

SURVEY EBOOK

Skilled Nursing in 2026: Embracing AI – and a brighter view on staffing and occupancy

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Skilled Nursing in 2026: Embracing AI — and a brighter view on staffing and occupancy

If SNF providers are correct in their outlook, 2026 will be the year of continued growth in AI, with workforce solutions coming soon, along with boosts to occupancy.

According to 93% of respondents in the Skilled Nursing News Outlook 2026 survey, technology can help SNF providers develop patient-centered care plans and better address patient needs. Among the technologies at the forefront of this shift is artificial intelligence, as 90% of respondents are supportive of AI-based programs in skilled nursing.

Workforce challenges remain immense, yet providers expect those challenges to ease in 2026, with 54% predicting the climate to improve at some point this year. Respondents also see an increase in occupancy rates in the year ahead for both skilled care and long-term care, both at 54%.

From Dec. 8, 2025 to Jan. 28, 2026, Skilled Nursing News partnered with Healthcare Services Group to uncover key trends, challenges and opportunities for the year ahead. The survey highlights how providers are adapting to an evolving environment in operations and technology while positioning themselves for success.

Skilled Nursing News is proud to share these survey results, offering skilled care leaders valuable insights into the industry's trajectory as 2026 unfolds.



Zahida Siddiqi

Editor
Skilled Nursing News

A Foreword from Healthcare SERVICES GROUP

The 2026 Industry Outlook signals a year marked by cautious optimism for long-term care. While occupancy expectations are rising, operators still face significant operational challenges, particularly in maintaining workforce stability and delivering a high-quality resident experience. Recruitment and retention persist as major concerns, and satisfaction outcomes remain the primary performance metric.

The link between them is unmistakable: exceptional experiences stem from consistency, which in turn relies on dedicated people.

From Healthcare Services Group's perspective, this alignment mirrors our observations across the communities we've supported for over 50 years. Despite evolving regulations, reimbursement models, and care delivery expectations, core fundamentals endure, with residents consistently assessing quality through their daily experiences.

The survey indicates the industry is moving beyond merely filling positions and shifting focus to building reliable operations that empower employees to succeed. Communities that prioritize reducing daily friction, enhancing coordination, and ensuring consistent execution will be best positioned for success in the coming year.

We thank the leaders who contributed their perspectives to this year's outlook, and we hope these insights support thoughtful planning as the industry evolves.



Melissa Quintana

VP of Marketing
Healthcare Services Group

Executive Summary

Results show the views of 147 professionals who identify as working for organizations that provide hospice services, 47% of whom are c-suite leaders, VPs and directors, each offering an executive outlook on the state of the hospice industry in the year ahead. Sixty-six percent represent organizations that provide both long-term and short-term care, with 64% on the smaller side, at or below 25 facilities or locations.

The survey, conducted online, asked about how companies of all sizes are:



**Investing in
technology**



**Planning to
drive growth**

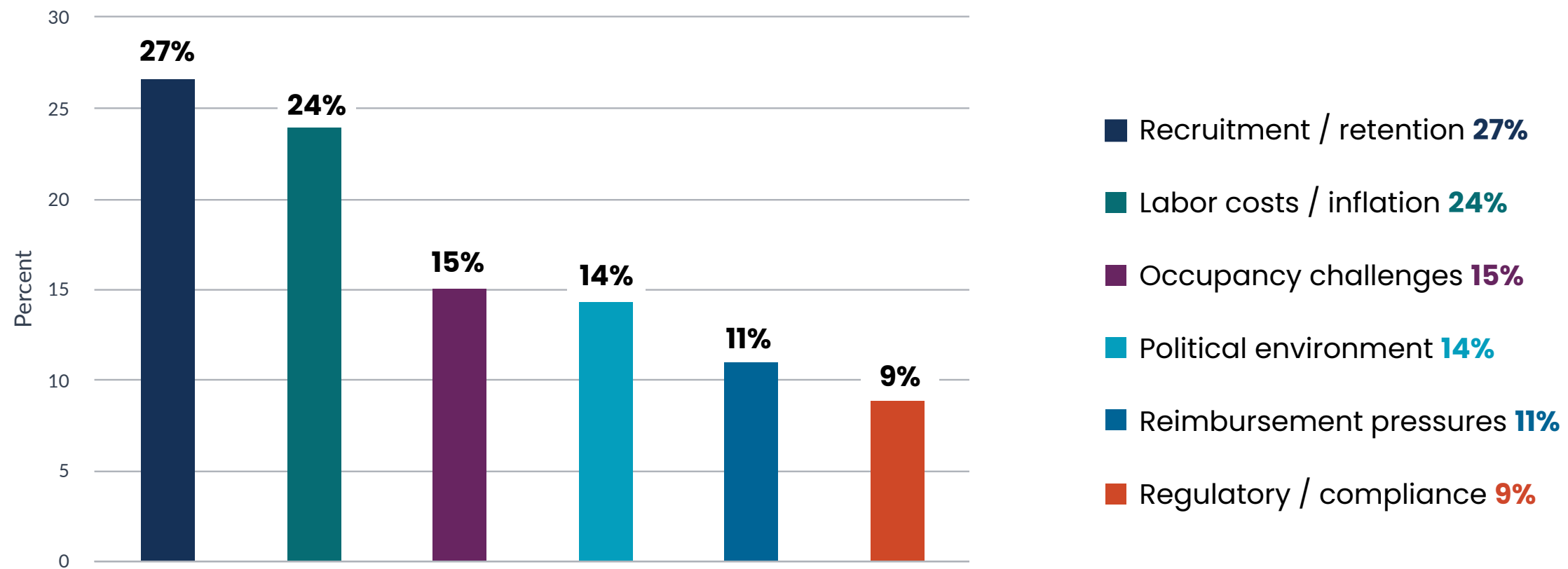


**Addressing workforce
challenges**

Workforce challenges remain the top industry challenge in 2026.

