Key Takeaways

Occupancy
After seven months in a row of increases, skilled nursing property occupancy declined from August to September, decreasing 27 basis points to 75.1%. Nevertheless, occupancy was still 355 basis points above the low point of 71.5% reached in January 2021. In general, there remains cautious optimism about improving occupancy trends but there remain challenges including the rapid spread of the contagious COVID-19 delta variant in the summer and fall months as well as labor shortages, which have caused some properties to limit new patient admissions. In addition, there is potential for additional challenges due to a lack of booster shot prioritization among skilled nursing properties, the arrival of the Fall/Winter season, the new omicron variant becomes more broadly spread, and labor shortages persist. Occupancy remains very low compared to February 2020 pre-pandemic levels of 85.7% (10.6 percentage points).

Medicare
Medicare revenue per patient day (RPPD) increased by $2.82 (0.5%) from August to end September 2021 at $565. Despite the gain, it remained 1.5% below its December 2020 level ($573.68) when cases in skilled nursing properties were spiking and RPPD was higher likely because the federal government had implemented initiatives to aid Medicare fee-for-service reimbursements for situations such as providing higher rates to help care for COVID-19 positive patients requiring isolation. Meanwhile, Medicare revenue mix continued to decline, falling 33 basis points from August to end September at 19.9%, a time-series low. It has been falling since January 2021 when it was 24.9%, the time of peak COVID-19 cases.

Managed Care
Managed Medicare revenue mix held relatively steady from August to September at 10.5%. It was down from its recent high of 11.2% in February but was up from the pandemic low set in May 2020 of 8.4%. The increase may be due to growth in elective surgeries from the prior year; elective surgeries often create additional referrals to skilled nursing properties. Meanwhile, Managed Medicare revenue per patient day (RPPD) increased from $447 to $449 in September but was down 3.2% from last year in September 2020. It has decreased $104 (18.8%) from January 2012 and continues to create pressure on operators’ revenue as managed Medicare enrollments grow around the country.

Medicaid
Medicaid patient day mix increased to 66.3% in September, up from the pandemic low of 63.2% set in January 2021. On the other hand, Medicaid revenue mix deceased in September to 50.0%, representing half of all property revenue. In addition, it has increased 314 basis points from the pandemic low of 46.9% set in December 2020. Meanwhile, Medicaid revenue per patient day (RPPD) decreased $1 from August to end September 2021 at $242. However, the latest monthly data in September still represents a 3.3% increase from pre-pandemic levels of February 2020 ($235). Medicaid reimbursement has increased more than usual as many states embraced measures to increase reimbursement related to the number of COVID-19 cases.
## Coverage

![Map of the United States with Property Count](image)

<table>
<thead>
<tr>
<th>States Represented</th>
<th>August</th>
<th>September</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Contributors</td>
<td>26</td>
<td>26</td>
</tr>
<tr>
<td>Total SNF Properties</td>
<td>1,277</td>
<td>1,273</td>
</tr>
</tbody>
</table>

## National Key Indicators

<table>
<thead>
<tr>
<th></th>
<th>National</th>
<th>Rural</th>
<th>Urban Cluster</th>
<th>Urban Area</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Occupancy</strong></td>
<td>75.1%</td>
<td>-2 bps</td>
<td>73.9%</td>
<td>2 bps</td>
</tr>
<tr>
<td><strong>Quality Mix</strong></td>
<td>33.7%</td>
<td>-31 bps</td>
<td>35.8%</td>
<td>-29 bps</td>
</tr>
<tr>
<td><strong>Skilled Mix</strong></td>
<td>25.5%</td>
<td>-31 bps</td>
<td>22.1%</td>
<td>-16 bps</td>
</tr>
<tr>
<td><strong>Patient Day Mix</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medicaid</td>
<td>66.3%</td>
<td>31 bps</td>
<td>64.2%</td>
<td>29 bps</td>
</tr>
<tr>
<td>Medicare</td>
<td>11.1%</td>
<td>-23 bps</td>
<td>10.8%</td>
<td>7 bps</td>
</tr>
<tr>
<td>Managed Medicare</td>
<td>7.6%</td>
<td>5 bps</td>
<td>4.1%</td>
<td>-9 bps</td>
</tr>
<tr>
<td>Private</td>
<td>8.2%</td>
<td>-1 bps</td>
<td>13.7%</td>
<td>-13 bps</td>
</tr>
<tr>
<td><strong>Revenue Per Patient Day</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medicaid</td>
<td>$242</td>
<td>-0.4%</td>
<td>$237</td>
<td>-0.3%</td>
</tr>
<tr>
<td>Medicare</td>
<td>$565</td>
<td>0.5%</td>
<td>$568</td>
<td>1.1%</td>
</tr>
<tr>
<td>Managed Medicare</td>
<td>$449</td>
<td>0.3%</td>
<td>$421</td>
<td>0.0%</td>
</tr>
<tr>
<td>Private</td>
<td>$290</td>
<td>0.2%</td>
<td>$272</td>
<td>-0.2%</td>
</tr>
<tr>
<td><strong>Revenue Mix</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medicaid</td>
<td>50.0%</td>
<td>-30 bps</td>
<td>50.0%</td>
<td>-24 bps</td>
</tr>
<tr>
<td>Medicare</td>
<td>19.9%</td>
<td>-33 bps</td>
<td>20.1%</td>
<td>22 bps</td>
</tr>
<tr>
<td>Managed Medicare</td>
<td>10.5%</td>
<td>2 bps</td>
<td>5.8%</td>
<td>-28 bps</td>
</tr>
<tr>
<td>Private</td>
<td>7.4%</td>
<td>-11 bps</td>
<td>12.1%</td>
<td>-22 bps</td>
</tr>
</tbody>
</table>
National Trends

