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'WE DID NOT WANT TO TAKE THIS GUY': ABUSE RATES HIGHER AT NURSING HOMES WITH MORE MENTAL ILLNESS



by ELISABETH GAWTHROP | August 7, 2025

Employees at North Aurora
Care Center were worried
about admitting V.R. The 28year-old man had been
diagnosed with
schizophrenia, hypersexual
tendencies and cognitive
delay. So, when a local
hospital was looking for a
place to send him, staff at
the northern Illinois
nursing home resisted.

"We did not want to take this guy," the director of

psychosocial rehab there told government inspectors. "We could not meet his needs."

But officials with the facility's corporate office, Petersen Health Care, overruled those concerns and accepted V.R. in October 2023.

In the wee hours of the morning, less than 24 hours after his arrival, V.R. allegedly groped a resident with Down

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syndrome. He also tried to get into bed with another resident and entered the room of a third woman, according to <u>inspection reports</u>. Nurses on duty at the time did not find out about the alleged abuse until residents told them the next morning.

V.R. was eventually found not guilty of battery and abuse because of his mental condition, which is why we identify him only by his initials.

The distressing episode in North Aurora is an example of what can happen when people with serious mental illnesses are placed in facilities ill-equipped to care for them.

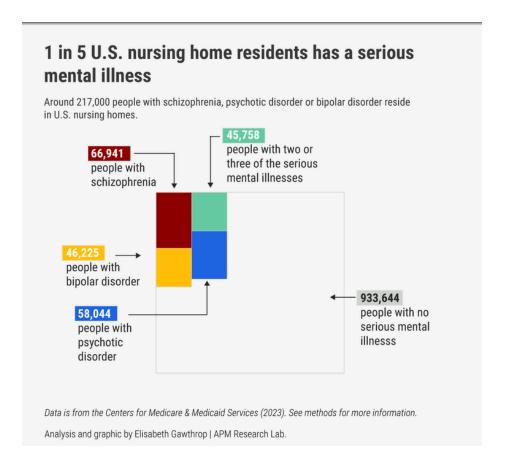
Nursing homes have long housed people with physical infirmities, but they have also become a home for hundreds of thousands of people with mental illnesses. In some nursing homes, upward of 90% of residents have a diagnosis of schizophrenia, bipolar disorder or psychotic disorder. An investigation by the APM Research Lab, the data journalism center at American Public Media, shows this arrangement is putting residents — both those experiencing mental illness and those who aren't — in harm's way. And laws designed to help sometimes go unenforced by states.

For example, Illinois passed <u>a law</u> in 2010 requiring the state's health department to establish a certification program. To be certified, a nursing home would need to hire

specialized staff and provide specific training before accepting even one resident with a serious mental illness.

But the state has no record of North Aurora Care Center being certified, even though roughly 70% of its residents were there primarily due to mental illness as of late 2023. Indeed, the Illinois Department of Public Health has no record of any nursing home carrying such a certification — even though some 600 facilities in the state had at least one resident with a serious mental illness. The law directed the department to establish a certification program by the beginning of 2011, but nearly 15 years later it still has not done so.

The Illinois Department of Public Health declined to explain why or comment for this story.



Roughly 1 in 5 nursing home residents nationally — a total of around 217,000 people — has a serious mental illness, according to an analysis of federal data by the APM Research Lab.

(The analysis defines serious mental illness as a diagnosis of schizophrenia, bipolar disorder or psychotic disorder. We used patient data from 2023 obtained via a Freedom of Information Act request from the Centers for Medicare & Medicaid Services. Except where noted, we excluded from our analysis those nursing homes that some states have designated as specializing in the care of people with serious mental illness. Please see our methodology for more details.)

The paths that lead people with serious mental illness to live in nursing homes vary, but the journey often starts with a hospital stint — for a physical or mental illness, or a combination. Hospitals are supposed to discharge patients to places where they can safely receive the care they need. Sometimes, the home-based services that a person could use instead of going to a nursing facility are not available or have long wait lists. In other cases, people are unable to pay rent while hospitalized, so they lose their housing and no longer have a home to which they can safely be discharged.

