

HEALTH CARE REAL ESTATE BRIEFING: CMS PLANS TO INCREASE MEDICARE RATES | FL SIGNS NO PATIENT LEFT ALONE ACT | U.S. REAL ESTATE INDEX UP 19.6% IN PAST 12 MONTHS

Our Health Care Real Estate Briefing is your comprehensive summary of weekly health care real estate highlights happening across the nation.

Last week, CMS proposed increases in Medicare rates for certain health care services, and Florida's governor signed legislation that ensures patients of hospitals and health care facilities are allowed to have visitors. In other news, a large committee of experts issued a report on the nursing home industry that was less than flattering. The nursing home industry can't seem to catch a break. State and federal legislators are pushing for minimum staffing requirements and financial transparency among for-profit nursing home owners and operators. One of the issues that continues to weigh down the health care industry is the staffing shortage. One report states that immigration policy may be the problem. Finally, several reports with health care real estate investment data were released that provide hope for the industry.

1. CMS plans to increase Medicare rates for fiscal year 2023. Rates for inpatient rehab facilities would increase 2.8%, rates for inpatient psych facilities would increase 2.7% and rates for hospice services would increase 2.7% per [RACmonitor](#).
2. Florida signed the No Patient Left Alone Act into law. Patients of hospitals, skilled nursing facilities ("SNFs") and other health care facilities can't be denied the right to see visitors under the new law per the [Miami Herald](#). Utah is considering a similar law.
3. According to a 17-member committee assembled by The National Academies of Sciences, Engineering, and Medicine, the way the U.S. finances, delivers and regulates SNF care is ineffective, inefficient, inequitable, fragmented and unsustainable. They are recommending staffing requirements, financial transparency and more oversight of SNFs per [STAT](#).
4. [NPR](#) published an in-depth story on staffing shortages at SNFs. Since the pandemic started, SNFs have lost 240,000 employees. In Washington, D.C., workers can make \$19/hour at Amazon, \$18/hour walking dogs or \$15/hour as a CNA at a SNF.
5. According to [The Wall Street Journal](#), the U.S. labor shortage can be linked to a combination of early retirement, fear of Covid, lack of child care, desire to start a business and fewer immigrants coming to the U.S. In health care, 17.2% of workers are foreign-born, and currently 9% of health care jobs are vacant.
6. The U.S. Real Estate Index is up 19.6% over the past 12 months, outperforming the U.S. equity market that returned 14.4% during the same time period. Health care and hotel sectors will see "years of strong growth ahead of them" per [Morningstar](#).
7. A recent investor survey from [WealthManagement.com](#) and [Marcus & Millichap](#) indicated that senior housing is the most attractive asset to buy at this time, beating out self-storage, industrial and multi-family assets. Investors believe senior housing assets will increase in value over the next year per [Senior Housing News](#).
8. [BioMed Realty](#) acquired Flatiron Park, a 1M sf office and life science campus in Boulder, CO for an estimated \$600M. The development includes 22 buildings that are 90% leased per [REBusinessonline](#).
9. The City of North Las Vegas approved the sale of 135 acres near a VA hospital to Pacific Group for \$37M. The company plans to develop a \$4B mixed-use project on the land. Plans include adding several hospitals, medical offices, research space, two hotels, several restaurants and retail space per the [North Las Vegas Review-Journal](#).
10. UnitedHealth Group recently invested \$100M in affordable housing projects that include 1,000 units. Over the past few years, United has invested a total of \$800M in affordable housing that created 19,000 housing units per [FierceHealthcare](#).

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