



SURVEY:

**Nursing Homes Incurring Significant Costs and
Financial Hardship in Response to COVID-19**

August 8-10, 2020

EXECUTIVE SUMMARY: SURVEY OF U.S. NURSING HOMES

U.S. NURSING HOMES FACING FINANCIAL CRISIS

55% operating at a loss

89% operating a profit margin of 3% or less

Nearly 60% of funding for nursing homes comes from Medicaid, which only covers 70 to 80% of the actual cost of care

72% said they won't be able to sustain operations another year at the current pace
40% said less than six months

COVID-19 RESPONSE HAS SIGNIFICANTLY INCREASED COSTS WITH SHARP DROP IN REVENUE

PPE supplies (90%), additional staff (46%) and staff hero pay (78%) have driven significant cost increases for nursing homes

Top costs in continued response to COVID-19 include PPE supplies (95%), staffing (78%) and testing (74%)

97% of nursing homes have lost revenue due to COVID-19

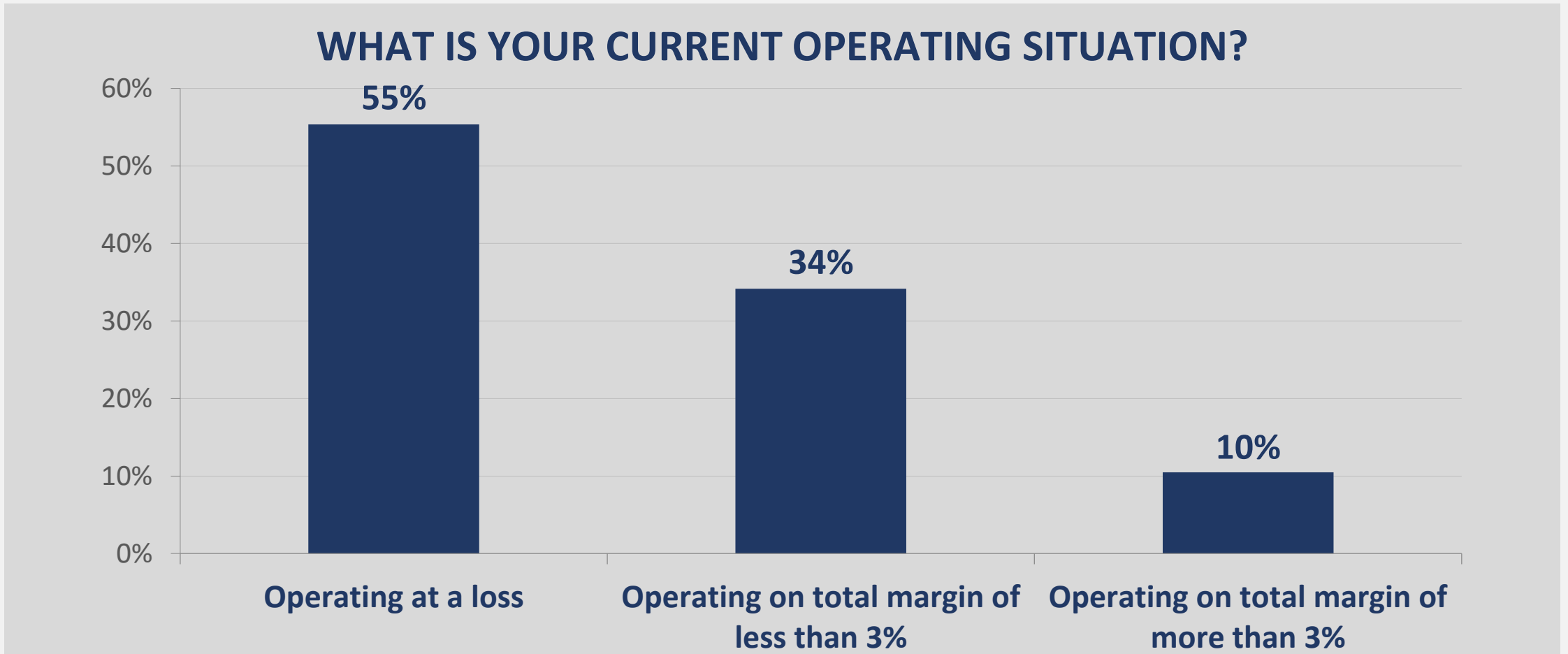
IMPORTANCE OF CONTINUED GOVERNMENT SUPPORT

