



The Weakest Link

Long Term Care

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WEBINAR PRESENTED BY
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What We'll Talk About

- The Current Situation
- Demographics
- Demand
- Supply
- Staffing
- Chronic Stress
- Case Managers

The American Nursing Home Is a Design Failure

By Justin Davidson

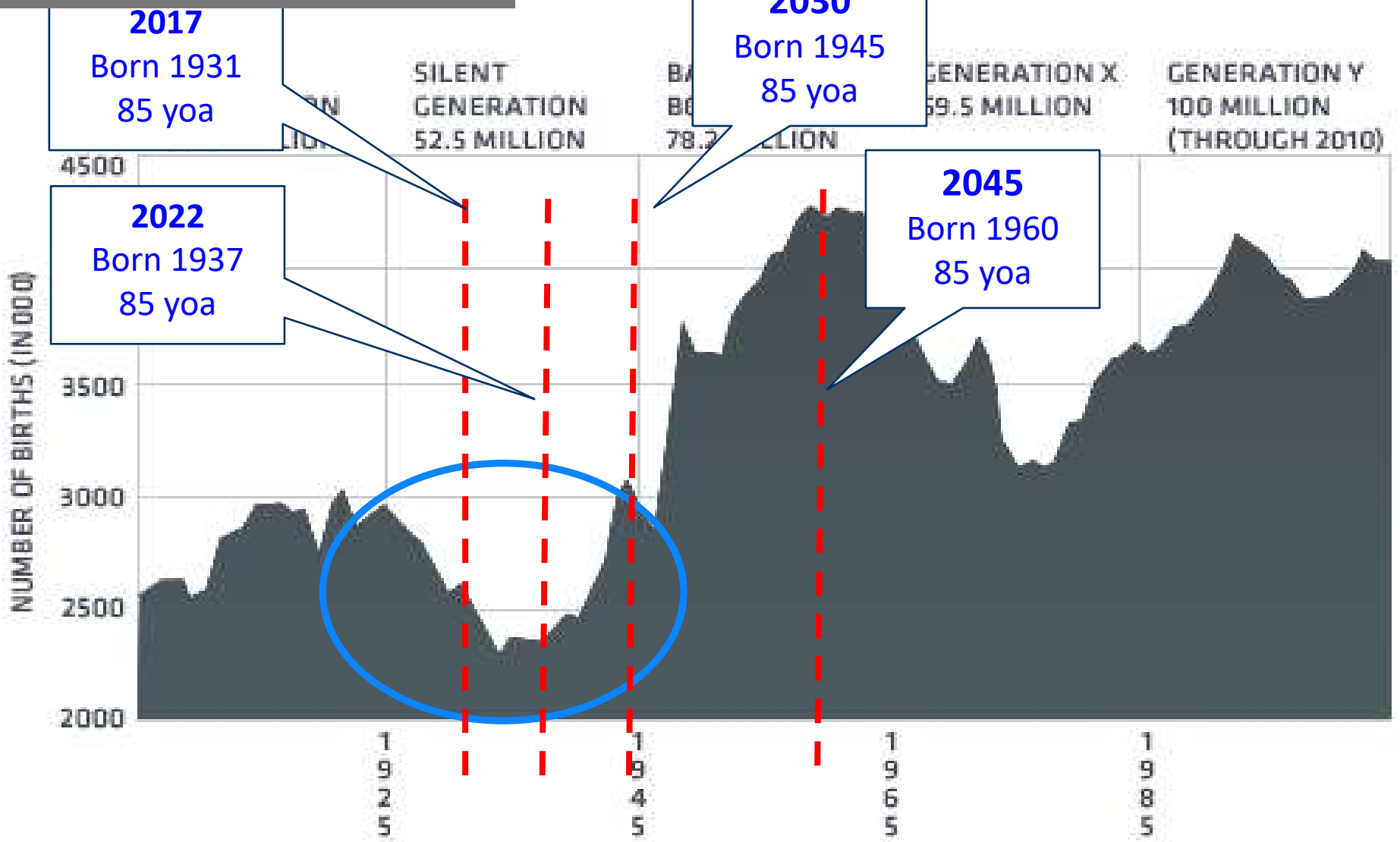




The Current Situation: Crisis

An event with an adverse impact on the organization, its customers, consumers, employees and its **BRAND**.
Salvaging the sector!

