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Data Service

Skilled Nursing Monthly Report

Data through November 2021

Key Takeaways

Skilled nursing property occupancy was flat in the month of November, ending the month at 75.7% after increasing 28 basis points from September to October. Occupancy has been relatively flat since July, and is now 381 basis points above the low point reached in January 2021 (71.9%). It was expected that admissions to skilled nursing properties would increase at a faster pace in 2021, but the COVID-19 delta variant over the summer months posed a challenge to operators as did staffing shortages across the industry. Most recently, staffing shortages have caused many operators to limit patient admissions because they are unable to hire additional caregivers. The Omicron variant is expected to cause additional pressure on occupancy in the winter months. Occupancy remains very low compared to February 2020 pre-pandemic levels of 86.0%.

Medicare revenue mix ended November at 20.3%, which was a 23 basis point increase from October. However, it is down from its pandemic high of 24.6% set in January 2021. The revenue mix has increased 65 basis points since September, which in part is likely a result of the increase in Medicare rates to skilled nursing properties for fiscal year 2022. That increase was implemented in October. However, since January of 2021, the longer-term downward trend in Medicare revenue mix continued as fewer COVID-19 cases in properties have resulted in less need for utilizing the 3-Day rule waiver and per day reimbursement for COVID-19 positive patients.

Managed Medicare patient day mix decreased slightly (8 basis points) from October to 7.2% in November and has oscillated in that range since June 2021. However, it is down 48 basis points from its high set in February (7.7%), which suggests lower patient admissions from managed Medicare given the increase in overall occupancy within the same timeframe. On the other hand, it has increased 214 basis points from the pandemic low of 5.1% set in May 2020 when states around the country implemented a suspension of elective surgeries, which had a direct impact on lower hospital referrals to skilled nursing properties.

Medicaid patient day mix decreased for the second month in a row, falling 51 basis points from October to end November at 66.2%. This decline, coupled with the fact that occupancy held steady in November, suggests that Medicare patient days were responsible for preventing a month-to-month decline in occupancy. However, Medicaid patient day mix has increased 245 basis points from the pandemic low of 63.7% set in January 2021.   In addition, Medicaid revenue mix decreased, dropping to 50.3% from 51.6% in October.

Coverage

Property Count

0   15   30   45   60   75   90   105 120 135 150
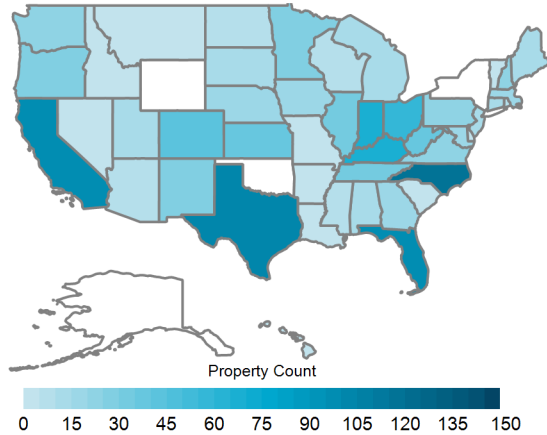
	October	November
States Represented	47	46
Number of Contributors	26	25
Total SNF Properties	1,255	1,225