96% have received some government funding (82% federal, 52% state)

Nearly 60% will experience significant problems with increased costs and lost revenue when government funding ends

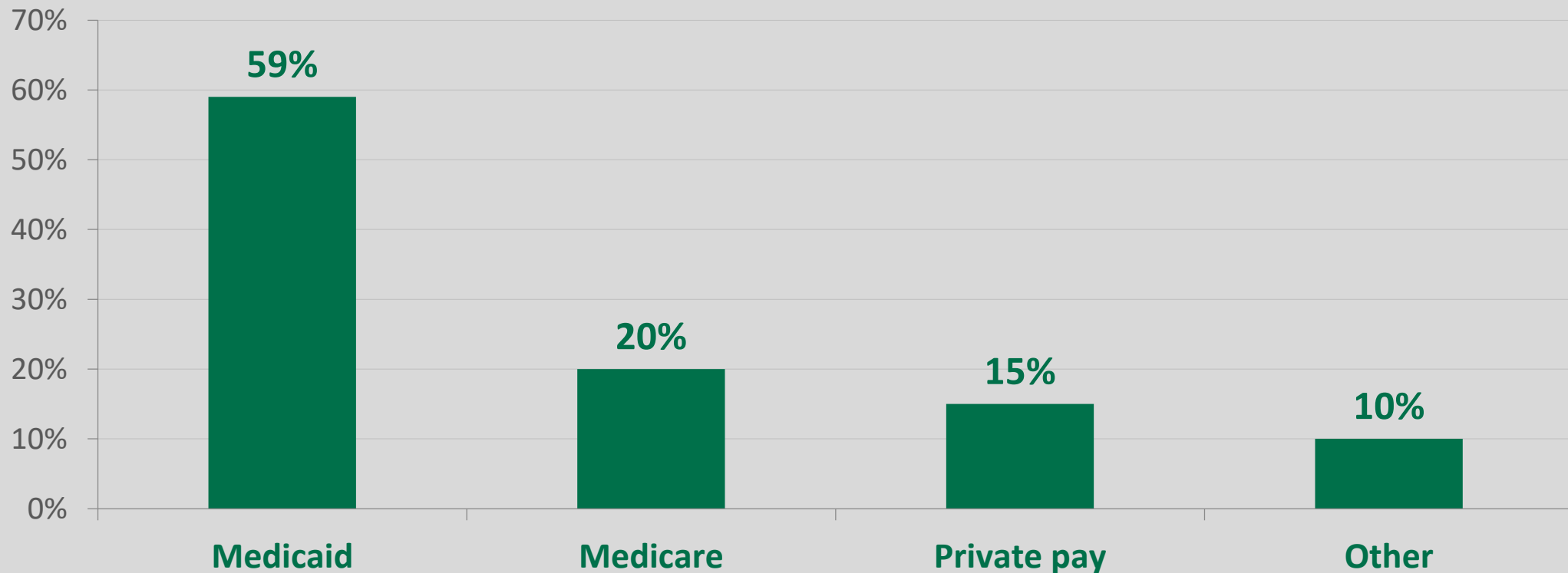
93% said government funding is very important to helping with COVID-related costs and losses

More than half (55%) of nursing homes are operating at a loss; 89% operating a profit margin of 3% or less.