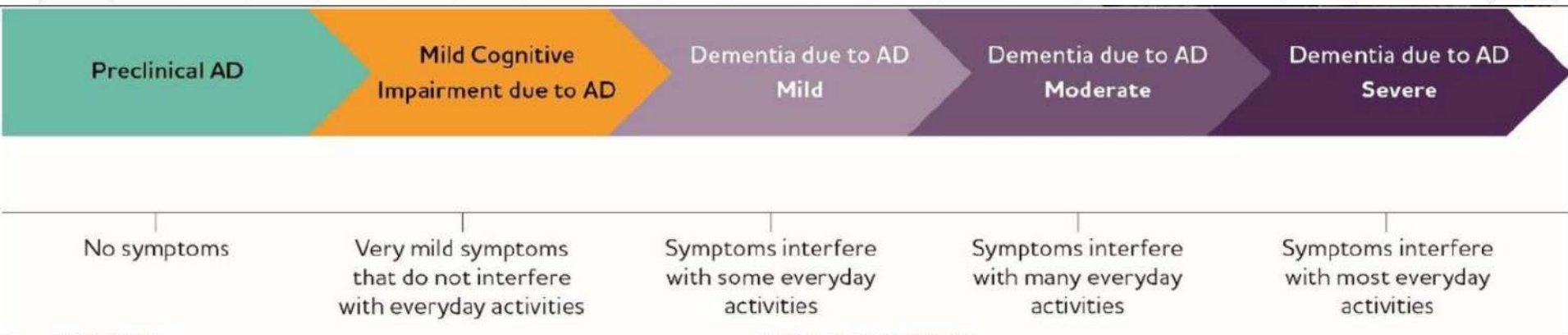
Live Births – 1910- 2010



G.I GENERATION: 1905-1924 56.6 MILLION
 SILENT GENERATION: 1925-1944 52.5 MILLION
 BABY BOOMERS: 1945-1964 78.2 MILLION
 GENERATION X: 1965-1984 69.5 MILLION

