

FACTS ABOUT COVID-19, OLDER AMERICANS AND THEIR CARE: DEATH RATE, TESTING, PPE, COSTS

(10/07/2020)

COVID Deaths and Infections Among Older Americans

- 1 in 6 Americans are <u>aged 65 or older</u>. That's 52 million people—more than 16% of the population.
- 80% of all COVID-19 deaths are among people 65 and older—a death rate at least <u>90</u> times higher than for 18-29 year olds.
- More than 153,000 COVID-19 deaths were among people 65 and older <u>as of September</u>
 30.
- More than 238,000 nursing home residents have been diagnosed with COVID-19, and more than 57,000 have died.

COVID and Nonprofit Aging Services Care Providers

- LeadingAge represents 5,000 nonprofit aging services providers, including <u>nursing</u> homes, assisted living and affordable housing communities across the U.S.
- Aging services providers have struggled to obtain adequate and consistent access to testing, PPE or staffing, and the federal government has failed to provide sufficient resources needed to safeguard older Americans and their care providers during this pandemic.
- The costs incurred by care providers for older adults have been astronomical and unsustainable, with some already shuttering.

Testing: Inadequate Plan/Resources

The federal government has not yet provided adequate levels of desperately needed resources to enable the regular, ongoing testing of older adults and care workers in all aging services settings.

Testing Needs Among Older Adults & Care Providers

 More than 8.3 million older adults use long term services and supports, served by more than 3.5 million care provider staff. Aging services providers need ongoing access to accurate rapid-results testing, including antigen and PCR tests, delivered as part of a national testing strategy, and the resources to pay for tests and ongoing testing. They are sometimes forced to navigate multiple mandates on testing—federal, state, and local—which can result in confusion and duplicative efforts.

Situation on Test Availability

The Administration has provided some testing resources to some, but not all, aging services providers.

- BD or Quidel antigen testing machines are being sent to 14,000 certified nursing homes.
 - But only 1-2 weeks of testing supplies were sent for use with the delivered antigen machines.
- 150 million Abbott BinaxNOW one-time use tests are to be distributed; 49 million are designated for aging services providers.
 - Nursing homes will get only 18 million of these. For a nursing home with 300 staff that test twice a week, their allotment would only last 1-2 weeks.
 - Assisted living providers will get only 15 million.
 - The White House says it is also providing 2.2 million BinaxNOW tests to 7,600 nursing homes, almost 1 million tests to assisted living facilities, and more than 257,000 to hospice organizations; [10/1 WH Email]

Situation on Testing Costs

Aging services providers must locate other testing supplies and pay for them out of their own pockets.

- Expenses for antigen testing in a 150-bed nursing home can range from \$3,750-\$15,000 per week, depending on staffing levels and community COVID-19 rates. With no end to the pandemic in sight, these costs—for tests alone—are unsustainable.
- PCR tests cost \$100-\$200—and a one-time PCR test for every staff and resident in nursing homes and assisted living alone would cost \$672 million.
- Additional antigen test kits from BD or Quidel, which cost \$20-25 each, must be purchased from the manufacturer (resupplies were not available for weeks, though the companies say they are available now).
- Additional Abbott BinaxNOW tests must be purchased for \$5/test from the manufacturer, though inventory may not be available.
- Providers must also pay for test supplies, shipping PCR test samples to labs for processing, and hiring or reallocating and training staff to perform the tests, as well as the PPE that must be used while administering the tests.
- Providers must comply with costly <u>state</u> and federal testing regimens.

PPE SHORTAGES AND COSTS

Aging services providers have been left largely on their own to acquire the large quantities of all types of PPE required to keep care workers and the older adults they serve safe and healthy.

Situation on PPE Availability

- Many providers have managed to stockpile limited amounts of PPE, but it is not clear how long they will last in the face of rising infection rates and long-term needs.
- Across the country there have been <u>rolling shortages</u> of <u>various types of PPE</u> (the FDA began creating <u>lists of shortages</u>) that escalate prices. "There's very much a 'Groundhog Day' feel to all of this,' says Professor David Grabowski.

 Wrote <u>two U.S. Senators</u> to Vice President Pence: "Your rosy assessments fly in the face of Centers for Medicare & Medicaid Services data collected weekly from over 15,000 nursing homes."