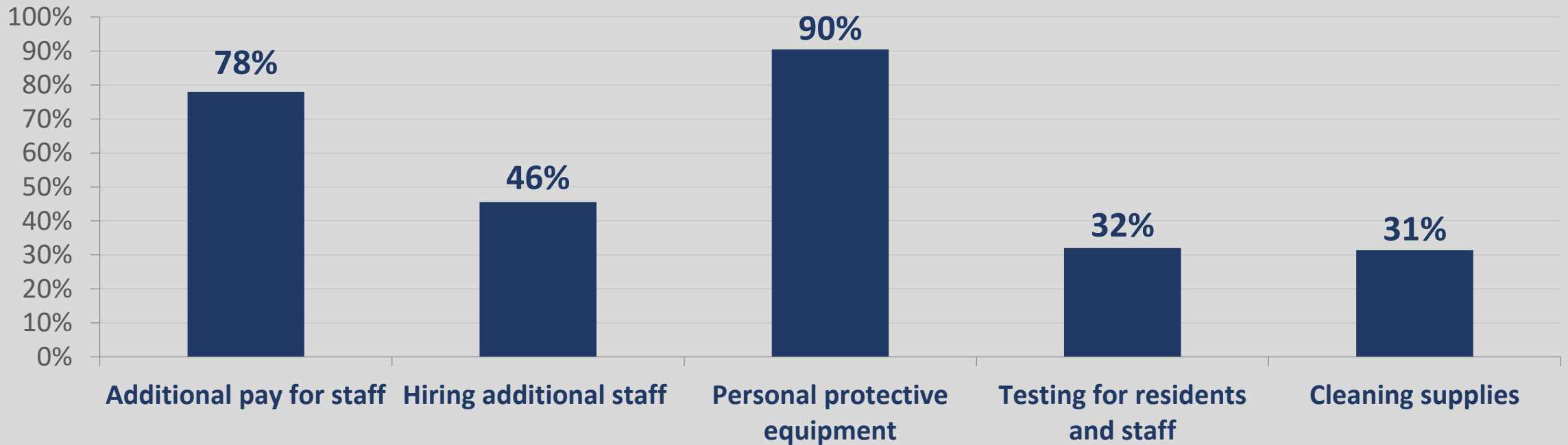
Nearly 60% of funding for nursing homes comes from Medicaid, which only covers 70 to 80% of the actual cost of care.

APPROXIMATELY WHAT PERCENTAGE OF YOUR REVENUE COMES FROM...



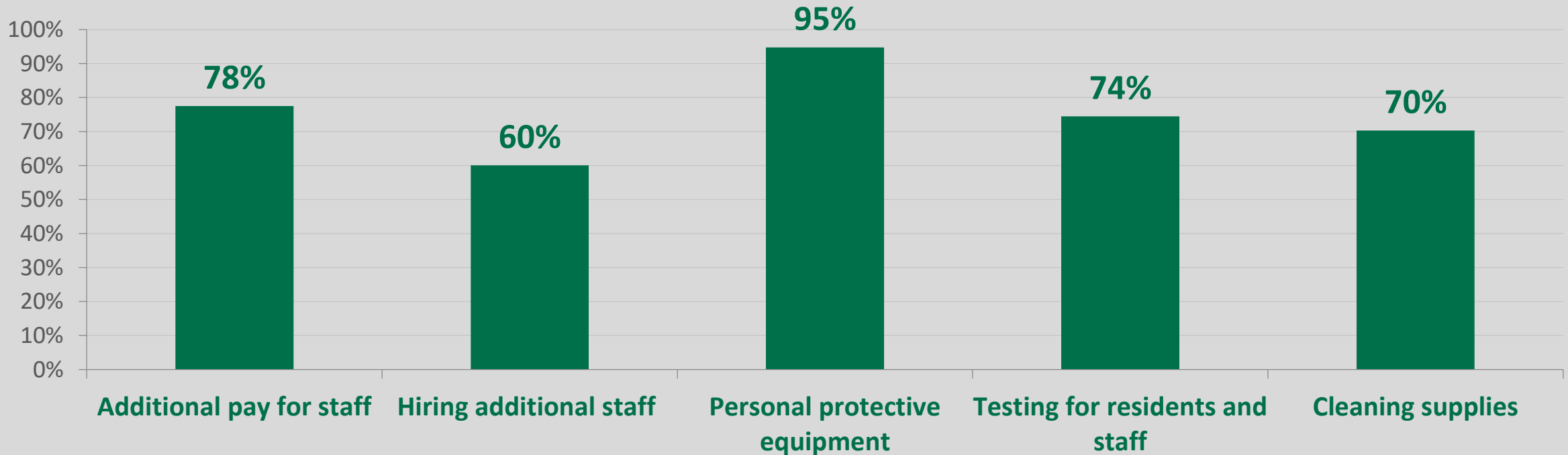
PPE supplies (90%), staff pay (78%) and additional staff (46%) are driving significant cost increases for nursing homes.