Over half of respondents cited a workforce-related area as the top challenge facing the industry in 2026, with 27% choosing “recruitment/retention” and 24% choosing “labor costs / inflation.”

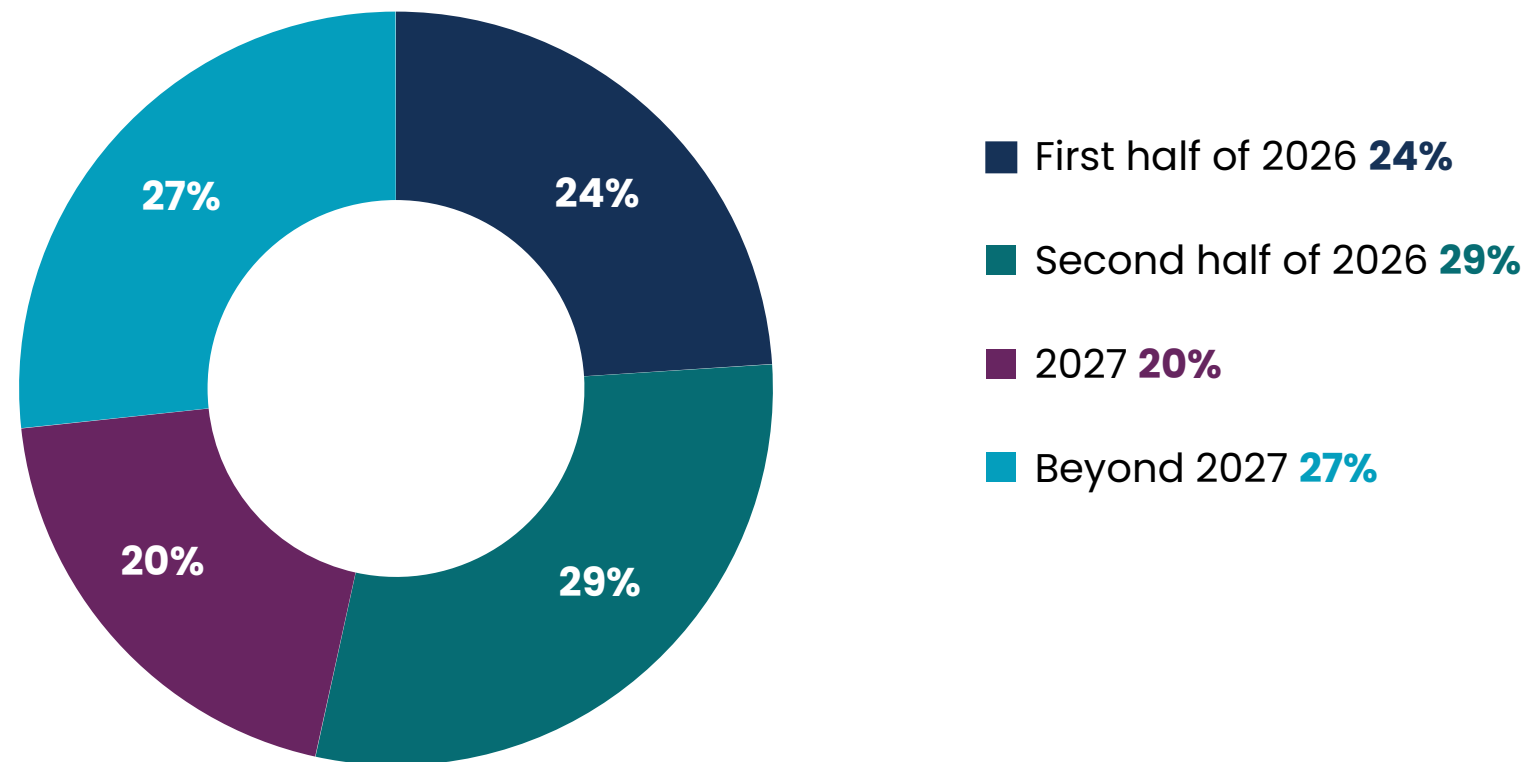
Which of the following is the **single greatest challenge** to skilled nursing heading into 2026?



Industry leaders see a better staffing climate in the next 12 months.

While workforce questions continue to be a massive challenge, respondents have some optimism about the staffing climate, as the highest number of respondents (30%) predict that the staffing climate will improve in the second half of 2026, with more than half of respondents (54%) predicting the climate to improve at some point this year.

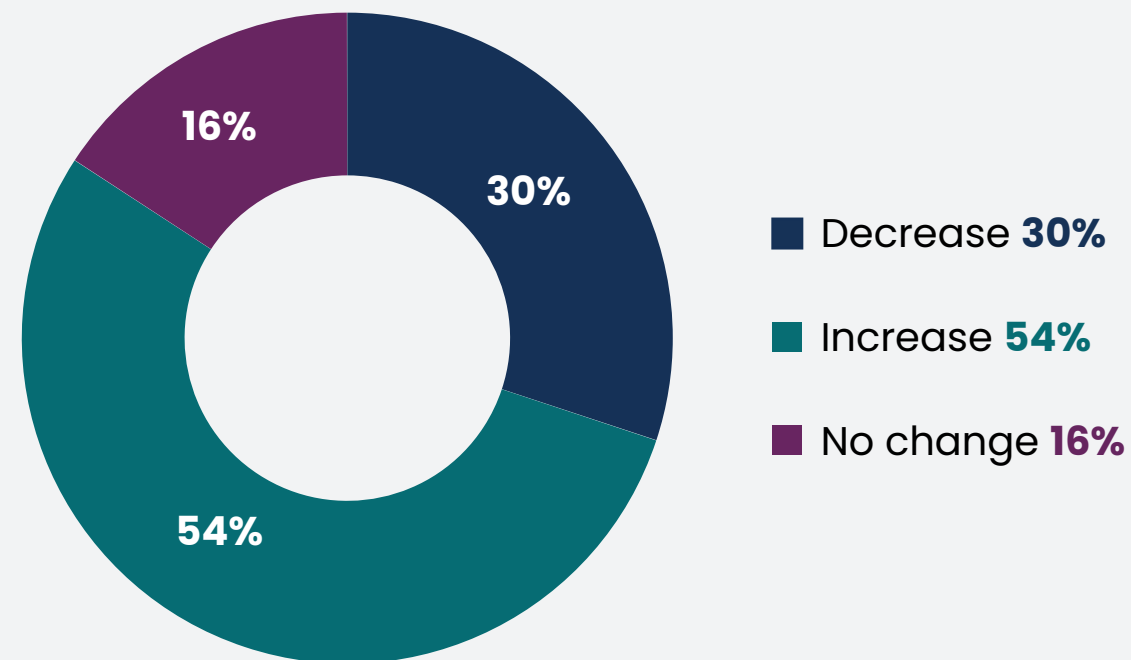
When do you expect the **staffing climate** to improve?



