

# What's Ahead for 2024

## 2024 TRENDS

2023 was the year of census recovery, with occupancy in SNFs increasing nationally – although still lower than February 2020 (pre-pandemic) levels.

As we look ahead to 2024, what will define the industry next year? Here are 5 key issues that will likely be top of mind.

1

**Staffing:** Staffing is always a challenge but continues to be exacerbated now by COVID and other factors like more competition for the existing labor pool, aging nursing workforce, proposed staffing mandates, and turnover of DONs and administrators. The proposed staffing mandate could make it even worse. But there are opportunities to boost retention for facilities who prioritize developing younger talent, investing in training programs, exploring partnerships, increasing wages, and reducing heavy workloads.

2

**Regulatory/Compliance:** The current administration is holding facilities more accountable and CMS is pushing harder to ensure the safety and well-being of residents through the proposed staffing mandate, infection control practices, emphasis on the survey process, application of more equitable civil monetary penalties, and reduced antipsychotic use. Ongoing training and resources can help facilities stay compliant with these complex and often challenging regulations.

3

**Quality Care and Patient Safety:** Since COVID, there remains a push to hold facilities to higher standards, with a continued focus on top issues that can impact residents' health and well-being, including infections, medication errors, falls, and adverse events. Facilities who invest in quality improvement initiatives like person-centered care and technology adoption can not only help prevent costly errors and rehospitalizations but also attract residents and garner tax dollar support.

4

**Financial Strain:** Medicaid and Medicare reimbursement issues, rising operational costs/general inflationary pressures, limited savings, higher care needs, and the need for facility upgrades or renovations will mean shrinkage for operators—either in margins or potential market size. Fortunately, the silver tsunami is trickling in and facilities can take other steps until it fully arrives, such as opening up other specialty services, forging strategic partnerships, and using data to identify cost-saving opportunities.

5

**Technology Adoption:** While technology adoption levels have been uneven and cost continues to be a concern for many facilities, more operators will adopt tech tools to operate more efficiently, communicate more effectively with their partners, or provide better resident care such as telehealth, electronic communication platforms, and analytics to identify ways to improve workflows.