

US elderly care devastated by the profit system

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This is the first of a two part series. Read part two here.

The COVID-19 pandemic has further exposed the failure of the American health care system, and the inability of the wealthiest country on Earth to take care of its elderly and infirm. Over the past month numerous incidents have shocked the public from the admission that 800 patients and staff at the Brighton Rehabilitation and Wellness Center in Pennsylvania have likely been infected with the virus to the gruesome discovery of 17 corpses piled up in a New Jersey nursing home.

It is now estimated that over 10,000 individuals in long-term care facilities, including nursing homes, have died from complications due to a coronavirus infection. The *Washington Post* has recently compiled a list—which is admittedly incomplete—of 1,300 nursing homes that have experienced a coronavirus related death. Nearly 1 in 10 nursing homes in the US have a publicly reported case of the virus. All these numbers are expected to rise as cases continue to be reported to officials, and new cases are expected to increase as the US begins to “reopen” the economy.

While the COVID-19 pandemic is the most recent and deadly disaster impacting residents at long-term care facilities, it is far from the first. Over the past few years virtually no natural disaster has hit without directly impacting, and often killing some section of the roughly 1.5 million residents of nursing homes and long-term care facilities. Incidents of senior citizens dying in sweltering heat, left to sit in filthy water, or abandoned by staff as wildfires approach have been widely reported over the past few years.

History of regulation and deregulation

The development of nursing homes in the US by some accounts date back to the early 17th century with settlers from England establishing almshouses—care facilities that would provide basic food and shelter for the elderly individuals, orphans and the mentally ill. The federal government first became involved in nursing homes as a result of the Social Security Act of 1935, which also established the Old Age Assistance (OAA) program. The legislation in its initial form specified that funds would not be given to residents of public institutions, a stipulation that encouraged the rapid growth of private nursing homes. An amendment to the act was added in 1950 to allow payment to individuals in public institutions.

Unlike hospitals, most state governments did not provide licenses to nursing homes until after 1950. A study in 1955 by the Council of State Governments also reported that the majority of these facilities provided a poor quality of care and relied on relatively untrained personnel.

In 1965 federal funding was greatly expanded for long-term care services as part of the newly established Medicare and Medicaid programs. The programs, even in their initial proposal, were widely attacked by Republican legislators.

While the legislation did pass and provide the US Department of Health, Education and Welfare with an authority to implement certain regulations, demands for certain standards in long-term care facilities continued to be fought over into the 1970s. Almost immediately the Medicaid program—which was used to pay for skilled nursing services—abandoned using Medicare’s standards for an “extended care facility.”

Under Republican President Ronald Reagan a number of reforms that had been implemented in the last year of the Carter administration were overturned. In 1987 the Nursing Home Reform Act was passed providing some bare minimum standards for nursing homes. This included a requirement for each nursing home to have a registered professional nurse on site for at least eight consecutive hours a day every day of the week, and “sufficient” nursing staff to meet the resident’s needs.

Conditions have been impacted by continued cuts to Medicaid, which is used to cover care for most nursing home residents. Early proposals for the Affordable Care Act (ACA), also known as Obamacare, to include a buy-in option for Medicaid were ultimately rejected, while the Obama administration proposed cuts to the program.

The Trump administration has since implemented a restructuring of Medicaid, including a proposal to cap payments to poor adults without children. Trump has also cut fines for nursing homes that injure or endanger residents, resulting in the average fine dropping from \$41,260 under Obama’s last year in office to \$28,405.

Quality and cost

In the US, access to health care is widely understood to be split along class lines. While certain luxurious nursing homes and assisted living facilities exist, the situation facing most patients resembles either direct abuse or criminal negligence as a handful of nurses and certified nursing assistants (CNA) are tasked with caring for over a dozen elderly individuals, each with multiple health complications.

While some states have specific laws requiring lower patient-to-nurse ratios and patient-to-CNA ratios, many states allow management to overwhelm staff with patients. According to Nurse.org, in Ohio there was a ratio of 32 residents per nurse and 16 per CNA, and in Georgia 50 residents per nurse and 30 per CNA.

In 2018, Kaiser Health News released a report on staffing levels based on payroll records provided by Medicare. The publication determined that seven out of 10 of the 14,000 nursing homes had lower staffing ratios than previously admitted. At that time, the Center

for Medicare & Medicaid Services replied by threatening to lower the rankings of facilities that had violated the rules.

Many nursing homes and other long-term care facilities have faced difficulties finding enough CNA’s as the job is both demanding and offers relatively low pay. According to a report from the Bureau of Labor Statistics in May 2019, the average wage for a nursing assistant was \$14.77 per hour or just \$2.63 more than a retail salesperson. Nineteen states require only 75 hours of CNA training for certification, and no state requires more than 180 hours of training.

Toby Edelman, a senior policy attorney for the Centers for Medicare in Washington D.C., in a 2018 interview, stated, “Most of the bad outcomes [at nursing homes] are the result of insufficient staffing, and insufficiently trained staff. It’s pretty much a universal problem.”

Staffing issues in nursing homes can cause serious problems as it can put certain patients in jeopardy of malnutrition and dehydration. Some patients can also develop pressure ulcers, also known as bedsores, if they are not regularly moved. If gone untreated bedsores can result in fatal complications.

The cost for nursing homes and assisted living is exorbitant. According to Genworth, a life insurance company, a nursing home in the US costs on average \$8,365 per month, or \$275 a day, for a private room and \$7,441 per month for a semi-private room. This cost is growing by 3 to 6 percent per year on average. Fidelity Investment estimates that a couple retiring at age 65 will spend \$280,000 on health care.

Roughly 7 million seniors rely on Medicaid for essential care to help cover long-term costs of medical treatment, since payouts of Medicare stop after a hundred days. While over 80 percent of nursing homes accept Medicaid, it is also known that many strongly prefer private payers since they are able to pay more out of pocket for care.



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