



## Parkinson Sets the Record Straight on *White House Nursing Home Reform Package*

In a recent Spoonful of Sugar podcast, American Health Care Association/National Center for Assisted Living (AHCA/NCAL) President and CEO Mark Parkinson talked about the recent flurry of national attention on long-term care. While he applauded some of the insights and recommendations, he said, “Some of our critics want to abolish skilled nursing and care for everyone at home. They just don’t understand how old and frail our residents are and that there is and always will be a place for SNFs.”

### ***[Biden Administration’s Nursing Home Reform Plan.](#)***

“You have to separate the rhetoric around the proposals from the proposals themselves,” Parkinson suggested. There are only two proposals, he said, that AHCA/NCAL opposes – one for minimum staffing and another that would increase civil money penalties (CMPs) for nursing homes to a million dollars. AHCA/NCAL sent a [letter](#) requesting a meeting with President Biden and HHS Secretary Becerra to discuss these concerns. In the meantime, Parkinson said, “We can work with the other proposals. Our objection is the rhetoric around them and the idea that 200,000 people died in nursing homes because care was bad. That’s just wrong.” He added, “We have to make policy based on data and not anecdotes and individual stories of poor care. You have to look at the whole data set.” For instance, he noted that if you look at 2022 quality measures, there has been improvement in 19 of 22.

### ***[The National Academies of Sciences, Engineering, and Medicine Report,](#)***

*[“The National Imperative to Improve Nursing Home Quality: Honoring Our Committee to Residents, Families, and Staff.”](#)* “Very thoughtful people put this together,” said

Parkinson, adding, “It confirms what a number of other reports have said. There is a place for skilled nursing, and it needs to be adequately funded.” He stressed that we need operators focused on person-centered care and “doing the right thing.” He pointed to two important recommendations in the report: adequately funding the Medicaid system so people can receive their cost and making sure that providers are held accountable. Parkinson emphasized that the latter doesn’t only mean getting rid of bad operators but also promoting and encouraging good ones. He also observed that it is essential that any mandates be accompanied by the funding necessary to carry them out.

### ***[The Centers for Medicare & Medicaid Services’ \(CMS\) plan to make parity adjustments to nursing home Medicaid payments.](#)***

Parkinson explained that this issue is “more complicated than the headlines make it.” This has to do, he said, with the transition for the RUGs (Resource Utilization Groups) program to the Patient-Driven Payment Model (PDPM). “We knew it would be hard for CMS to hit this directly on the head. There is such a big difference between RUGs and PDPM; we thought they’d either underpay us or overpay us,” he said. This isn’t criticism, he stressed, just the truth about the complexity of completely changing a system.” While providers understand the rationale behind the parity adjustment, Parkinson said, “We are alarmed by the notion of cutting it all at once. Every provider is worried about being able to continue operating if this happens.” Instead, AHCA/NCAL and its members are advocating that the 4.6% adjustment be spread out over a three-year period. This, Parkinson said, will allow providers to “absorb it and move forward.”

Parkinson stressed that there is good news in long-term care. For instance, he noted, "If you ask people who have had experience with nursing homes, we have an almost 90% favorability rating. When people really see what is happening in our facilities, a lot of the misperceptions disappear."

Moving forward, AHCA/NCAL has three top policy priorities. Parkinson identified these as:

- Continuation of the Public Health Emergency (PHE). He said, "We'll watch the data, and if it's justified, we'll urge that it be extended for another 90 days."
- Getting a phase-in for the parity adjustment.
- Making sure that unfunded nursing home reform mandates aren't enacted.

At the same time, AHCA/NCAL will continue to work with its state executives and partner with them on their

top initiatives. "We started this focus five years ago, and it has been extremely effective. We will continue our commitment to this," Parkinson said.

*The Spoonful of Sugar podcast is an innovative partnership between PharMerica and McKnight's. In each program, co-hosts T. J. Griffin, Vice President of Long Term Care Operations & Chief Pharmacy Officer at PharMerica, and John O'Conner, Vice President, Associate Publisher/Editorial Director of McKnight's, address the latest issues in long term care with leading experts and frontline providers, practitioners and others. Listen to this and all Spoonful of Sugar podcasts [here](#). And [join Illuminate](#) to get notice of new monthly episodes on emerging trends, issues and the future of the skilled nursing industry.*