So people often end up getting shuttled to nursing homes, even though <u>health researchers</u> and the <u>U.S. Department of</u>

<u>Justice</u> have found that many people with mental illnesses don't need to be in nursing homes.

Researchers have also concluded that nursing homes do a better job of providing specialized care for physical needs than for mental health needs. As a result, many residents with serious mental illnesses aren't getting the kind of care that could help them improve to the point they can move back home. And some residents find that living in an institution exacerbates their conditions, making it even harder to leave the facility.

In general, research has found that people with mental illnesses are more likely to be the victims of violence than the perpetrators, but in extreme cases, patients without the right treatment can become a danger to themselves or others.

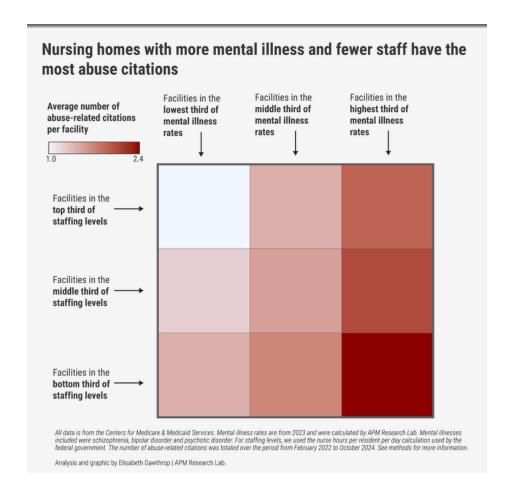
For example:

- In 2023, a physically frail nursing home resident in Kansas City, Missouri, <u>died a few days after allegedly</u>
 <u>being attacked</u> by a resident with serious mental illness.
- In Port Allen, Louisiana, a resident died from heart failure and hypothermia in 2022 after stepping outside to smoke in the middle of the night. The resident who was diagnosed with multiple serious mental illnesses and was supposed to be supervised when he went out to smoke was outside for more than three hours before someone found his body, according to a government inspection report.
- In California, a man with schizoaffective disorder was released from a nursing home in 2019 without a safe transition plan. He went to an unlicensed group home, where he wound up eating his own feces, according to records obtained by the APM Research Lab and <u>LAist</u>. He died of sepsis.

The examples are a window into a widespread problem.

Nationwide, there are nearly 500 facilities where at least half of the residents have a serious mental illness. While harm can happen in any facility, our analysis found a troubling pattern: the more residents with mental illnesses a

nursing home serves, the more often inspectors tend to find abuse. Abuse citations were even more common when the facility was poorly staffed.



In some cases, the abuse was committed by residents experiencing mental illness; in others, the abuse was committed against them. People with mental illnesses can be vulnerable to exploitation. In Wisconsin, inspectors learned that a staff person was stealing money from multiple residents in 2023. One resident's concerns were initially dismissed as paranoia due to her mental illness. According to the inspection report, the staff's response caused her to experience "prolonged crying, increased anxiety and

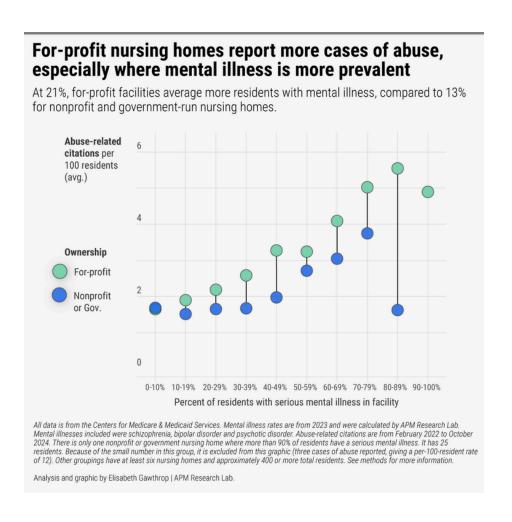
agitation, removal from activities, distress, disturbed sleep, and hospitalization due to suicidal ideation."