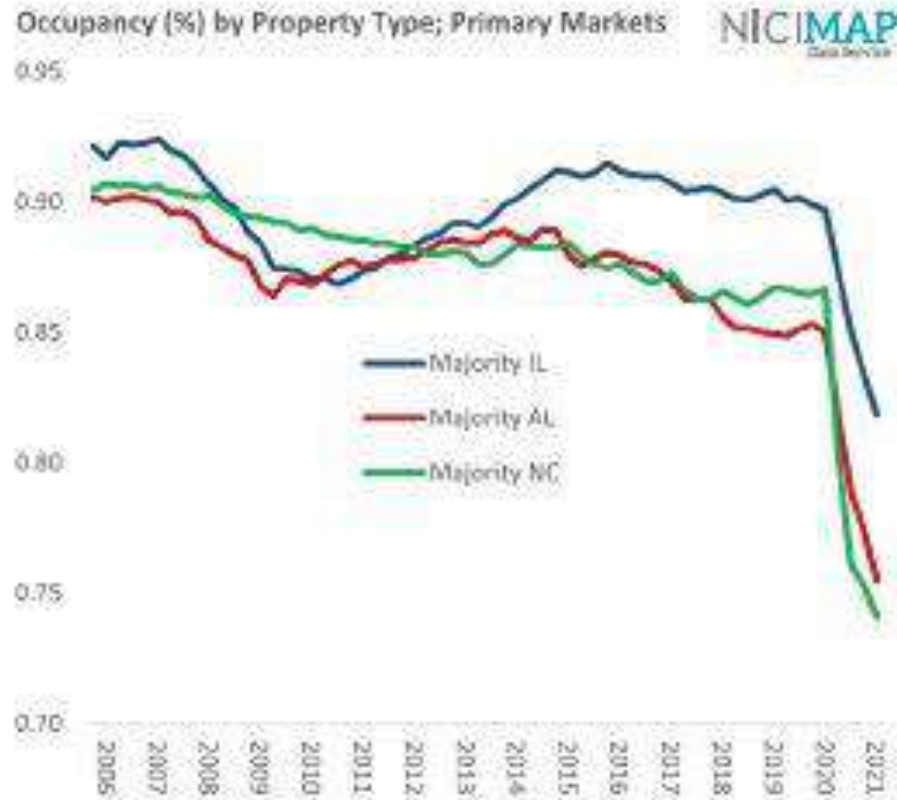
Demographics & dementia demand

- Dementia & aging
- Forms of dementia



The Markets: Congregate Housing & SNF

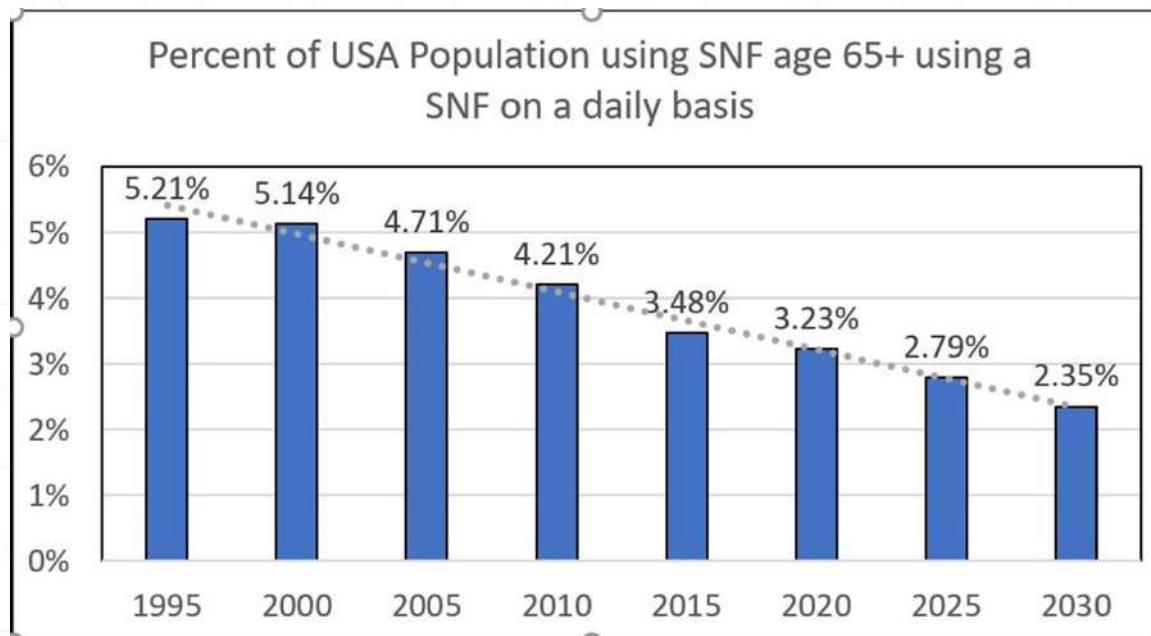