**WHAT TOP THREE COSTS HAVE YOU INCURRED DUE TO COVID-19,
WHETHER YOU'VE HAD CASES OR NOT?**

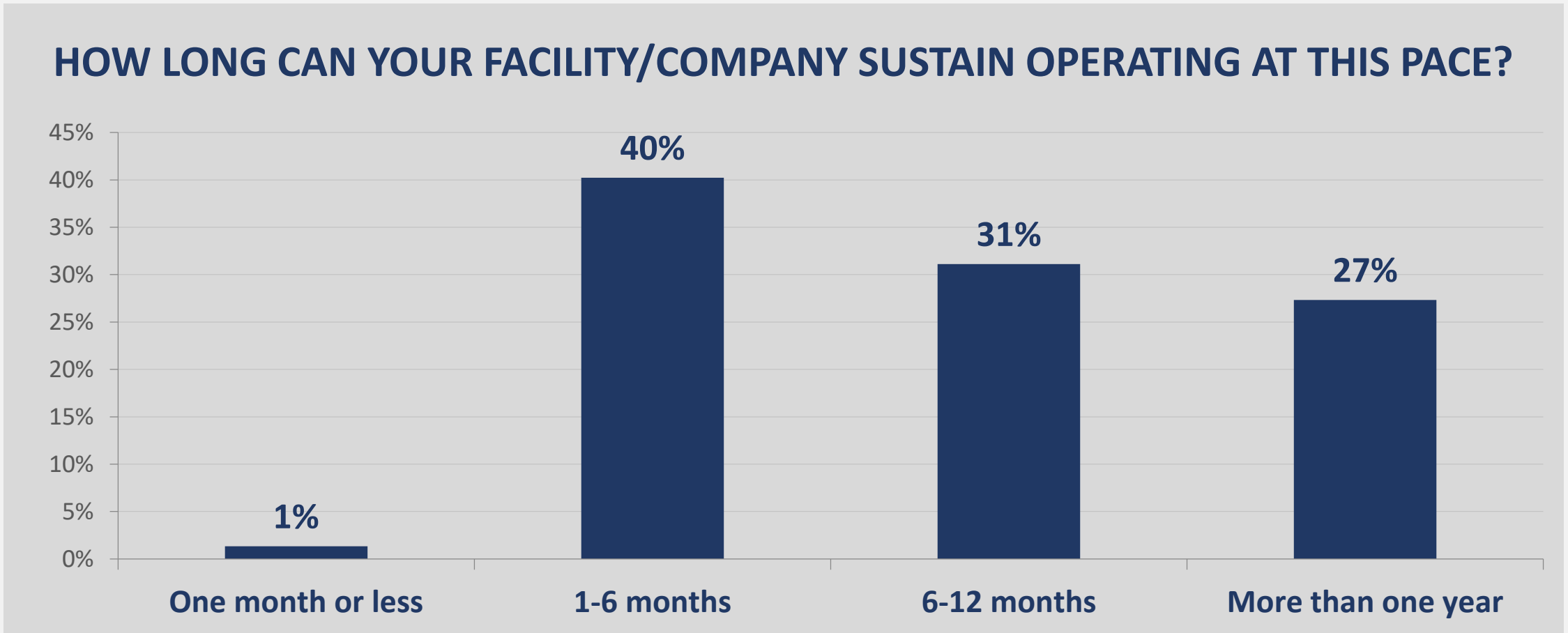


Nursing homes are expecting to continue to incur significant expenses in response to COVID, especially PPE supplies (95%), staffing (78%) and testing (74%).