"I find it personally terrifying how much you lose your autonomy if you are in one of these settings with far less oversight than we even see in jails and prisons," said Megan Schuller, the legal director at the Bazelon Center for Mental Health Law.

Some states have nursing homes that offer specialized care for people with serious mental illnesses. Depending on the state, those nursing homes may receive more money; they may be subject to additional rules; they may be run by the state government, or some combination. But, according to our analysis, specialized care doesn't necessarily translate to safer care — we found mixed results when comparing the frequency of abuse among facilities with and without a designation for specialized care. (See our methodology for more details.)

Nursing homes aren't just a questionable solution for treating serious mental illness; they are also an expensive one. The costs of this system are largely borne by taxpayers, who foot much of the bill through Medicare and Medicaid, while the benefits largely flow to for-profit companies. Medicaid pays an average of roughly \$6,000 per month for a nursing home resident's care.

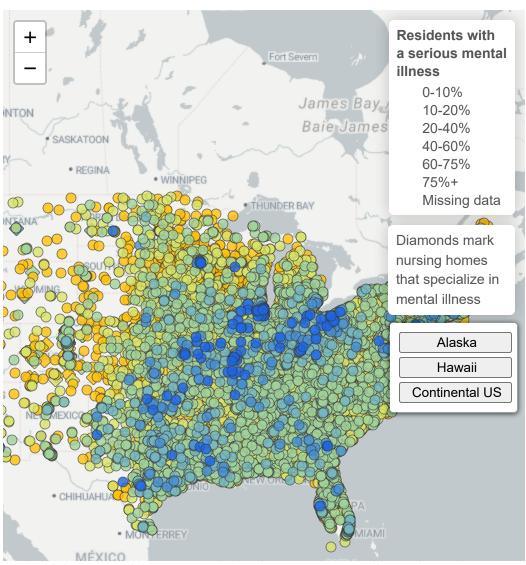
Most nursing homes with high proportions of people with schizophrenia, bipolar and psychotic disorders are owned by for-profit companies, according to our analysis of federal records. And for-profit nursing homes with high rates of serious mental illness also average more reported abuse than nursing homes with similarly high rates operated by the government or nonprofits.



Petersen Health Care, which owned North Aurora Care
Center in 2023, was one of those for-profit companies. Its
lawyers did not respond to requests for comment. The
company is going through bankruptcy and has sold most of
its assets, including North Aurora Care Center.

Explore the data

To protect resident privacy, the exact percentage of residents with serious mental illnesses is not listed for facilities where those residents account for more than 75% of the population. Nurse staffing rating is a figure used by the federal government to measure how well-staffed a nursing home is.



Leaflet | © Stadia Maps; © OpenMapTiles; © OpenStreetMap contributors | Source: Centers for Medicare & Medicaid Services, 2023 | Analysis and mapping by Elisabeth Gawthrop and Alyson Clary, APM Research Lab

Look up a nursing home

Federal standards call for a nurse staffing rating of at least 3.48, meaning there are enough nurses and nursing assistants on staff each day to provide at least that many hours of care for each patient. Facilities that did not meet that standard according to the federal data are highlighted in red. Specialized facilities are designated by their states to care for people with mental illness.

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|--|--|------------------------------|-----------------------------|-----------------|-----|
| Facility | Address | Serious mental illness | Nurse staffing rating | Abuse citations | Res |
| Burns Nursing Home, Inc. | 701 Monroe Street NW, Russellville, AL | 10% | 4.18 | 0 | |
| Coosa Valley Healthcare Center | 260 West Walnut Street, Sylacauga, AL | 9.9% | 4.17 | 0 | |
| Highlands Health And Rehab | 380 Woods Cove Road, Scottsboro, AL | 5.3% | 5.18 | 0 | |
| Eastview Rehabilitation & Healthcare Center | 7755 Fourth Avenue South, Birmingham, AL | 18.9% | 3.19 | 1 | |
| Plantation Manor Nursing Home | 6450 Old Tuscaloosa Highway, Mc Calla, AL | 11.9% | 3.51 | 0 | |
| 4 | | | | | |

Data: Centers for Medicare & Medicaid Services. Residents with mental illness include those with a diagnosis of schizophrenia, bipolar disorder, psychotic disorder or a combination of those conditions. Serious mental illness percent and number of residents calculated for Dec. 31, 2023, by the APM Research Lab. Nurse staffing rating is the number of nurse hours per resident per day and is from January 2024. The number of abuse-related citations is totaled over the

period from February 2022 to October 2024.