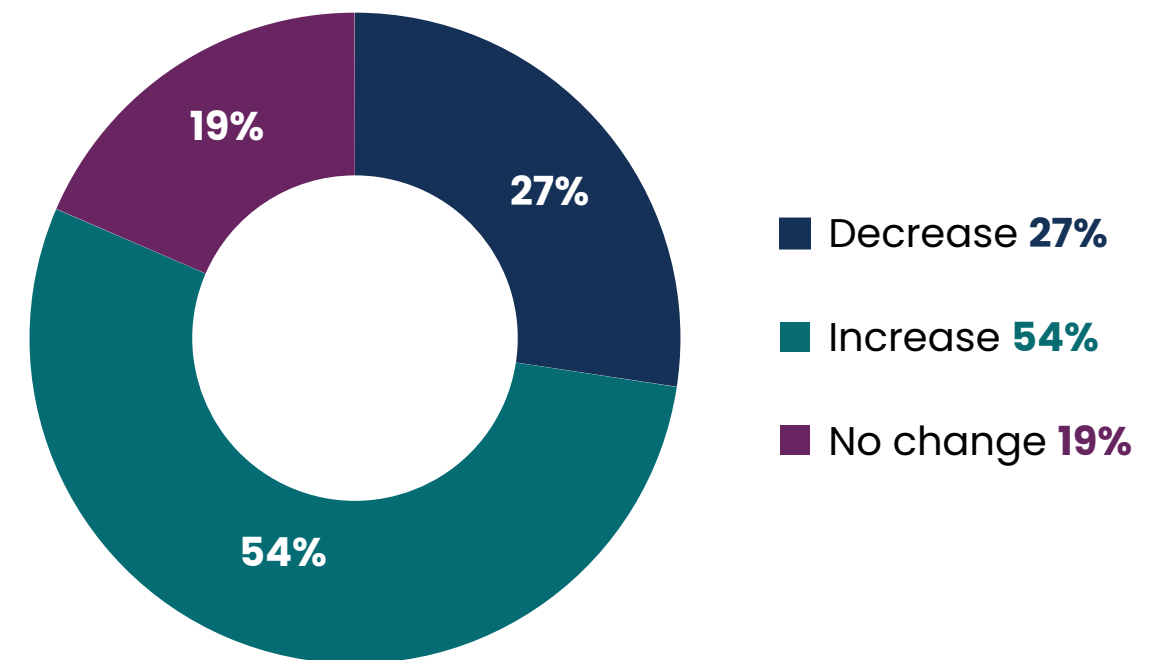
Industry leaders expect occupancy rates in both SNFs and long-term care to increase in 2026.

Respondents are bullish on occupancy rates in 2026, with 54% of respondents expecting both SNF occupancy rates and long-term care occupancy rates to increase. As for the bearish respondents on occupancy, 30% of respondents think SNF rates will decrease in 2026, while 27% of respondents think LTC rates will decrease.

What is your outlook over the next 12 months regarding occupancy rates for **skilled nursing / post-acute rehab?**



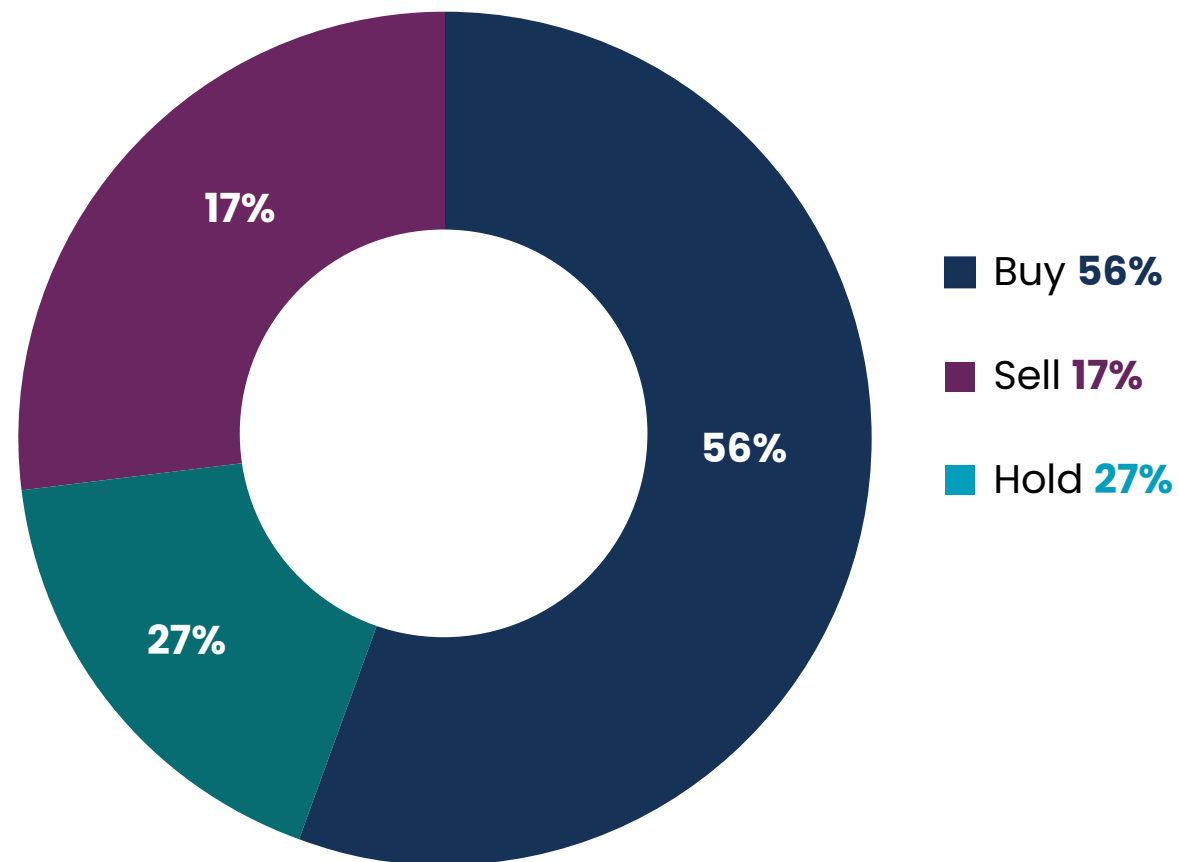
What is your outlook over the next 12 months regarding occupancy rates for **long-term care residents?**



