

March 13, 2021

Nursing Homes and COVID-19

One of the first COVID-19 hot spots was a nursing home in Kirkland, Washington. In three weeks after the first positive tests at Life Care came back on February 28, 2020, 81 residents, about two-thirds of its population —tested positive for the virus, and 35 people died. Dozens of its workers received coronavirus diagnoses (<https://www.nytimes.com/2020/03/21/us/coronavirus-nursing-home-kirkland-life-care.html>).

On March 13, about a year later, depending on the count, between 130,000 (<https://data.cms.gov/stories/s/COVID-19-Nursing-Home-Data/bkwz-xpvg/>) and 174,000 (<https://www.aarp.org/ppi/issues/caregiving/info-2020/nursing-home-covid-dashboard.html>) of the over half a million COVID-19 deaths have happened to nursing home residents and staff. Many are outraged, and *The New York Times* presented an article today entitled “[How U.S. Ratings of Nursing Homes Mislead the Public](#)”. The findings are damning. Authors Jessica Silver-Greenberg and Robert Gebeloff note that people at five-star (putatively high-quality) facilities were roughly as likely to die of the disease as those at one-star (low quality) homes. Although the authors are careful, they still imply that better nursing homes may have saved more lives. The question that your blogger wants to address are why did all of these deaths happen, how did they happen, and what can we do in the future?

The “why” is easiest to answer. Nursing home residents are typically (well) over 65 years old, and are often compromised health-wise. Many of them have multiple conditions (comorbidities), and they are susceptible to heart, lung, and other organ deficiencies that would render them more susceptible to COVID-19. The virus preys on weaker humans, and the elderly are often weaker.

The “how” is not much more difficult. Residents often gather into group settings for meals or activities. Caregivers care for many residents, and one virulent illness in a facility can be transmitted quickly to others. It was not uncommon even before the COVID-19 pandemic to see lockdowns due to influenza. YB encountered this when his mother was in a nursing home setting seven or eight years ago.

What are the economic fundamentals of nursing homes? Why do we “put” elderly people into nursing homes? Consider the alternative. George has an elderly relative with difficulty in the “activities of daily living”, which include bathing, toileting, eating, dressing, and walking. The elderly relative cannot or will not move in with George’s family, and needs to be taken care of 24/7. Roughly speaking, it costs \$500 per day to provide 24/7 care. Hiring and managing outside caregivers costs at least \$20 per hour. Total this up over the year, and families are pushing \$200,000 per year. This does not include skilled nursing care, nor visits to providers. They cost extra.

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George's well-meaning family members respond that they would be glad to take care of the elderly relative. They may, and they can, and that is great. While taking care of the relative, they work less, or not at all, they delay or stop their educations, and they put all of their leisure time on hold. These are not money costs, but they are costs.

Skilled nursing facilities can provide less expensive care for two basic reasons. *First*, not everyone needs care at the same time. Not every resident needs to get dressed or take a shower at the same time. The same Certified Nursing Assistant (CNA) can care for multiple residents. This saves money. Clearly the fewer CNAs per resident, the higher the quality care, but facilities do not need to provide the 1:1 ratio that is essential in a home.

Second, facilities can take advantage of economies of scale. One does not need forty dining rooms for forty nursing home residents. One does not need forty nurses to dispense necessary drugs to forty nursing home residents. There are substantive economies of scale that allow facilities to treat (say) 40 residents for much less than double the cost of (say) 20 residents.

In many ways, a skilled nursing home is like a hotel. The residents live in rooms, eat meals, and gather in the lobby. Unlike hotels, many of the residents are not capable, nor are their families, of discerning quality of the facility. Hotel visitors who are upset by the quality of the hotel can choose another hotel. Nursing home residents do not always have that option. Moreover, as Silver-Greenberg and Gebeloff note in their article, many of the quality measures are at best, inaccurate, and in some cases either "cooked" or fraudulent.

The COVID-19 pandemic has revealed a nursing home sector that has been understaffed, underpaid, and overworked. We cannot empty out the nursing homes into private homes. Some of the answers to the problems stated are obvious, but difficult to implement.

1. A better inspection system – This requires more inspectors, better inspection criteria, and elimination of a system that apparently does not do well in separating the inspectors and the inspectees.
2. Better pay and more staffing – The two go together. Many workers in skilled nursing facilities are paid little more than minimum wage. Better pay, and better training, will lead to more highly-skilled, and larger numbers of workers, driving down the ratio of workers to residents.
3. Better means for monitoring care – Families or paid caregivers should be provided better means of monitoring the care of their loved ones. During COVID-19, this task, more essential than ever, was more impossible than ever as family members could not enter the facilities. Various types of information systems, or computerized apps, can help provide this information to family members.

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It is likely that even if the COVID-19 response had been quicker and more intensive, large numbers of elderly would have died. There was conflicting early knowledge of how the vaccine spread, and how best to fight it. At the outset most CNAs did not wear face masks, rubber gloves, or special footwear. The 2021 vaccination roll-outs properly targeted elderly and those within nursing homes. In March 2021 there is now a (very) cautious reopening of selected skilled nursing facilities to selected visitors.

With the oldest baby boomers now reaching 75 years old, that segment of the population will continue to grow for the next twenty years. Many of them will need care in skilled nursing facilities. Nursing homes will not go away. We must spend more on them, regulate them better, and keep our eyes wide open for the next pandemic. When it comes, it will almost certainly strike nursing home residents first.

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