Poor conditions in US for-profit nursing homes

Ryan Rahilly 22 December 2011

For-profit nursing homes deliver significantly lower quality of care because they hire fewer nursing personnel than their non-profit and government-owned counterparts, according to a new study published in the December edition of the journal *Health Services Research*.

The top 10 for-profit nursing home chains in the US have significantly higher deficiencies than the best facilities, the study found. The growing number of for-profit nursing homes, coupled with the push toward the privatization of the Medicare and Medicaid programs, is putting the nation's elderly in peril.

The study collected data on the 10 of the largest forprofit nursing home chains in the US, as of 2008: HCR Manor Care, Golden Living, Life Care Centers of America, Kindred Healthcare, Genesis HealthCare Corporation, Sun Health Care Group, Inc., SavaSeniorCare LLC, Extendicare Health Services, Inc., National Health Care Corporation, and Skilled HealthCare, LLC.

In announcing the findings, Charlene Harrington, a registered nurse (RN) and one of the authors of the study, explained, "poor quality of care is endemic in many nursing homes, but we found that the most serious problems occur in the largest for-profit chains".

She noted that for-profit nursing homes cut corners and neglect quality of care. "The top 10 chains have a strategy of keeping labor costs low to increase profits. They are not making quality a priority."

Studies have shown that poor nurse staffing leads to higher rates of hospital-acquired illness, and poor patient outcomes. For the frailest patients, a great level of attention from nurses can mean the difference between recovery and death.

The study found that these chains had 30 percent

lower nurse staffing hours than their non-profit or government-run counterparts. These chains were also found to have the sickest residents. Furthermore, the chains were well below on the recommended staffing levels by experts like Advanced Practice Registered Nurses (APRNs).

The 10 largest for-profit chains were cited on numerous occasion for deficiencies in care like the prevention of bed sores, weight loss, falls, infections, resident mistreatment, poor sanitary conditions and other problems that could affect resident health and well-being. These chains were cited for 36 percent more deficiencies and 41 percent more serious deficiencies than the best long-term care facilities.

Furthermore, the study revealed that the four largest for-profit nursing home chains purchased by private equity companies between 2003 and 2008 had more deficiencies in care after being acquired. This is the first study to make the connection between worsening care and acquisition by financial companies.

This is an especially significant finding in light of the fact that the Obama administration's "Patient Protection and Affordable Care Act" is paving the way for the privatization of Medicare and Medicaid, the government health care programs for the elderly and the poor.

At least 33 states are making drastic cuts to Medicaid, and many have privatized the management of the program. Most of the cuts are aimed at lowering financial reimbursement rates to providers. As a result, providers will reduce services and turn away more patients, even as need for governmental assistance with health care bills grows.

Medicare is facing a similar fate as Senator Ron Wyden (D-OR) and Representative Paul Ryan (R-WI) are spearheading legislation that would replace the traditional Medicare program with a fixed federal contribution toward the cost of coverage for each beneficiary. This fixed funding allocation would be funneled to private insurance companies that have no incentive to provide for adequate care, particularly for the most infirm and in need.

Medicaid is the main source of long-term care funding for the elderly. It is the primary payer for 64 percent of all nursing home residents. With the growth of for-profit nursing homes and the Obama's administration's assault on Medicare and Medicaid, the nation's elderly citizens residing in long-term care facilities will suffer greater health problems and indignities because fewer nursing personnel will be available to provide quality care.



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