Skilled care providers plan to buy SNF assets in 2026.

Among the respondents whose companies relate to SNF asset M&A, nearly 56% of respondents plan to buy skilled nursing assets in 2026. Forty percent of respondents plan to buy SNF assets in 2026, with just 12% planning to sell. When we remove the 29% of respondents for whom this is not applicable, that “buy” number jumps to nearly 56%.

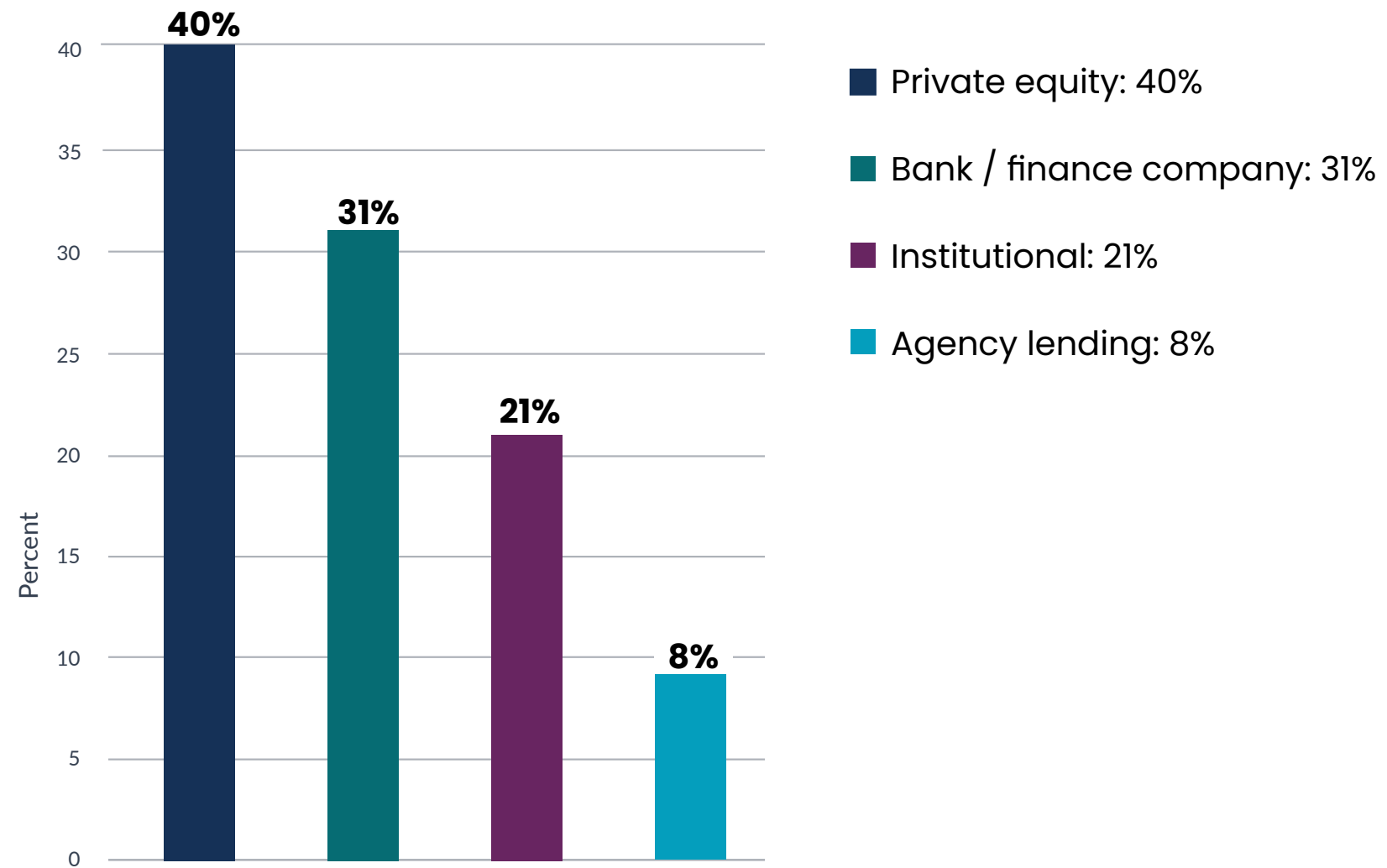
Fill in the blank: In 2026, my company plans to _____ skilled nursing assets.



Private equity will drive SNF financing.

