HFS spends over \$2.5 billion per year to care for about 45,000 people in nursing homes. To address serious issues in the quality of their care, we propose directing <u>new funding</u> towards proper <u>staffing levels</u>, <u>safety</u>, <u>and quality of life</u> for residents in equitable and accountable ways. The HFS proposal would:

- Simplify and increase the nursing home assessment to bring more federal funds for **enhanced payments to nursing homes, investing over \$500M with new federal matching funds.**
- Raise the base rate for all nursing homes to account for wage increases
- Create a new and higher pay scale for Certified Nursing Assistants (CNAs)
- Directly tie additional funding to increased staffing and pay more as staffing ratios improve
- Create a quality funding pool of at least \$70M, initially based on a composite federal STAR rating but evolving over time.

The state has a moral imperative to ensure the health, safety, and quality of life for residents in nursing homes.



## ACCOUNTABILITY

The current system allows some homes to pursue profits over people.

We believe we need to enhance funding, but only tied to actual results for residents and driven by their needs.

Direct Care/Nursing Rate

During the pandemic, Black and Brown Medicaid customers faced a disproportionate risk of death. They also reside disproportionately in under-staffed facilities. This cannot be allowed to continue.

### HFS proposes a three-pronged approach to improve overall quality and equity of care for residents.

#### Maximize federal funds through increased assessment

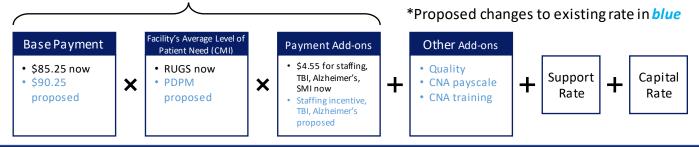
• Raise assessment per occupied bed to maximum

#### Improve payment accuracy and integrity

- Tie payment for staffing directly to federal standards
- Pay incentives for sustained quality metrics

#### Transition to Patient Driven Payment Model (PDPM)

- Federal payment methodology, aligns with Medicare
- Higher cost coverage for higher acuity residents



# WE IMPROVE LIVES

For more information: <u>Nursing Home Payment Update | HFS (illinois.gov</u>)