September 2, 2020

Written testimony of Russell Schwartz, VP/Director of Operations of Avon Health Center and West Hartford Health & Rehabilitation Center – Listening Session of the Public Health, Human Services Appropriations Committees – COVID-19 Connecticut Skilled Nursing Facility Issues

Good morning Senators Osten, Abrams and Moore, and Representatives Walker, Steinberg and Abercrombie, and to the members of the Appropriations, Public Health and Human Services Committees. My name is Russell Schwartz. I am the VP/Director of Operations of Avon Health Center and West Hartford Health & Rehabilitation Center in Avon & West Hartford, Connecticut. Our facilities have been providing nursing home care in our communities for over 40 years. We have 280 licensed beds, and employee 400 staff members; many that have worked for us for more than 25 years. Thank you for scheduling this listening session and for including skilled nursing facility issues among the COVID-19 topics.

The biggest issue facing my facilities and our industry is a greatly reduced occupancy, as a direct result of the pandemic. Many of us have seen our census drop as much as 25%; from an average occupancy of 88%, down to 65-70%. Our short-term rehab & subacute business evaporated as hospitals ceased performing elective surgeries. Long term referrals and admissions also slowed up. Our overall quality mix (percentage of private + Medicare + Commercial Insurance), that usually subsidizes the traditionally under-funded Medicaid rates plummeted, greatly straining our cash flow. I am very concerned about our recovery ahead, as we look to regain our previous occupancy and payer mix.

COVID related expenses for PPE, testing, hero bonuses for staff, and inflated agency staff costs to cover for sick staff have put a strain on our resources. Without the Federal and State funding we received, most facilities could not have lasted this long. And we are not out of the woods yet. There
has been stepped up infection prevention requirements and costs, including daily screening of all staff and health care practitioners prior to entering our buildings. Outside family visits require staff supervision, and PPE for residents and families, and greater coordination between staff. Our experience is not dissimilar to that of most other facilities.

Today, our nursing facilities have zero (0) COVID-19 cases, either among employees or residents. At the height of the pandemic, we had a total of 153 residents and 70 employees impacted by COVID-19 between both facilities. We are working hard to meet our residents’ medical and social needs, and substituting as surrogates for family members, whose access has been restricted during this pandemic. While it took some time to learn about the virus, with the facts ever changing, we have been able to implement strategies to keep the virus in check. More available testing and supplies of PPE were key to these efforts. In addition, the very open and collaborative interactions with DPH have been a necessary and appreciated support system for us.

The pandemic has taken a dramatic toll on our occupancy. In February, our census was 91% & 88% respectively. This month we are at 82 % and 75%. We are cautiously optimistic about a slow but steady census recovery. But it won’t happen overnight. I anticipate this will be at least a 6 to 12-month process. The Federal and State support received has been critical, but this extra funding will run out before our occupancy recovers. There is no question that an additional bridge to get us to a sustainable occupancy and revenue level is going to be needed later this fall and into 2021. We are continually evaluating our staffing levels and other operating expenses, in anticipation of possible cuts to offset the revenue shortfalls. I have requested and received extensions from DRS, to delay payment of our nursing home provider tax payments for the past 2 quarters. This was done in order to preserve cash to meet immediate funding needs for payroll, PPE, food and medical supplies.

I would like to thank my awesome dedicated staff for their commitment and care to our residents, in the face of risking their own health and that of their families. You have my unending gratitude.

On behalf of everyone at Avon & West Hartford, thank you for taking our story into consideration.