Among relevant respondents, 40% are seeking private equity as their top source of financing in 2026, while another 31% are seeking bank or finance company financing.

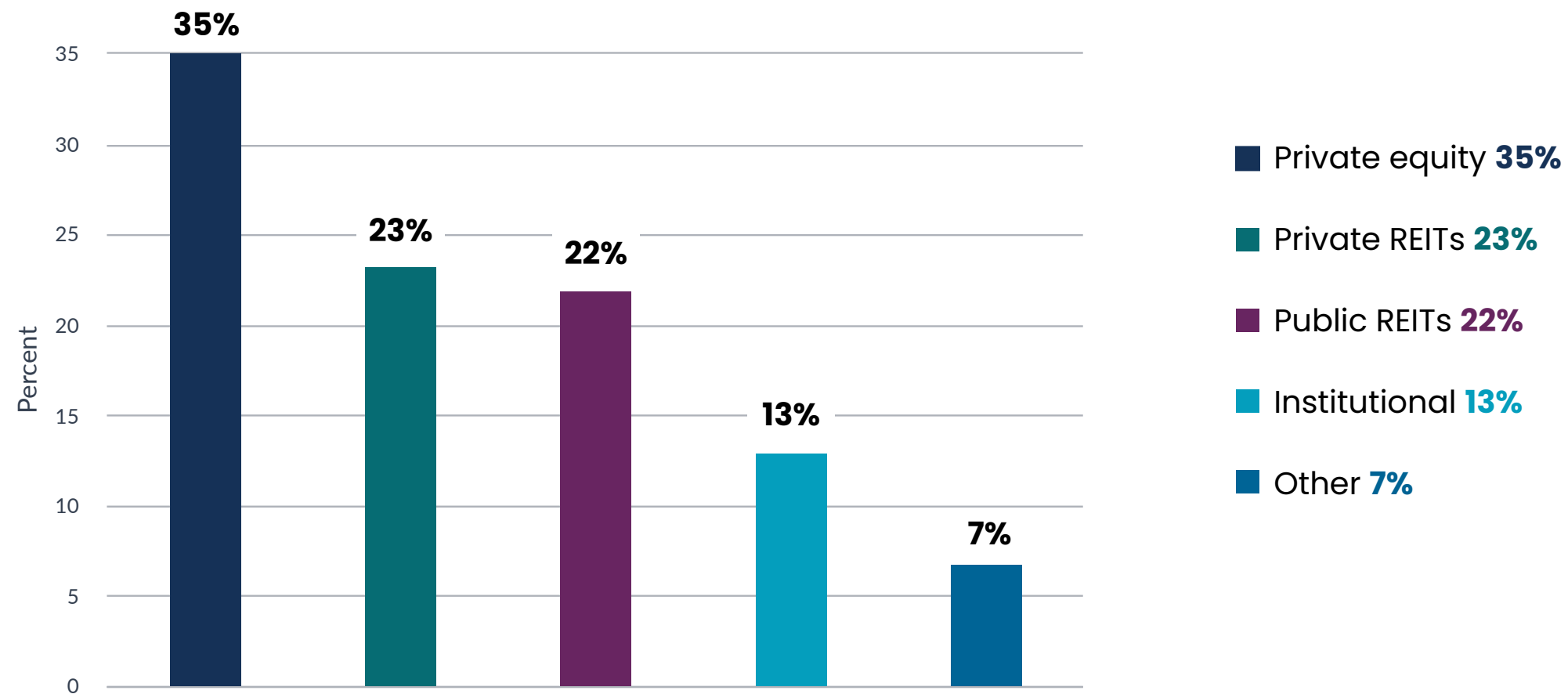
Select the **top source of financing** your company is seeking in 2026.



Industry leaders expect PE to lead the way on purchasing skilled assets.

Just as SNFs are seeking private equity for financing, industry leaders also expect PE to be the biggest buyer of SNF assets in 2026 (35%), followed by private REITs (23%) and public REITs (22%).

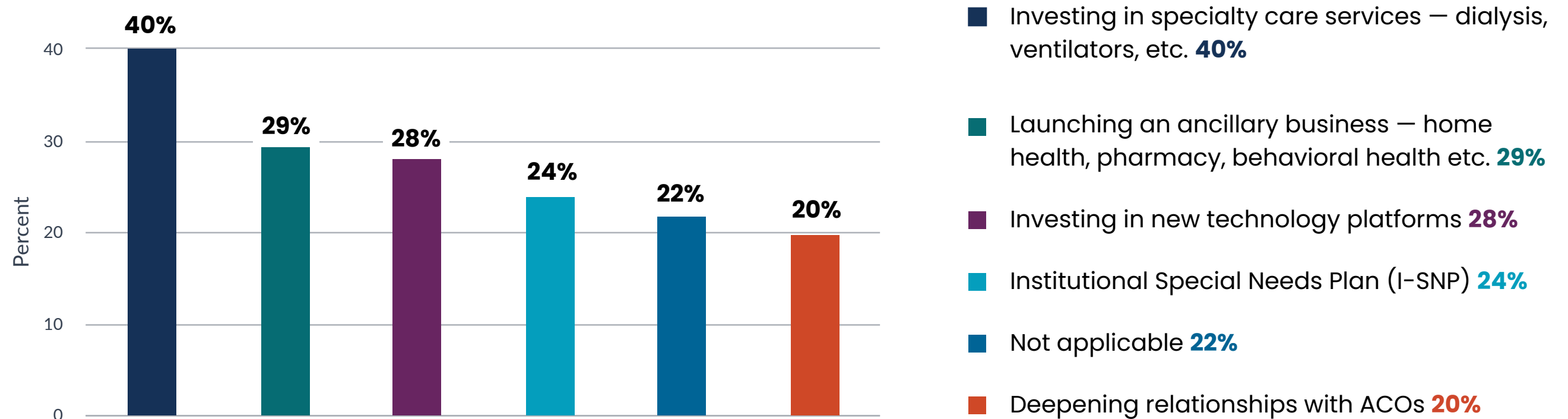
Which source will be the **biggest buyer** of skilled nursing assets in 2026?