Names and locations of facilities may have changed since 2023. Please submit any questions or concerns to info@apmresearchlab.org.

Placement as a 'favor'

North Aurora was not V.R.'s first treatment stop. For months, he bounced between a hospital and another nursing home. But during a hospital stay in October 2023, a regional marketing director for Petersen emailed North Aurora staff, insisting that V.R. be admitted.

"We asked for a denial and (the regional marketing director) said it was a favor," the rehab director told inspectors. "They told the administrator that she cannot deny his referral."

In interviews following the incident, employees told inspectors that Petersen's executives took over admissions decisions from the rank-and-file staff. Inspectors also learned that most staff were not told about V.R.'s history.

"I was never asked for suggestions or involved in any advance planning on how to handle him once he got there so other residents were protected from his behaviors,"

North Aurora's psychiatrist told inspectors.

At the time V.R. arrived, North Aurora was already under government scrutiny. A week earlier, inspectors cited North Aurora after a resident lost nearly a quarter of her body weight and required hospitalization. North Aurora's nursing staff levels were well below minimum federal standards in 2023, according to data from the Centers for Medicare & Medicaid Services.

Amid these failures to provide adequate care, Petersen's executives were grappling with another issue: The company was deep in debt.

Three months after V.R. was admitted, creditors sued
Petersen in Illinois state court for failing to pay \$50 million
in loans. The company later filed for Chapter 11 bankruptcy,
declaring in court records that it owed between \$100 million
and \$500 million to creditors. Documents from April 2025
show it owed at least \$10 million in litigation costs.

In the months following the bankruptcy filing, the company didn't have nursing directors at some of its nursing homes, and several administrators were working without required licensing, according to a <u>court-appointed monitor</u>.

At the time of the filing, Petersen managed 83 nursing homes and assisted living facilities in Illinois, Missouri and Iowa. A review of inspection reports reveals that staffing shortages compromised care at other Petersen facilities.

For example, in September 2022, a woman with bipolar disorder left a Petersen nursing home in El Paso, Illinois, in the middle of the night unsupervised. Nursing staff told inspectors they didn't have enough employees to provide required one-on-one care for the woman and said there were just three people caring for an estimated 80 residents.

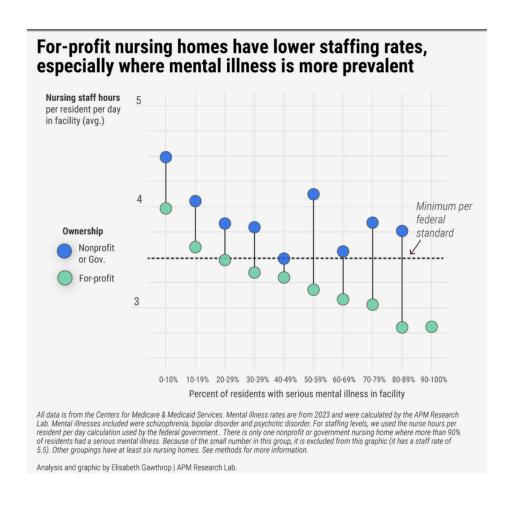
Inspectors cited Royal Oaks Care Center, a Petersen facility in Kewanee, Illinois, for eight deficiencies in February 2024, including not having enough staff to "care for and meet the behavioral needs of residents with mental and psychosocial disorders," and failing to provide behavioral management training for staff in the past year. Like the El Paso nursing home, the one in Kewanee is under new ownership. It is now known as Avenues at Royal Oak.

