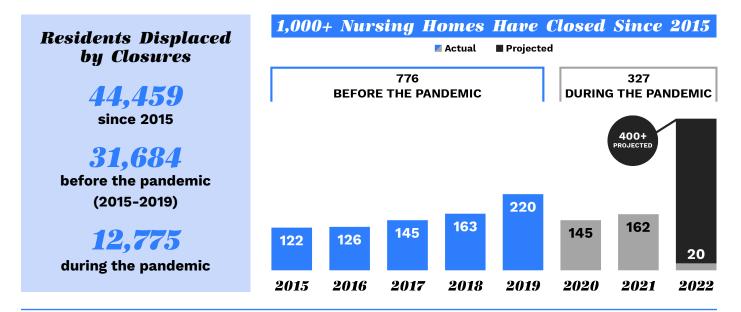


# Nursing Home Closures: By the Numbers



### **Facility Characteristics**

Nursing homes that close tend to be smaller facilities (less than 100 beds) in urban settings where the majority of residents rely on Medicaid. During the pandemic, nearly half of nursing homes that closed received 4- or 5-Star ratings from the Centers for Medicare and Medicaid Services (CMS) and an increasing proportion were not-for-profit.

|   | <i>Before COVID</i><br>(2015-2019) | <i>During COVID</i> (2020-present) |
|---|------------------------------------|------------------------------------|
| Average size (beds)                       | 72                                 | 77                                 |
| Average Medicaid occupancy                | 62%                                | 60%                                |
| Average operating margin                  | -12%                               | -12%                               |
| % Urban                                   | 66%                                | 73%                                |
| % Rural                                   | 34%                                | 27%                                |
| Five-Star Facility Ratings: 4 and 5 Stars | 43%                                | <b>46%</b>                         |
| Not-for-Profit                            | 25%                                | <b>29</b> %                        |

Sources: Centers for Medicare and Medicaid Services, Survey & Certification's Quality, Certification and Oversight Reports (QCOR) CLA "State of the Skilled Nursing Industry 2022"

#### **Projections**

Nursing homes are struggling to recover from the pandemic and address a historic workforce crisis. Maintaining the status quo means hundreds of nursing homes could soon close.

## **Potential Closures**

**400**<sup>+</sup> nursing homes

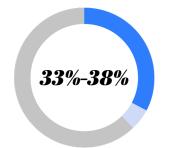
# Industry-Wide 2022 Financial Metrics (median)



#### **Cuts to Nursing Homes Threaten Additional Closures**

Despite these current challenges, federal policymakers are considering potential cuts to nursing homes in 2022 such as a reduction to Medicare payments and by ending the public health emergency (PHE), which offers enhanced Medicaid funding. These cuts would further exacerbate the economic crisis, putting more than one-third of nursing homes at financial risk.

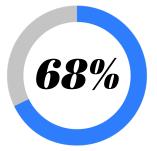
#### If Medicare is cut by 5% and Medicaid PHE funding ends in 2022:



of nursing homes would be considered at financial risk



of residents **(as many as 417,000 residents)** would be living in nursing homes considered at financial risk



of U.S. counties would be home to nursing homes considered at financial risk

# **Bottom line:**

Nursing home closures are devastating to residents, families, staff, and the entire health care system. Long term care needs a meaningful investment by our nation's policymakers so seniors can access the care they need.

Learn more: <u>SaveOurSeniors.org/closures</u>