An Ineffective Initial Federal Response

- Limited PPE supplies have been provided by FEMA and HHS. The PPE distribution plan launched by FEMA started 3-4 months into the pandemic, and delivered paltry amounts of PPE, much of which was unusable. For example, FEMA provided just *two weeks* worth of PPE, potentially allowing COVID-19 to proliferate in senior care settings.
- Much of the HHS-provided PPE was <u>expired</u>, defective, or otherwise <u>useless</u>. Some masks were even labeled "Do not use with COVID patients."
- Five full months into the pandemic, the newspaper Roll Call <u>reported</u> a "national shortage" of "critical personal protective equipment such as surgical gowns and masks."
- In late summer, one in five nursing homes reported "severe shortages" of staffing and PPE.
- Some care workers resorted to wearing trash bags for protection; one nursing home relied on someone known as "Parking Lot Guy" for desperately needed PPE.

Situation on PPE Costs

- Some aging services providers say they are spending <u>a year's worth of their PPE budget</u> in one month alone. This is not sustainable.
- A leading supplier estimates PPE products are now <u>4-8 times more expensive</u> than before COVID-19, especially gowns and masks.
- A study by LeadingAge Washington showed the kinds of <u>PPE cost increases that nursing homes have had to absorb</u>: 24%-37% for gloves, 190% for eye protection, 285% for surgical masks and 386% for gowns.
- Noted the director of LeadingAge Oklahoma: "Providers' PPE costs alone have amounted to more spent in one month than in an entire year pre-COVID-19. For a facility with 100 staff, test kits alone would be approximately \$15,000 per month, not to mention the staff time to test, record, and report results. Many providers are now concerned about their financial viability. The lives of these residents will be compromised if we don't have adequate funding."
- Affordable housing providers, covered under the CARES Act, are just beginning to receive funds, several months after enactment.

Workforce Crisis

Situation on Staffing

- By the middle of the year 1 in 5 nursing homes reported staff shortages.
- <u>In July</u>, an Arizona LeadingAge executive noted: "Every one of our members is short on staffing. Many staff are working 70-plus hours a week."
- In August, an Indiana nursing home CEO reported that pandemic pay for staff was costing as much as \$45,000 extra a month.

- In September, an Iowa nursing home CEO said, "the burden is a daily constant, and we
 are losing good people due to the pressure of COVID. The mental and physical fatigue
 of our care workers and organization will challenge our ability to effectively fight the virus
 and without additional significant funding for our employees, testing, and PPE. Without
 more federal funding it's not sustainable."
- As COVID-19 has ravaged nursing homes, it has also made working in these facilities the most dangerous job in America.

Financial Crisis for Providers

While some CARES Act funds have been distributed to aging services providers, much has not been—and the total doesn't come close to covering the growing cost of testing, PPE, staffing, cleaning and other expenses. This comes in a year when many providers' revenues have fallen substantially due to the virus.

Situation on Nursing Home and Closures

- <u>Providers across the country</u> are reporting operating losses of several hundred thousand dollars a month or more, even as infection rates rise in nursing homes and many states mandate expensive testing regimens without financial support.
- The pandemic has triggered revenue losses of <u>up to 23%</u> in nursing homes, and nursing homes have begun to close.
- Almost ¾ of nursing homes (72%) reported they will be unable to maintain operations for another year at this rate—and 40% said they would last less than six months.

Nursing Homes Struggling to Stay Afloat

- As nursing homes face insurmountable financial losses due to the pandemic, some are having to make the difficult decision to close, including LeadingAge member <u>Estes Park</u> <u>Health Living Center</u>.
- Noted a Texas nursing home CEO: "We are trying to figure out how to continue the services we've been providing since the 1960s, but we can't do it and sustain the ministry of our organization without additional funding support. Our best case scenario is that we have about 20 weeks of funding for required testing. Our worst case scenario is 10 weeks."
- The <u>head of LeadingAge Florida added</u>: "If the coronavirus were a hurricane, it would be a Category-5. As revenues decline and costs continue to soar, long-term care providers will be in a perilous financial position. Because of the increased costs of staffing, PPE and testing, our members' operating losses range from \$100,000 to \$3 million a month. That path is unsustainable."
- <u>Said the President of LeadingAge Texas:</u> "Every one of our members has concerns about their financial future, because the costs are unsustainable. We're concerned some of our providers will be forced to close their doors."

About LeadingAge: We represent more than 5,000 aging-focused organizations that touch millions of lives every day. Alongside our members and 38 state partners, we address critical issues by blending applied research, advocacy, education, and community-building. We bring

together the most inventive minds in our field to support older adults as they age wherever they call home. We make America a better place to grow old. For more information: www.leadingage.org.