATORY & X-RAY

15%

Activities

6%

DIETARY & FOODS

5%

INFRASTRUCTURE
MAINTENANCE

8%

HOUSEKEEPING

15%

HOW TO INVEST IN LONG-TERM CARE SUSTAINABILITY



Workforce Recruitment

\$57 MILLION

Access to long-term care in Pennsylvania is limited because of a lack of workforce. Without increased funding to meet the state's increased staffing requirement, access to care will only get worse. PHCA's budget proposal supports the recruitment and hiring of additional frontline caregivers to meet new state regulations.



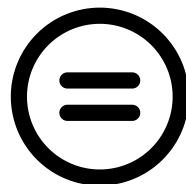
Infrastructure Investment

\$42 MILLION

Costs to meet care needs continue to climb including: food, utilities, technology, plant maintenance, structural renovations and medical supplies. PHCA's budget proposal will help providers match cost inflation and invest to advance long-term care.

The cost to carry for nursing
care is an additional

**\$12.50
PER DAY**
per resident



Nursing homes need a

**\$99.1
MILLION**

Medicaid investment
to enhance care