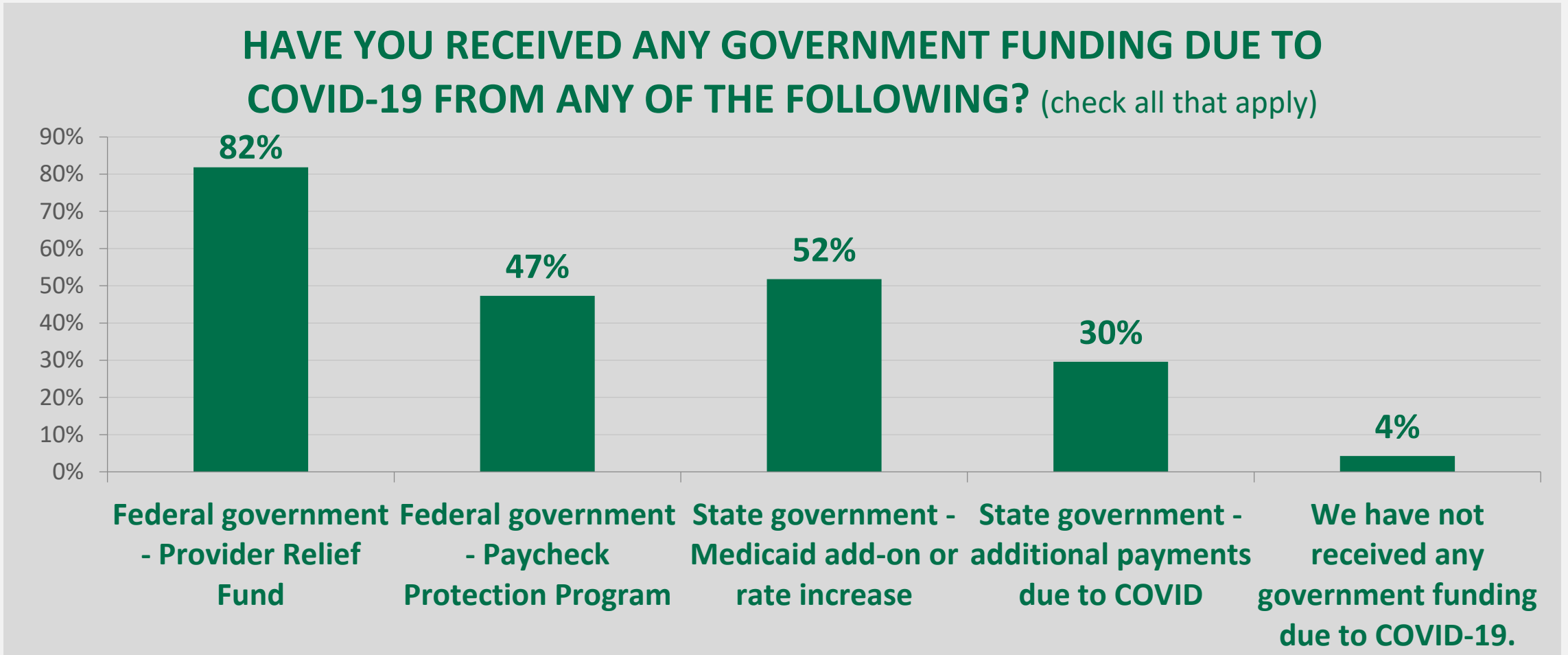
WHAT TYPES OF COSTS DO YOU EXPECT TO INCUR ON AN ONGOING BASIS (WEEKLY, MONTHLY, ETC.) UNTIL THE PANDEMIC CONCLUDES?



