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June 23, 2022

Independent Regulatory Review Commission
333 Market Street, 14th Floor
Harrisburg, PA 17011

Dear Commission Members:

I am honored to serve as a Nursing Home Administrator at Bethany Village, an Asbury Community, which has provided quality nursing care to seniors for nearly 60 years. Located in Mechanicsburg, Bethany Village is dedicated to quality services across the spectrum of residential and care settings as a non-profit, Continuing Care Retirement Community (CCRC).

In exploring the proposal before you, I was struck by the poor timing of this "labor leap", and I encourage each of you to please heavily weigh the current nursing and caregiver shortage that is very real to all nursing home operators. Please strongly consider either delaying implementation of section 211.12(f.1)(5); lowering the lofty goal of 4.1 in lieu of a staged approach starting at 3.0 with further study at each step; or, settle somewhere in the middle between 2.7 and 4.1. It is my opinion that efforts to leap to this new benchmark, while noble, are simply out of touch with reality and will "upset the apple cart", putting PA nursing homes at a distinct disadvantage to those in our neighboring states with reasonable ratios averaging 3.0. Further scarcity of caring professionals driven by the proposal will have the opposite effect on quality than intended, and could ultimately lead to a shortage of nursing home beds.

While Bethany Village has been fortunate to traditionally provide an NHPPD ratio well above 2.7, maintaining our standard has recently been even more difficult due to the nursing and caregiver shortage, and has placed a tremendous strain on our financial resources. We entered the pandemic being short 7 FTEs of Certified Nursing Assistants, and now find ourselves routinely replacing 12 FTEs with agency CNAs. What is the reason behind the shortage for us? An aging workforce has meant many well-deserved retirements; an aggressive hospital competition in our area has meant the pull of CNAs and nurses for higher wages and opportunities to travel; and COVID fatigue and fears have translated into fewer new entrants to the caring professions. Thank goodness for those wonderful traveling CNAs and nurses we have met throughout this experience who have come to us from all over the country, including Alabama, Mississippi, Michigan, even California. Unfortunately, the cost of this new paradigm means Bethany Village is already on track to spend an additional \$1M this year. Where will the additional nurses, CNAs, and the associated labor and benefit expenses come from when PA nursing homes must meet the requirements of this proposal?

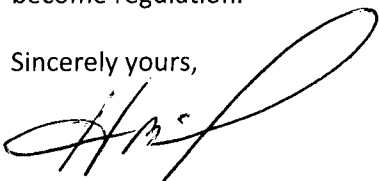
When you consider the information shared in the supporting documents you have been provided, you see the labor leap is simply out of touch with the current reality in healthcare. Where will the state's nursing homes find an additional **2,374 RNs, 6,000 CNAs**, (and 91 Social Workers)? Each home on average will face an additional \$1M in labor expenses – but remember that due to the shortage of nurses and caregivers many homes have had to resort to agency use already; and so this estimate is **on top of labor that is already more expensive** (agency) and does not take into consideration the increased value of each worker, whether nurse or CNA, due to the shortage. In reality, the forecasted costs provided will be doubled when more homes have to source from and pay agency rates. As scarcity increases with the proposal and we battle with each other to find and retain qualified and quality-minded nurses and caregivers there will be fewer caregivers to go around. Just ask the hospitals in the Harrisburg area who are going through a similar market-driven shortage, with an increased supply of beds. For Bethany Village the cost of the proposal then translates into a \$2M increase in labor and benefit expenses.

While the department anticipates “no financial impact on the public” as a result of the proposed new staffing threshold, the cost of this aggressive stance will indeed come to the public in higher private-pay rates, a reduction of available nursing home beds when homes must reduce overhead, and quite possibly the shuttering of some homes who can no longer afford to remain open or meet the new standard. Forcing homes to employ more caregivers and nurses who are already in short supply will drive up wages to an unattainable value, and actually have the reverse effect of the intent, lowering quality overall when the shortage of caregivers worsens.

As a CCRC we have made a commitment to meeting the long-term care needs of our campus population. However, the burden of a higher staffing threshold would interrupt our ability to keep this promise, as we would struggle to find, let alone afford, the additional staff needed to gain compliance. We would need to consider downsizing our number of available beds and make other difficult decisions in order to commit additional resources to a nursing home already recognized for quality outcomes and experiences.

Thank you for your careful consideration. There are simply not enough qualified caregivers to meet the current standard, let alone what is proposed. What appears to be a noble cause is not rooted in current reality, could very well do more harm than good to an already fragile industry, and therefore should not become regulation.

Sincerely yours,



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