- Where are we?



The Markets: Footsteps Down the Hall

– The Trends Were Clear

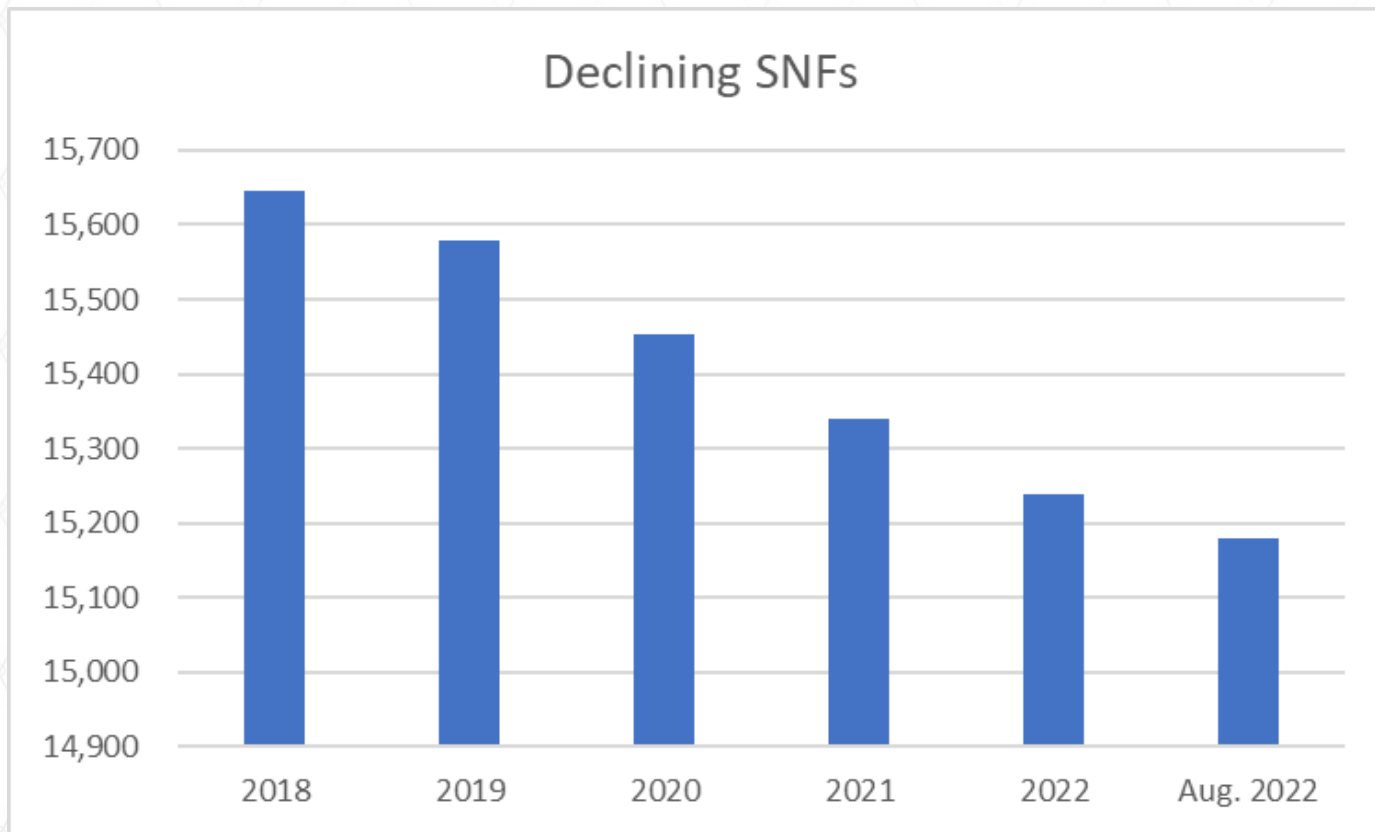
- Where are we? (Pre-COVID-19 pandemic)