One resident, who was diagnosed with schizoaffective disorder and bipolar disorder, was kicked out of the Kewanee facility after he said he had tried to speak out about "the way the administration was treating other residents." His roommate attempted to set up a camera in their room to record alleged mistreatment by staff, but the facility's administrator seized it, according to the inspector's report.

The expelled resident told inspectors that some staff "were treating me like a dog and making me stay in my room like I was in a prison." After he was discharged, the man wound

up in a homeless shelter that couldn't accommodate his wheelchair, and he was forced to sleep on the floor. He told the inspector, "I am angry and I am scared I will not find anywhere to live or have transportation to make it to any doctor's appointments."

Despite his problems there, not all staff at Royal Oaks treated him poorly. "I miss the staff at the facility that treated me good," he said to the inspector.



The federal government fined Royal Oaks \$187,705 for the deficiencies cited in the February 2024 inspection.

But not every abuse finding results in a financial penalty.

Approximately one-third of cited abuse cases did not result

in a federal fine, according to our analysis of federal data from 2022 to 2024. Facilities with high rates of residents with serious mental illness — like the North Aurora and Kewanee facilities — were fined even less often.

The federal government never fined North Aurora Care Center for the alleged incident involving V.R. But it did fine the facility \$250,000 in 2022 for not having a licensed nurse on staff for 12 straight hours, leaving residents without access to critical medications. The facility was fined another \$74,000 when the resident was malnourished and lost a quarter of her body weight in 2023.

According to <u>bankruptcy documents</u>, North Aurora Care Center only partially paid its fines. In April, it still owed the government roughly \$280,000. Other Petersen facilities also owe money for fines. The bankruptcy case is not finalized, but based on the <u>current plan</u>, it doesn't appear the government will receive the penalties owed.

How could this happen?

For decades, experts have agreed that providing mental health treatment to people in their homes usually produces better results than warehousing them in institutions.

In the 1960s, states started closing their government-run psychiatric hospitals with the goal of providing mental

health services to people in their homes and communities.

To be effective, that community-based treatment model necessitated an array of programs, such as those that coordinate medical care and offer housing and employment services. But Medicaid law restricts funding for those programs, leaving an array of imperfect options for people in mental health crises.

Meanwhile, the nursing home industry was booming and building, with the number of beds <u>tripling from 1960 to</u> 1980.

With no federal law forbidding a nursing home from admitting a resident with serious mental illness, nursing homes became an alternative place to send people with mental health needs. (Jails and prisons have been another landing spot. Others live on the street.)

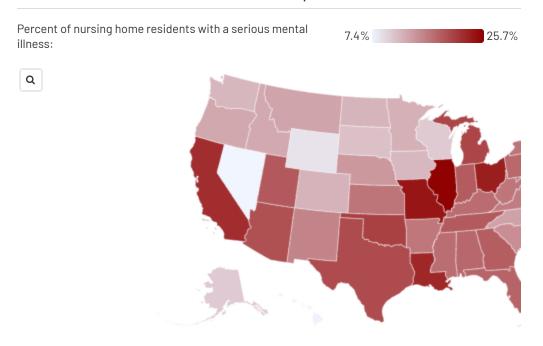
And federal Medicaid dollars can pay for people with mental illnesses in nursing homes, even though, by law, federal money won't pay for care at institutions focused primarily on treating mental illness.

"States saw a huge financial benefit if they transferred people from their state hospitals to nursing homes, which they were particularly ready to do with respect to older adults," said Steven Schwartz, a Massachusetts disability rights lawyer.

Today, some states rely more heavily on nursing homes for mental health care than others, and Illinois does it more than any other state — even though it has gotten in trouble for the practice in the past.

Illinois, Ohio and Missouri have the highest percentage of nursing home residents with serious mental illnesses

California and Louisiana rounded out the top five.



Data is from the Centers for Medicare & Medicaid Services. Serious mental illnesses include schizophrenia, bipolar disorder and psychotic disorder. Rates are from 2023 and were calculated by the APM Research Lab. Nursing homes that specialize in mental illness care are excluded from this graphic. Nevada in particular is affected by this. See methods for more information.

Analysis and map by Elisabeth Gawthrop | APM Research Lab.