Occupancy

Quality Mix  Skilled Mix

Patient Day Mix

Medicaid

Managed Medicare

Medicare

Private
Geographic classification is based on the 2010 US Census Bureau. All properties not considered Urban Area or Urban Cluster are classified in this report as Rural. According to the US Census Bureau:

For the 2010 Census, the Census Bureau classified as urban all territory, population, and housing units located within urbanized areas (UAs) and urban clusters (UCs), both defined using the same criteria. The Census Bureau delineates UA and UC boundaries that represent densely developed territory, encompassing residential, commercial, and other nonresidential urban land uses. In general, this territory consists of areas of high population density and urban land use resulting in a representation of the “urban footprint.” Rural consists of all territory, population, and housing units located outside UAs and UCs.

For the 2010 Census, the urban and rural classification was applied to the 50 states, the District of Columbia, Puerto Rico, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands.

Urbanized Areas (UAs)—An urbanized area consists of densely developed territory that contains 50,000 or more people. The Census Bureau delineates UAs to provide a better separation of urban and rural territory, population, and housing in the vicinity of large places.

Urban Clusters (UCs)—An urban cluster consists of densely developed territory that has at least 2,500 people but fewer than 50,000 people. The Census Bureau first introduced the UC concept for Census 2000 to provide a more consistent and accurate measure of urban population, housing, and territory throughout the United States, Puerto Rico, and the Island Areas.
Urban and Rural Trends

Occupancy

Quality Mix

Skilled Mix
Urban and Rural Trends

Patient Day Mix

**Medicaid**
- Rural
- Urban Area
- Urban Cluster
- National

**Managed Medicare**
- Rural
- Urban Area
- Urban Cluster
- National

**Medicare**
- Rural
- Urban Area
- Urban Cluster
- National

**Private**
- Rural
- Urban Area
- Urban Cluster
- National

Data Through September 2021

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Urban and Rural Trends

Revenue Per Patient Day

**Medicaid**

- Rural
- Urban Area
- Urban Cluster
- National

**Managed Medicare**

- Rural
- Urban Area
- Urban Cluster
- National

**Medicare**

- Rural
- Urban Area
- Urban Cluster
- National

**Private**

- Rural
- Urban Area
- Urban Cluster
- National

Data Through September 2021

Skilled Nursing Monthly Report

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Urban and Rural Trends

Revenue Mix

Medicaid

Managed Medicare

Medicare

Private

Data believed to be accurate but not guaranteed; subject to future revisions.
Explanation of Data

This data and its output is based on the sample population collected each month by NIC and the sample collected on an historical basis. The historical data/time-series data and month/month figures are calculated using same-store analysis. Current month includes all contributors’ data to date. Historical data is deflated using same-store month-month changes.

This data should not be interpreted as a census survey for the skilled nursing properties within the United States, but only a representation of the property count and state count as shown on Page 2.

National Skilled Nursing Trends are only reflective of the data from the current sample size within the NIC Skilled Nursing Data Initiative.

Patient Day Mix and Revenue Mix may not add up to 100% because “other patient days and revenue” that cannot be attributed to Medicaid, Medicare, managed Medicare, or Private are omitted from the tables and charts in this report. Other patient days and revenue may include but are not limited to additional benefit types such as veteran’s benefits, community programs, and ancillary services.

Glossary

**Occupancy:** Actual patient days divided by total days.

**Patient Day Mix:** Actual patient days of each payor source divided by the total actual patient days.

**Quality Mix:** Actual Medicare, managed Medicare/other, and Private patient days divided by the total actual patient days.

**Revenue Per Patient Day (RPPD):** Total revenue divided by actual patient days for each payor source.

**Revenue Mix:** Total revenue for each payor source divided by the total revenue.

**Skilled Mix:** Actual Medicare and managed Medicare/other days divided by total actual patient days.