

# Shift Away From Nursing Home Care Reveals Challenges

[Alyssa Gerace](#) | August 10, 2011

In the past 10-plus years, there has been a trend away from nursing homes and to other, more home-like forms of long-term care for American seniors. Most say the shift is due to nursing homes' high costs, but also some of the traditional qualities that nursing homes have represented over the years and the rise of alternative options.

Between 1998 and 2008, the number of Americans living in nursing homes shrank 6.1% to slightly more than 1.2 million, says a Brown University study published in the July 2011 edition of *Health Affairs*. During this same time frame, there was 18.1% increase in the number of Americans aged 65-69, and 8.7% rise in those aged 70 and older, according to U.S. Census Bureau estimations. MetLife estimates that today's nursing home care costs upwards of \$83,000 per year for a private room, on average.

Jodie Spiegel, a lawyer for consumer advocacy organization Bet Tzedek, says in her experience from speaking with clients, the nursing home population is decreasing because there are so many other options available, like assisted living, which has experienced rapid growth. There are more than one million people living in assisted living facilities, according to the Assisted Living Federation of America, even though it's a relatively new concept that was developed about 25 years ago.

"Previously, when someone required care outside of their home, their only choices were hospitals or nursing homes," says Spiegel. "Now, there's assisted living, continuing care, adult day healthcare, senior centers, receiving care at home—there are more choices, and choices are more home-like, which in general is more appealing to people."

Something else that may be keeping seniors out of nursing homes is the multitude of stigmatized issues attached to those establishments. As a consumer advocate, Spiegel encounters many recurring complaints regarding nursing homes, many of which she says are due to staffing shortages.

"Nursing homes are businesses and they're trying to make a profit," says Spiegel. "In a perfect world, nursing homes would be hiring more staff to provide better care, but unless they're required to do so, they're unlikely to do so."

Missouri-based Cheryl Parsons, who's a registered nurse and a licensed nursing home administrator and consultant, admits staffing can be a major issue for some facilities.

"The problem is, the acuity level has gotten a lot higher in the long term care setting," says Parson, referring to the level of severity of a resident's illness. "Hospitals just are not keeping patients, so we're seeing higher acuity levels," which translates to higher levels of care and attention being needed. "Couple that with reimbursement issues, owners are having a hard time keeping the bills met, and the staff paid, in order to keep that staffing where it needs to be," she says. "It is a concern, it's a big issue."

Now that nursing homes are facing an [11.1% cut](#) to Medicare payments, the challenges abound. Although both Medicaid and Medicare programs apply to nursing home residents, reimbursement rates from the government-funded programs aren't as high as what a nursing home could receive from a private pay resident, says Spiegel.

Since many nursing homes have a high population of Medicare- and Medicaid-eligible residents, these facilities could be especially affected by funding cuts, since it will affect their ability to subsidize lower Medicaid reimbursements with Medicare funds.

"You need to pay the bills to keep the doors open and let patients in," Parsons says. "It weighs heavily on those of us who are committed to the industry and to our residents. Most facilities work very hard and diligently to do so, but it's always a challenge because of the reimbursement issue."

Greg Crist, the Head of Affairs for (AHCA) says the important thing to remember is that nursing homes want residents to be in the least-restrictive setting. They're not trying to pull in large numbers of residents to give them lesser-quality care for a profit, if those residents are better off living at home or at an assisted living facility.

"There will always be a need for long term care," he says. "We just want to make sure there's a cost-effective, and least-restrictive method as well. We only want them in our facilities if that makes the most sense."

Written by [Alyssa Gerace](#)