

Good Afternoon Policy Committee Chairman and Honorable Committee Members,

Welcome, once again, to Allied Services Skilled Nursing Center. Thank you for taking the time to join us today and to allow us to speak to you on behalf of the staff and residents of our healthcare system.

By way of introduction, my name is Jim Cooney. I oversee the operations of our long-term skilled nursing facilities, and our personal care homes, here at Allied Services. Today I would like to take just a few minutes to highlight some of the successes we've had in the past few years, as well as some of the challenges we've faced, and continue to face as we look ahead to the coming months and years.

As a not-for-profit healthcare system, and a recognized leader in providing quality post-acute care in Northeastern and Central Pennsylvania, we take pride in our reputation for maintaining the highest standards for care. But that's not all. We're proud of our commitment to the community to provide compassionate care to those in need. We're proud of our facilities, and the environment in which we deliver nursing care services to the elderly. But more than anything else, we're proud of our caregivers, who come to work each day tirelessly and selflessly giving their time and energy to our residents.

The past four years have obviously taken their toll in different ways around the healthcare spectrum, but no sector was more prominently affected by the pandemic, and its continued ripple effects, than long term care. But as our healthcare heroes worked through the most challenging, and, let's face it, the most uncertain and the scariest times ever seen in nursing homes, as a healthcare system, Allied Services continued to be optimistic and proactive. We looked toward the future and planned for it.

In the last four years, we have invested in our physical plants, renovating multiple units in each of our skilled nursing facilities, transferring 42 beds from one facility in Lackawanna County to our sister facility in Luzerne County, in order to create dozens more state-of-the-art private rooms and private bathrooms for future residents. In total, we invested more than \$15 million dollars in major infrastructure renovations and cosmetic upgrades to all of our long-term care facilities, skilled nursing and personal care alike. But that's not all.

As I mentioned, we are most proud of our caregivers. They provide the foundation upon which our reputation for high quality care is based. As the pandemic brought along the staffing, and contracted agency challenges we've all heard so much about, we brainstormed ways to invest in our team of caregivers, and to recruit additional staff to work alongside those who were here every day, making a difference in the lives of the residents we serve. Over the past few years, we've added many programs, and we have taken new, comprehensive approaches to caregiver recruitment and retention. By way of example, I'd like to highlight just a few of our investments, which include:

- We provide Nurse Aide Training and Competency Programs, both in Scranton and Wilkes-Barre, to bring caregivers into the long-term care workforce. We pay these students while they are in

the training class. We offer them positions as CNAs, upon their graduation from the class, with starting rates for SNC \$20/hour.

- We've offered sign-on bonuses, between \$500 and \$30,000 for new staff in various departments and positions
- We offer referral bonuses for current staff who refer a new applicant, for various positions and departments
- We currently engage with 8 different colleges and universities, locally, providing career fairs to their RN students, offering them the opportunity to join our team of caregivers at Allied Services
- We offer these same career fairs to LPN students at two local, vocational schools in Wilkes-Barre and Scranton
- Representatives from our Human Resources Department meet with high school juniors and seniors, offering summer employment; careers not requiring a college degree, admission to our NA training program
- We offer various types of continuing education funding for team members who would like to advance their educations or careers. These include:
  - A tuition loan repayment program
  - Nursing scholarships
  - Tuition Reimbursement
  - **And perhaps, most notably, for employees pursuing a career outside of nursing, we have a partnership in place with Lackawanna College, where we can place students working toward an Associates or Bachelors Degree, at no cost to the student**

In a continuing effort to remain competitive with wages and benefits, we have made several adjustments to our wage structure over the last four years. Although costly, the adjustments we made, and the associated costs we have incurred over the last four years have been necessary, to keep our facilities staffed with caregivers. Some of the adjustments we've made, include:

- We have increased pay rates for nurses and nursing assistants an average of 30% over the last four years, far outpacing cost of living increases, and increases in long-term care reimbursements
- Contracted agency staffing rates have risen 70% over the last four years, a major factor in our decision to create our own, internal staffing agency in 2022, which currently employs over 70 caregivers who travel throughout our system where needed, to provide care in different settings
- We have more than doubled shift differentials for second and third shift nurses and aides
- We have more than tripled weekend differentials for nursing staff who are consistently working weekend hours
- Double-time pay is offered to caregivers who work more than 48 hours in a week
- Allied Services has raised its system-wide minimum wage to its current level of \$14 per hour, which cost our system approximately \$1 million annually. We continue to work toward our next system-wide minimum wage goal of \$15 per hour. We hope to reach this goal within 8-12 months

- We have added an Employee Engagement & Retention Officer to our Human Resources Department. This team member connects with staff at all levels, and collects feedback from them, which ultimately, we use to develop new staff programs

On a personal note, 2024 marks the 25<sup>th</sup> year that I've worked in long-term care. Throughout my career, I have either worked in, or I have visited, or I've been otherwise involved in over two dozen nursing facilities in Pennsylvania. The staffing challenges of the last four years in our sector, are leaps and bounds beyond any I had seen prior to the pandemic.

Despite all of the efforts I've mention today, these challenges persist, and they also create a ripple effect, an access to care issue, for some in the community who need our services. For example, today we have approximately 50 empty beds in this facility alone. When I checked this morning, we had approximately 20 referrals from our local hospitals. These are people who are in the hospital, but need to be discharged to receive services in a long-term care facility. We cannot accept those 20 people today. We cannot accept them, not because we don't have the empty beds, but because doing so would place our staffing ratios below the minimums required by current state regulation, and we would potentially be compromising the quality care that every resident in our facility deserves. However, regardless of the staffing challenges that weigh so heavily on our admission decisions these days, those 20 people still remain in the local hospitals, needing the care that is provided here, in our setting. If you ask other long-term care providers across the Commonwealth, you'll hear a similar tale.

Last week, the CEO of a local hospital reached out to me about this issue. It's not the first time. This hospital executive voiced continued concerns that the area hospitals are back-logged, with Emergency Departments overflowing with patients unable to be admitted to hospital beds, because the patients currently occupying those beds cannot be transferred to the next level of post-acute care, the skilled nursing facility. Access to long-term care is a significant issue, and its ripple effect upward to the hospital level affects the community as a whole.

You will hear from other panel members today who plan to talk about some potential solutions to the current state of affairs in long-term care, and more specifically about state budget details and potential new programs to enhance and reward quality care. So, I will simply mention that your investment in our services is critically important to residents who need high quality long-term care, and to their families who desire that care to be local. If we can work together to solve the staffing crisis in long term care, we can increase access to the empty beds in this facility and others, relieving the burden on hospitals, patients, and families. High quality nursing facility care truly is a value to the Commonwealth.

Finally, at Allied Services, we remain committed to our residents, our caregivers, and to the community. We continue our attempts to recruit and to train caregivers to expand our workforce and to be able to offer care to more people in need.

Once again, my sincere thanks for your time today, and for allowing me to provide this testimony. I'm happy to field any questions from the Committee.