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Contact: Lisa Reibsome
Director of Communications
lisareibsome@hcam.org
517.622.6188

Crisis Could Intensify for Michigan Nursing Facilities

HCAM Urges Policymakers to Empower Providers to Best Support the Workforce

LANSING, MI - Michigan's nursing facilities are facing a full-blown workforce and financial crisis, putting the care of seniors and other vulnerable adults at stake. Current rumblings of a potential nursing home worker strike threaten to put people at further risk.

"All nursing facilities need more workers right now," says HCAM President and CEO Melissa Samuel. "Providers are striving to fill open positions and retain current employees — offering increased wages, strengthening benefits, providing flexible schedules, and much more — but the workers simply are not there. A strike could be catastrophic to care."

Since the beginning of the pandemic, nursing homes nationally have lost more than 210,000 caregivers or more than 13% of its workforce, according to the Bureau of Labor Statistics. "In Michigan, HCAM estimates that we've lost more than 10,000 nursing facility workers through the course of the pandemic," says Samuel. "This loss is worse than any other health care sector. In addition, our national association reports that the nursing home workforce is at levels not seen since 1994."

"Providers have gone above and beyond to hire and retain workers Samuel says. "But facilities can't do it alone."

There's much to be done to put the sector on better footing to support the workforce and the residents for whom they care and support every day.

Medicaid Reimbursement

Most facilities are operating on very tight budgets because Medicaid reimbursements rates have fallen below the actual costs of care. Since 2019 Medicaid reimbursement rates have only increased 5% in Michigan, falling far behind the 15% or more increase in costs that facilities face.

"HCAM is working with state departments to ensure the Medicaid rate that nursing facilities receive adequately reflects the cost to provide 24/7 skilled nursing care," said Samuel. "We've shared with the state several ways to get more timely funding to providers who are facing serious cash flow challenges right now. We've had many productive conversations, but the immediacy of the crisis requires policymakers to take action now."

Workforce Retention, Recruitment, and Training

Long-term care facilities were grateful that Governor Gretchen Whitmer signed a supplemental bill in early 2022 directing \$67 million to recruit, retain, and train nursing facility employees. "However, it's been almost a full year, and those funds have still not been released," says Samuel. "Understandably, providers are frustrated as they continue to wait for the long-promised relief. We implore the state to immediately release the funds."

Expansion of Direct Care Worker Wage Increase

The state continues to provide direct care workers a \$2.35/hour wage increase to recognize the selfless CNAs, nurses, and respiratory therapists who have answered the call to serve during the most difficult time the profession has ever experienced. "We appreciate the support for these vital workers. At the same time, the facility staff who support these direct care workers are also essential to delivering quality care to our residents," says Samuel. "We support the expansion of the \$2.35 wage enhancement to non-direct care workers employed in Michigan's nursing facilities. This would strengthen the workforce and ultimately the care provided to nursing home residents."

Michigan Certified Nurse Aide Investment Program

HCAM initiated steps to establish the Michigan Certified Nurse Aide Investment Program to help attract individuals to the skilled nursing profession, specifically to the role of certified nurse aide (CNA). The program aims to secure \$26 million in grant funds to attract CNAs and enhance their training and earning potential.

"We're at a tipping point. Providers alone cannot continue to manage what is, at the root, a public policy problem," says Samuel. "Nursing facility residents deserve a strong, knowledgeable, dedicated workforce to provide quality, around-the-clock care. Providers can only support that workforce if regulators and policymakers act on these issues right now."

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