SNF providers are investing in specialty care services, among other areas, in 2026.

Forty percent of respondents plan to invest in specialty care services in 2026, such as dialysis or ventilators. Other top areas of investment are ancillary businesses (29%), new technology platforms (28%) and institutional special needs plans (24%).

In which of the following areas are you **investing** in 2026?



What are the **key performance metrics** SNFs should emphasize within their value-based care programs? Please rank in order.

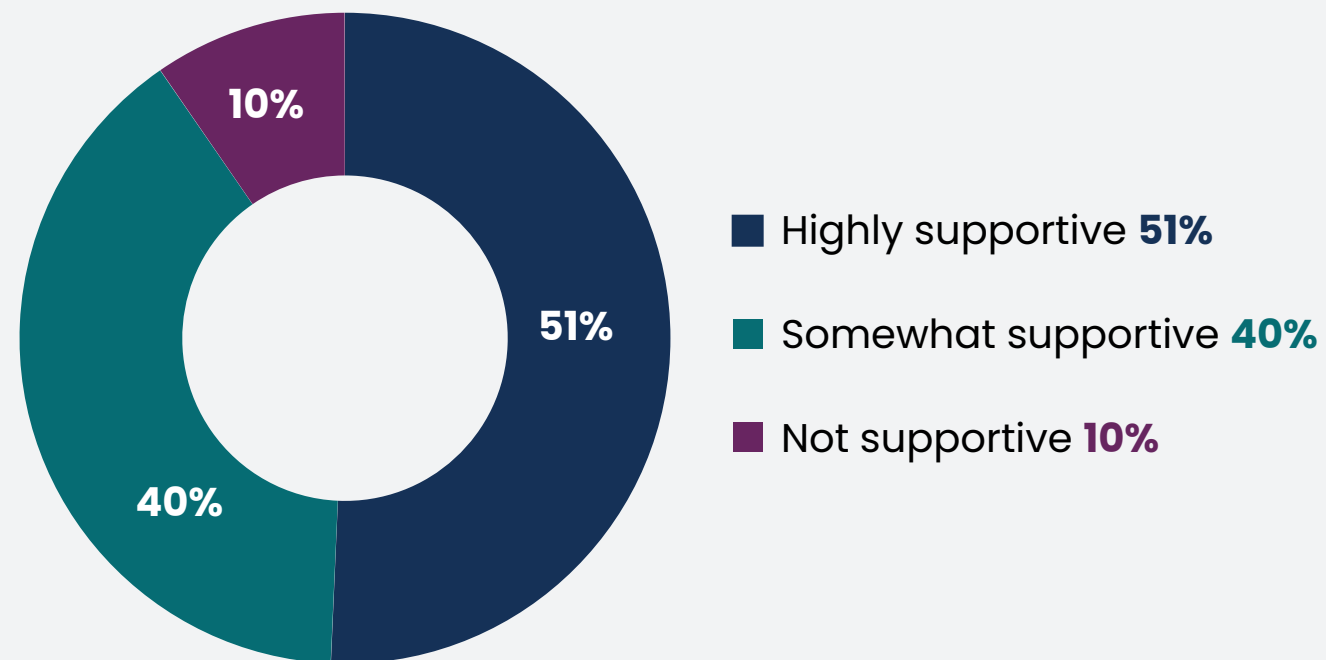
RANK / ITEM	SCORE
1. Patient satisfaction	418
2. Functional improvements	361
3. Reducing UTIs, falls, and other areas that align with ACO reimbursement structures	358
4. Readmissions	274

Patient satisfaction is the top KPI when evaluating a value-based care program.

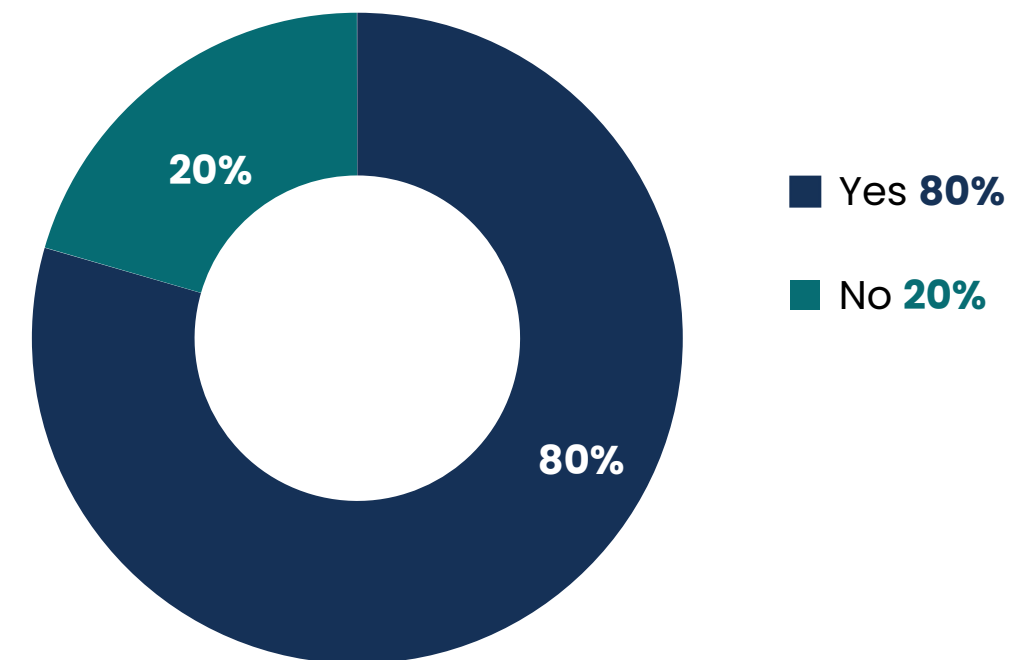
SNF providers are all in on AI.