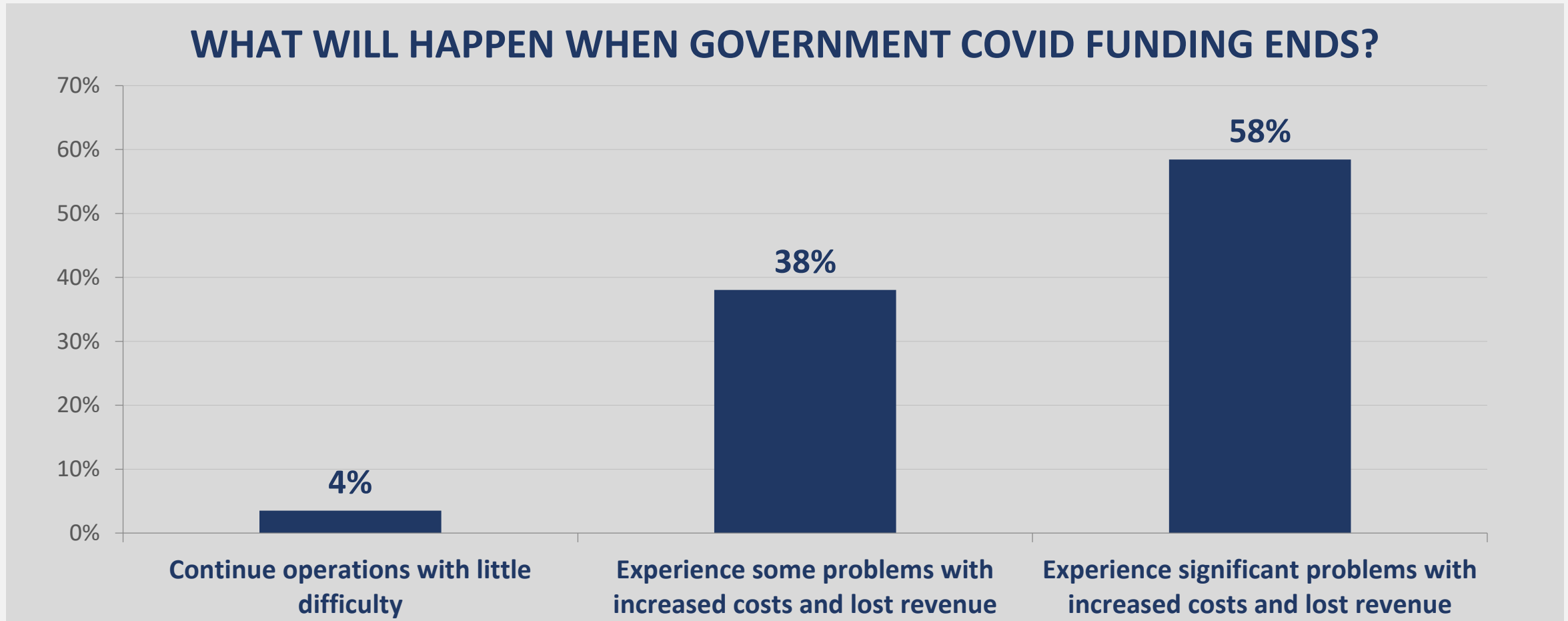
72% of nursing homes said they won't be able to sustain operations another year at the current pace of increased costs and revenue loss; 40% less than six months.



96% of nursing homes have received some government funding (82% federal, 52% state).



Nearly 60% of nursing homes said they will experience significant problems with increased costs and lost revenue when government funding ends.



93% of nursing homes said government funding is extremely or very important to helping with COVID-related costs and losses.

HOW IMPORTANT IS GOVERNMENT FUNDING INTENDED TO HELP WITH COVID-RELATED COSTS AND LOSSES FOR YOUR FACILITY/COMPANY?