National Key Indicators

	National		Rural		Urban Cluster		Urban Area	
	Current Mo.	Mo./Mo.	Current Mo.	Mo./Mo.	Current Mo.	Mo./Mo.	Current Mo.	Mo./Mo.
Occupancy	75.7%	1 bps	74.0%	-55 bps	73.8%	19 bps	76.5%	6 bps
Quality Mix	33.8%	51 bps	35.8%	16 bps	33.9%	29 bps	33.5%	64 bps
Skilled Mix	25.6%	31 bps	22.1%	-21 bps	23.4%	22 bps	26.8%	42 bps
Patient Day Mix								
Medicaid	66.2%	-51 bps	64.2%	-16 bps	66.1%	-29 bps	66.5%	-64 bps
Medicare	11.3%	27 bps	11.0%	14 bps	12.5%	37 bps	11.1%	27 bps
Managed Medicare	7.2%	-8 bps	3.8%	-10 bps	4.7%	-5 bps	8.5%	-8 bps
Private	8.2%	21 bps	13.7%	38 bps	10.5%	6 bps	6.6%	21 bps
Revenue Per Patient Day								
Medicaid	$250	-0.3%	$239	-0.5%	$248	-0.6%	$252	-0.2%
Medicare	$573	-0.1%	$571	0.4%	$575	-0.1%	$572	-0.2%
Managed Medicare	$446	-0.1%	$417	2.7%	$449	0.0%	$448	-0.3%
Private	$297	-0.1%	$272	0.2%	$277	-0.1%	$314	-0.1%
Revenue Mix								
Medicaid	50.3%	-130 bps	48.9%	-222 bps	48.4%	-270 bps	51.1%	-77 bps
Medicare	20.3%	23 bps	19.8%	-54 bps	21.8%	-31 bps	19.9%	51 bps
Managed Medicare	9.8%	-20 bps	5.5%	16 bps	6.2%	-35 bps	11.4%	-22 bps
Private	7.5%	2 bps	11.5%	-23 bps	8.7%	-25 bps	6.5%	13 bps

National Trends

Occupancy

Quality Mix — Skilled Mix

Patient Day Mix

Medicaid

Managed Medicare
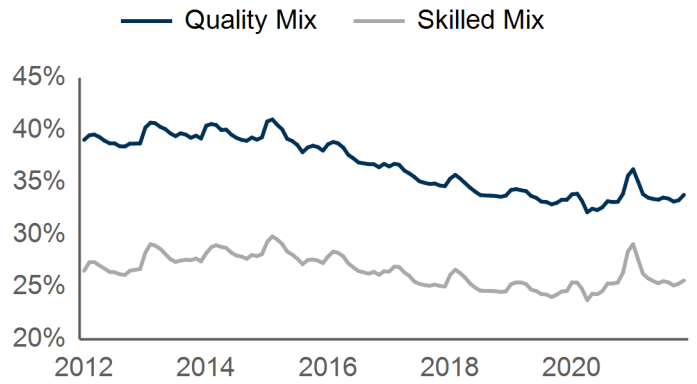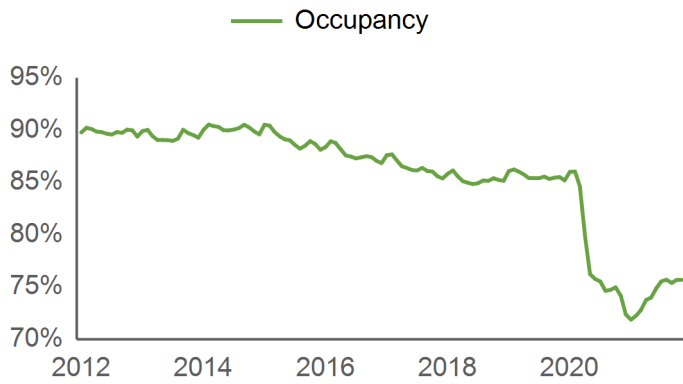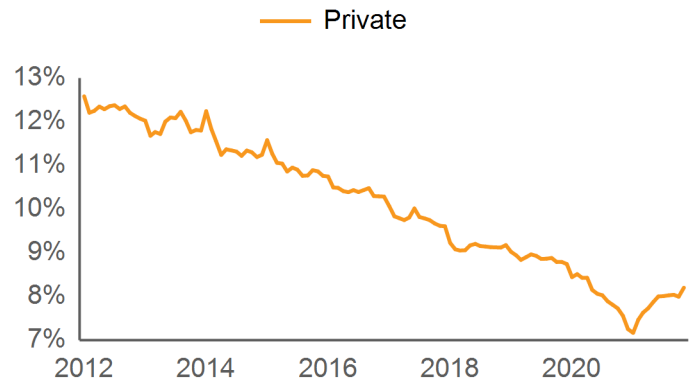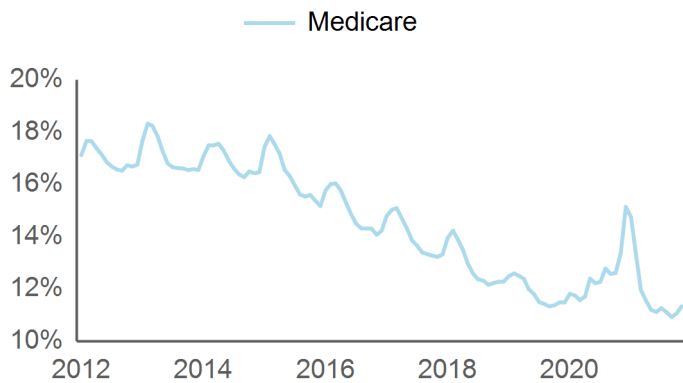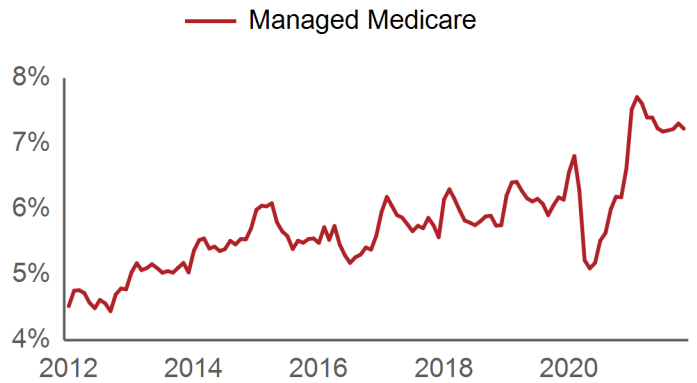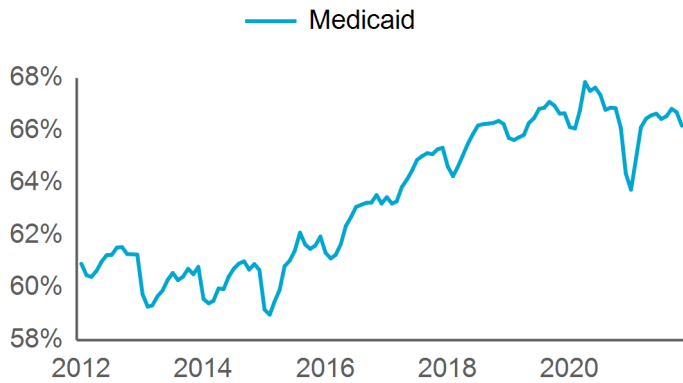
Medicare