Supply: Footsteps Down the Hall

– The Trends Are Still Clear

- Nursing home closures (and this is WITH stimulus \$)



Recovery – The market will recover

- What are the “durable” segments
- SNF
 - Those who have no choice
 - Poor / very sick
 - Neurological / neuromuscular disease
 - Memory loss (Alzheimer's & CIND)
- ALR
- Home Care

Recovery - Post COVID-19

- Likely Recovery Model(s)
 - Factors – Depth, Length and Shape
 - Two Scenarios – Different Markets
 - Scenario 1. Rebuilt & Recharged
 - Scenario 2. Ravaged & Relegated

Recovery Options

The American Nursing Home Is a Design Failure

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November 16, 2020

'Big, big changes' coming to nursing home regulation thanks to pandemic's destruction, Grabowski says



Lisa Berken



David Grabowski, Ph.D.

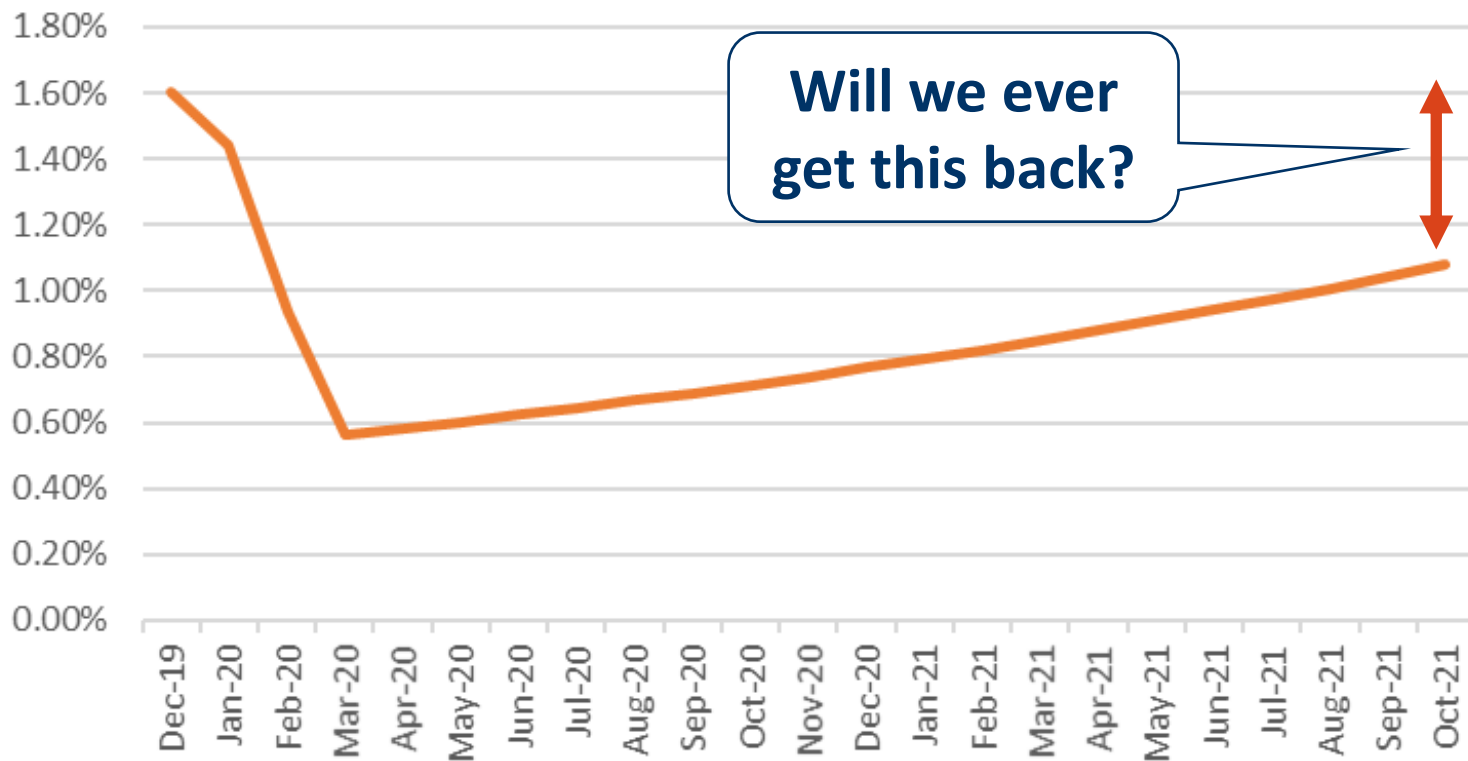
Because of the devastation COVID-19 has wrought on nursing homes, regulatory changes likely are coming, according to a highly respected long-term care researcher.