In the early 1980s, federal officials said they would no longer allow federal funding for 34 nursing homes filled mostly with mental health patients. The state had to start picking up the tab for those facilities, according to an investigation by

the *Chicago Tribune*. (Although a nursing home can receive federal dollars for its residents with mental illnesses, if it's deemed as primarily housing people due to their mental illness, Medicaid's restrictions on paying for mental health institutions can apply.)

In the late 1990s, the newspaper reported that Illinois state officials changed the primary diagnosis of thousands of patients from a mental illness to a physical ailment. The move, according to the newspaper, allowed Illinois to collect an extra \$50 million in federal funding. This time, the government stopped federal payments to 17 facilities.



In the 1990s, the *Chicago Tribune* published a series of stories on mental illness in nursing homes. In spite of the public attention — and a flurry of legislation in the decades that followed — Illinois still has a higher percentage of nursing home residents with serious mental illnesses than any other state. Collage by Andy Kruse.

A decade later, the <u>newspaper revealed</u> that there were still high rates of people with serious mental illnesses living in nursing homes. The ACLU and others filed lawsuits alleging that the state was violating the Americans with Disabilities Act by unnecessarily institutionalizing people with mental

illnesses. <u>Settlement agreements</u> required the state to provide support for people with disabilities to transition out of their facilities.

It was in that same period that the state passed the law compelling the public health department to create the psychiatric certification program — the one that currently doesn't certify any nursing homes.

That law also requires the Illinois Department of Human Services to regularly assess anyone with a serious mental illness in a nursing home. Such assessments would determine if a resident actually needed skilled nursing care and inform residents of all other available care options.

The department said it has no records of such assessments, and it noted, "at this time, the State is evaluating whether State statutory language should be updated to match the federal standard." The human services department said it's in compliance with the federal standard, which requires screenings prior to admission at nursing homes.

But even with the department's efforts, and despite the flurry of regulatory activity in the early 2010s, the rate of people with schizophrenia, bipolar or psychotic disorder in Illinois nursing homes has not gone down. In fact, it increased by 4.5 percentage points between 2013 and 2023, according to our analysis of federal data.

The analysis of data from 2023 revealed 16 Illinois nursing homes where more than half of the residents were there primarily due to a mental illness, which should likely exempt the facilities from at least some of their federal Medicaid payments — as happened there in the 1980s and '90s. But states, not the federal government, are responsible for enforcing that law, according to a 2017 Government Accountability Office report.

Some states have agreed to provide additional oversight in exchange for waivers that allow them to spend federal Medicaid dollars on psychiatric institutions, which could include some nursing homes. But increased scrutiny doesn't necessarily result in better care. That's one reason some disability rights advocates don't want federal funds for institutional mental health care and instead favor increased support for at-home care. U.S. Rep. Daniel Goldman, a Democrat from New York, this year proposed a bill to allow Medicaid to more easily fund at-home care for mental illness. And in Massachusetts, the state government agreed last year to provide more community-based options for all people with a disability, including more housing support. The agreement stemmed from a lawsuit brought on behalf of nursing home residents experiencing mental illness.

Schwartz, who led the case against the state, said the agreement is "driving a restructuring of Massachusetts long term care system." He said he hoped the state would have to

make more systemic changes than litigation has accomplished in other states, including Illinois.

Back in North Aurora, a court committed V.R. to a state-run treatment center for people with conditions like his. He'll be there for up to seven years, the maximum amount of time he could have been sentenced to had he been found guilty.

V.R.'s defense attorney, Liam Dixon, said a traumatic brain injury also exacerbated V.R.'s condition. "He has been at the will of the places he's been and the guardians he's had," Dixon added.

This special investigation was assisted greatly by <u>APM</u>

<u>Reports</u>, including editing by Tom Scheck, Curtis Gilbert and Andy Kruse, and data checking by Jennifer Lu. Craig

Helmstetter and Alyson Clary of the <u>APM Research Lab</u> also contributed. The reporting was supported in part by a grant from The National Institute for Health Care Management Foundation.

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