A whopping 90% of respondents are supportive of AI-based programs in skilled nursing, with 50% of respondents “highly supportive.” Asked about AI helping SNF staff decision making, 79% of respondents said yes, it can.

How do you feel about using **artificial-intelligence (AI)-based programs in SNFs?**



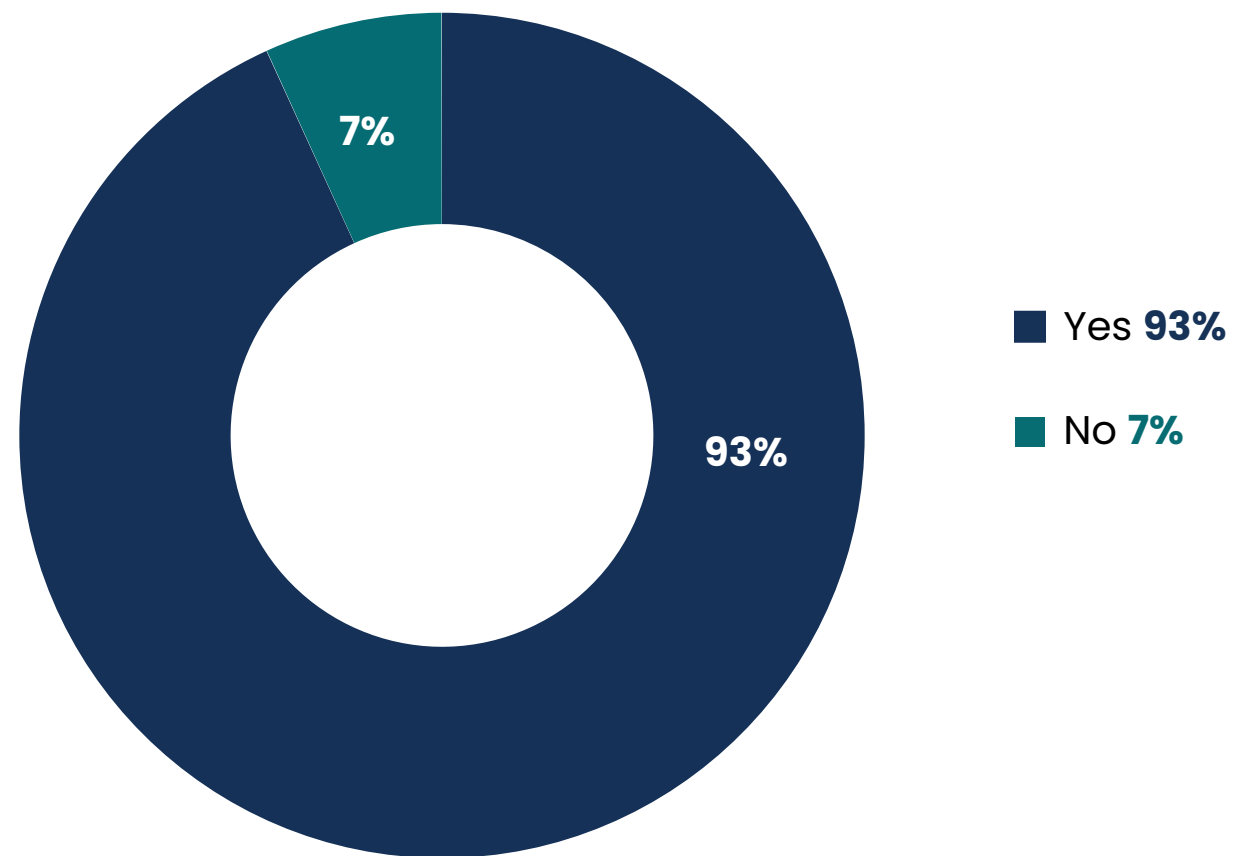
Do you think AI has a role in helping **SNF staff with decision making?**



Even beyond AI, SNF providers are extremely enthused about technology.

When SNFs develop patient-centered care plans, they know the importance of technology for addressing patient needs, as 93% of respondents view technology as a benefit.

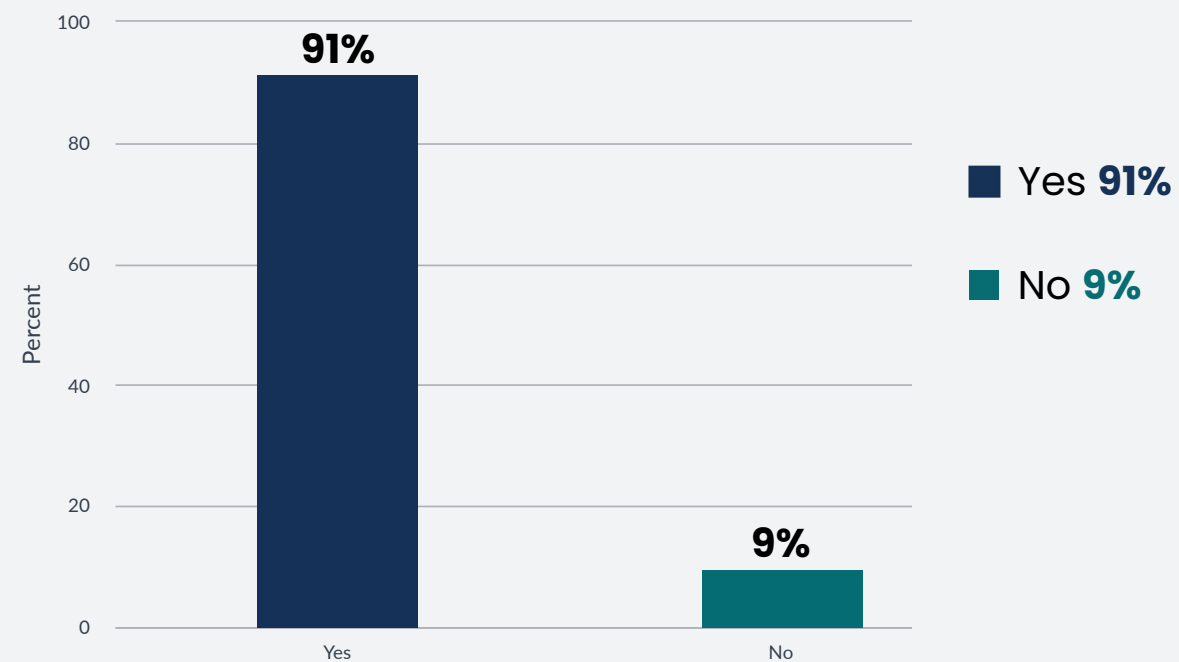
Do you think technology can help **SNF providers develop patient centered care plans and better address patient needs?**