"I think we're going to see some big, big changes going forward," said David Grabowski, Ph.D., a professor of healthcare policy at Harvard Medical School. He was the opening day keynote speaker Friday for the virtual conference of the National Association for the Support of Long Term Care (NASL).

The plethora of pandemic-related problems — among them, the exorbitant number of resident and staff deaths, resident loneliness due to shutdowns, and low occupancy rates and hospital admission

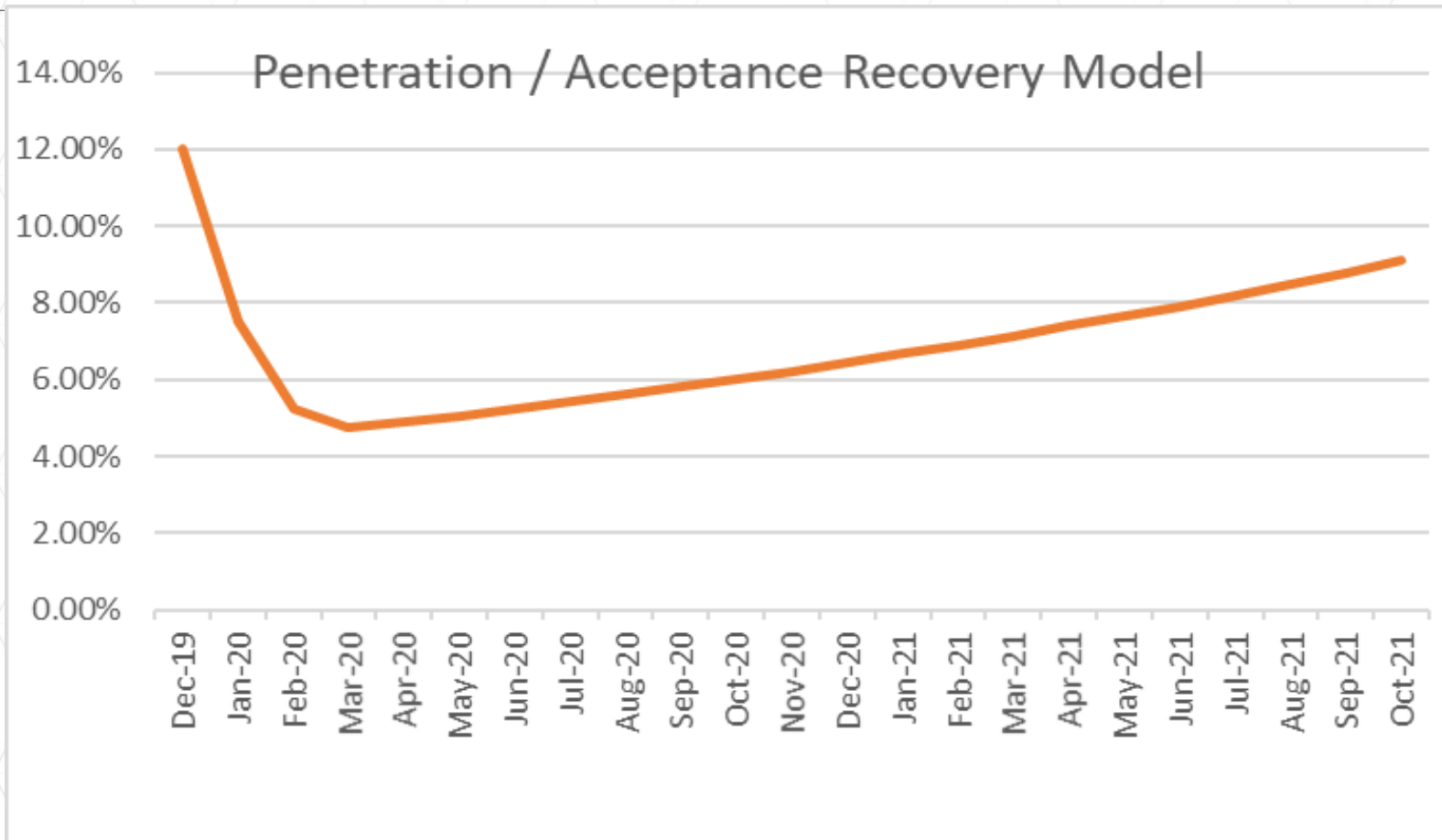
Recovery - SNF

Penetration / Acceptance Recovery Model



Will we ever get this back?

Recovery - ALR



The domains

- Structures
- Programs
- Technology & Information
- Means of Production
- Culture
- Outcomes
- Economics

Programs

- How did it get this complicated?

And if they don't know what they want or need, why aren't WE teaching them?



Programs: What do we need?



Screening / triage

Objective, evidence-based criteria



Fit the person to the **program**, not the payment

Fit the person to the program she wants
Remove perverse incentives

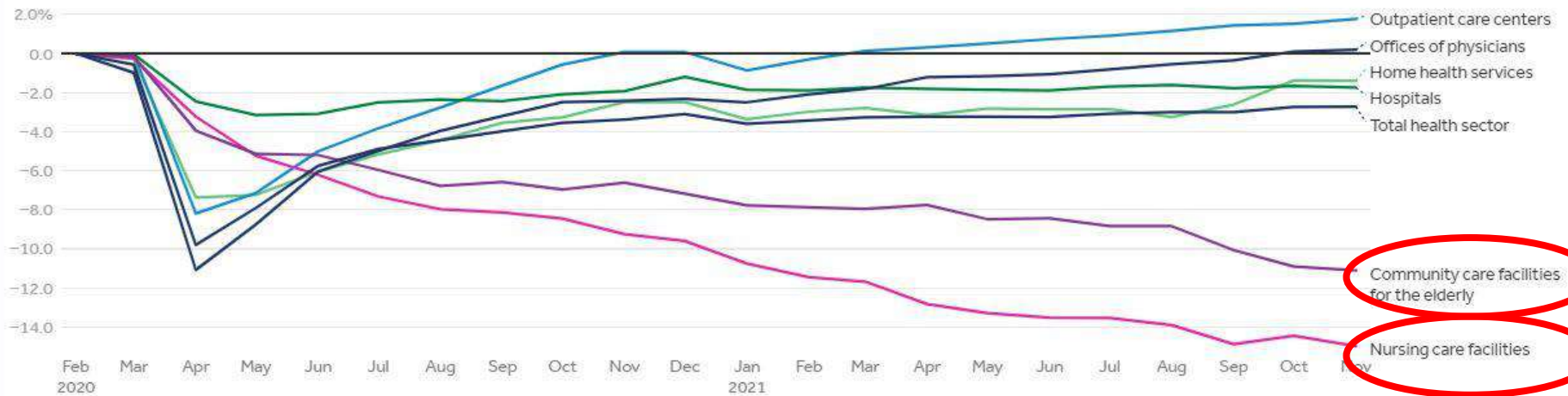


CLEAR choices

Credit-default swaps are simpler than LTC choices
("The Big Short" for LTC?)

The Staff = Means of Production

Cumulative % change in health sector employment by setting, since February 2020, seasonally adjusted



Note: Data for October and November 2021 are preliminary.

Source: Bureau of Labor Statistics Current Employment Survey (CES) • Get the data • PNG

Peterson-KFF
Health System Tracker

Chronic Stress

- Manifest in brittle behavior
- How to increase “resilience”?

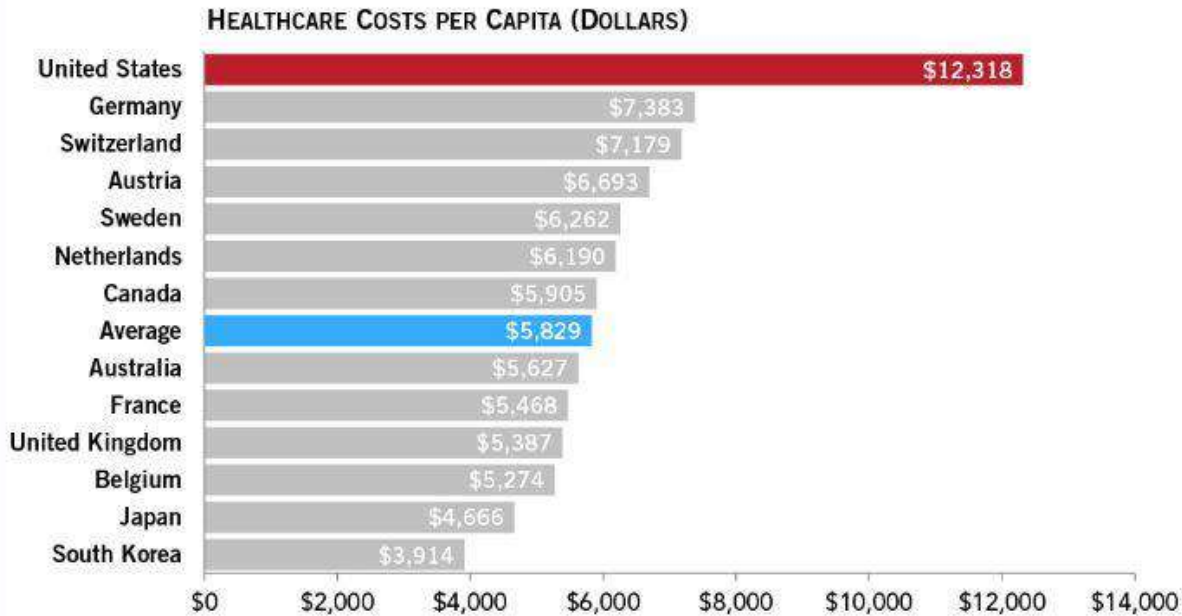


Spending on Healthcare



PETER G.
PETERSON
FOUNDATION

U.S. per capita healthcare spending is over twice the average of other wealthy countries



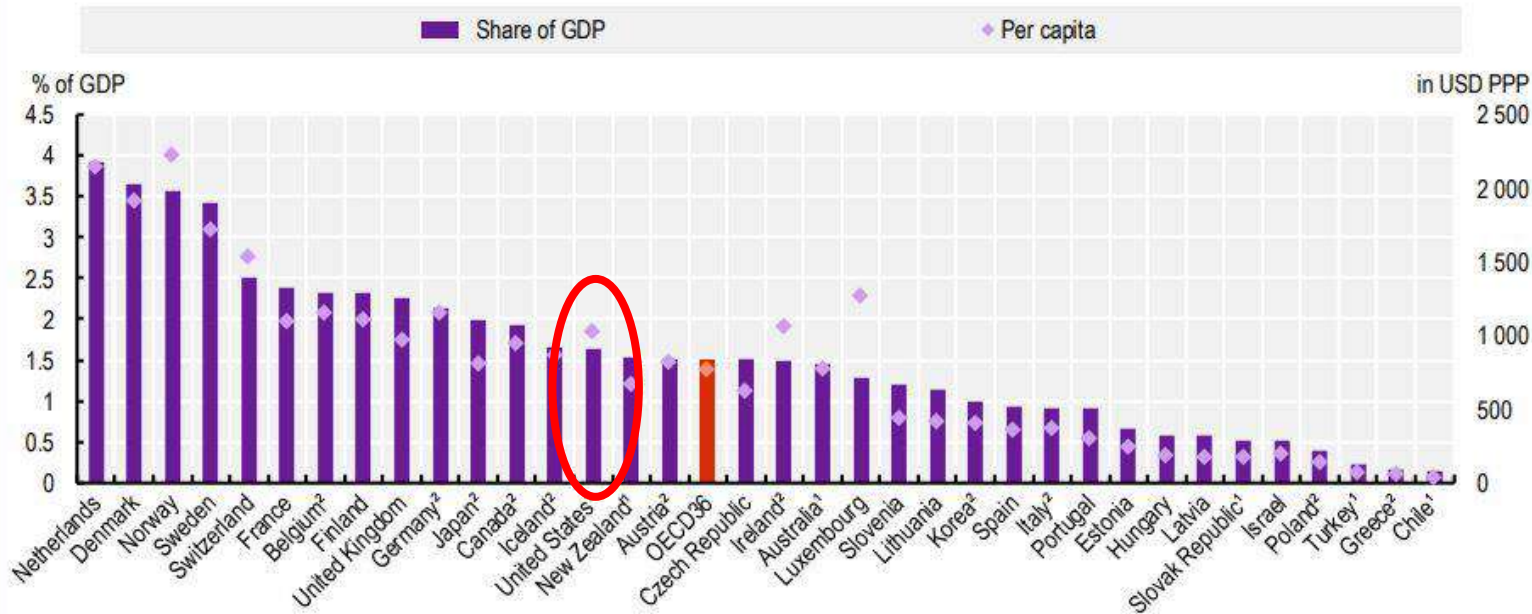
SOURCE: Organisation for Economic Co-operation and Development, OECD Health Statistics 2022, July 2022.