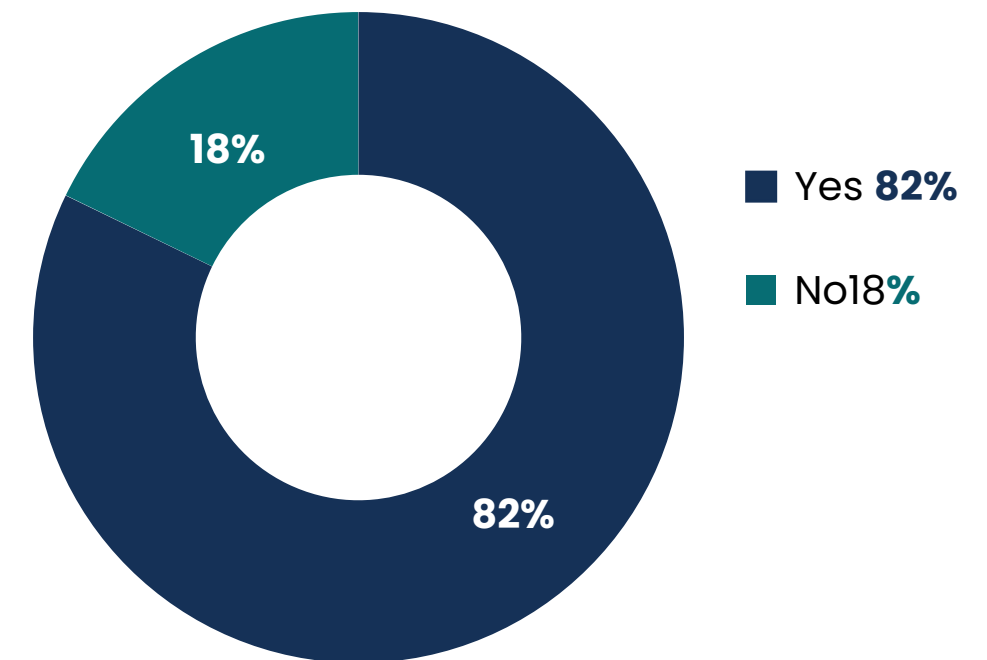
Integrated care models are leaving massive gaps in strategic areas.

Over 90% of respondents said that they see gaps in strategic care models during the rise of integrated care models, while 82% said that they see gaps more generally as integration within care models continues.

As more integrated care models continue to gain importance, are you seeing gaps in **care in any strategic areas?**



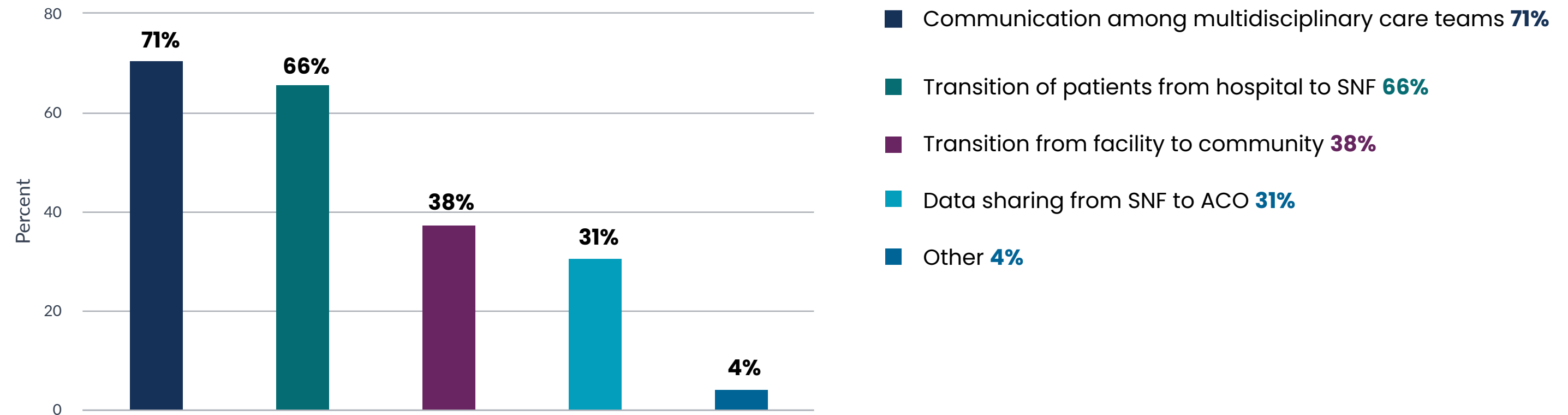
As **integration within care models continues**, are you seeing gaps in care in any strategic areas?



Care team communication and patient transition in need of more coordination.

Asked where they see the most need for better communication, 70% of respondents chose communication among multidisciplinary care teams while 66% chose patient transition from hospitals to SNFs.

Where do you see the most need for **better coordination?**





The 2026 SNN Outlook Survey and Report is brought to you by Skilled Nursing News and Healthcare Services Group.

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