NOTES: Data are latest available, which was 2019, 2020, or 2021. Average does not include the United States. The five countries with the largest economies and those with both an above median GDP and GDP per capita, relative to all OECD countries, were included. Chart uses purchasing power parities to convert data into U.S. dollars.

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PGPF.ORG

Spending on LTC



1. Estimated by the OECD Secretariat. 2. Countries not reporting spending for LTC (social). In many countries this component is therefore missing from total LTC but in some countries it is partly included under LTC (health). Colombia became an OECD member after the 2020 data collection and is missing from the chart.

Source: OECD Health Statistics 2020, <https://doi.org/10.1787/health-data-en>; Mueller, Bourke and Morgan. (2020^[1]) "Assessing the comparability of Long-Term Care spending estimates under the Joint Health Accounts Questionnaire", <https://www.oecd.org/health/health-systems/LTC-Spending-Estimates-under-the-Joint-Health-Accounts-Questionnaire.pdf>.

Outcomes

- Clinical Results – only part of the story
- QUALITY –
 - The degree to which service is free of defects (Deming)
 - QRP – has only half the equation
- Consumer Satisfaction
- Is this what consumers want?
- Is this what they need?
- Is this what their families want?

Economics

- Direct and indirect costs
 - Systems been short-changed for 30 years
- Medicaid cannot afford LTC
- Medicare backed out 30+ years ago
- Many think “the government will pay for it”
- Almost \$500 billion value on non-paid care
- Waste in mal-distribution, lack of collaboration and fragmentation

Economics – Ideas to get what we need

- Federal insurance for long term care
 - Always the bridesmaid, never the bride
- Funding –
 - Small increase in Medicare payroll deduction AND
 - Small premium (w/ means test) on Part A, C & D
 - Don't worry, they can afford it – *really*
- Private LTC insurance fully deductible and
- Create LTC risk pool in each state
- **REQUIRE** participating LTC HIP's to spend 0.5% of premiums on education / communications

Case Managers –what we need

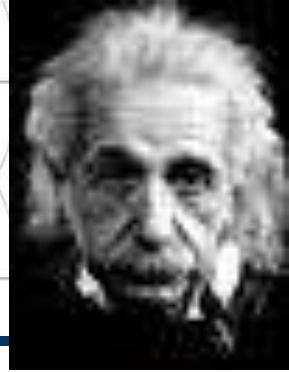
- *Navigators*
 - *No one knows where to go, what to do!*
- *Funding (Paying) Navigators*
- *Educating the public*



Next Steps

Conclusion

- The Current Situation
- Community of action
- Effective dialogue
- What leaders can do



Conclusion

“The world as we have created it is a process of our thinking. It cannot be changed without changing our thinking.”

— Albert Einstein

The Weakest Link: Long Term Care



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Resources

- Williams, B. [Failure to Thrive? Long-Term Care's Tenuous Long-Term Future..](https://scholarship.shu.edu/shlj/vol43/iss2/3/) See: <https://scholarship.shu.edu/shlj/vol43/iss2/3/>
- Stackpole, I. [Bridging the Divide: Transitions to Cross-Continuum Collaborations in Healthcare.](https://stackpoleassociates.com/transitions-cross-continuum-collaborations-healthcare) See: <https://stackpoleassociates.com/transitions-cross-continuum-collaborations-healthcare>
- Who Cares? The pandemic shows the urgency of reforming care for the elderly. The Economist. See: <https://www.economist.com/international/2020/07/25/the-pandemic-shows-the-urgency-of-reforming-care-for-the-elderly>
- True, S. et al. COVID-19 and Workers at Risk: Examining the Long-Term Care Workforce. See: <https://www.kff.org/report-section/covid-19-and-workers-at-risk-examining-the-long-term-care-workforce-tables/>
- [Adoption factors associated with electronic health record ...](#)
- [www.ncbi.nlm.nih.gov › pmc › articles › PMC4316426](http://www.ncbi.nlm.nih.gov/pmc/articles/PMC4316426)
- Jan 28, 2015 - **Long-term care** (LTC) facilities (as defined by the ARRA) are facility types **excluded** from the incentives including: skilled nursing homes, assisted ... also a source of statistical interference when '**meaningful use**' is assessed.
- Coronavirus Commission on Safety and Quality in Nursing Homes. September 2020. See: <https://sites.mitre.org/nhccovidcomm/wp-content/uploads/sites/14/2020/09/FINAL-REPORT-of-NH-Commission-Public-Release-Case-20-2378.pdf>