Private

National Trends

Revenue Per Patient Day
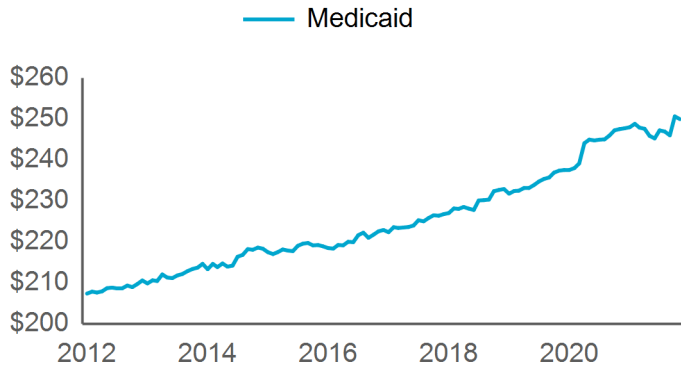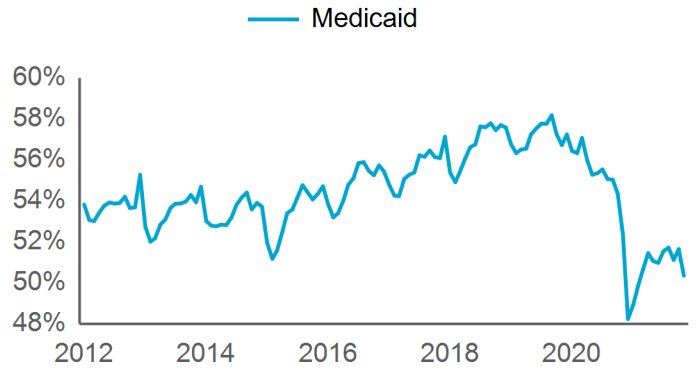
Medicaid

Medicare

Managed Medicare

Private

Revenue Mix

Medicaid

Medicare

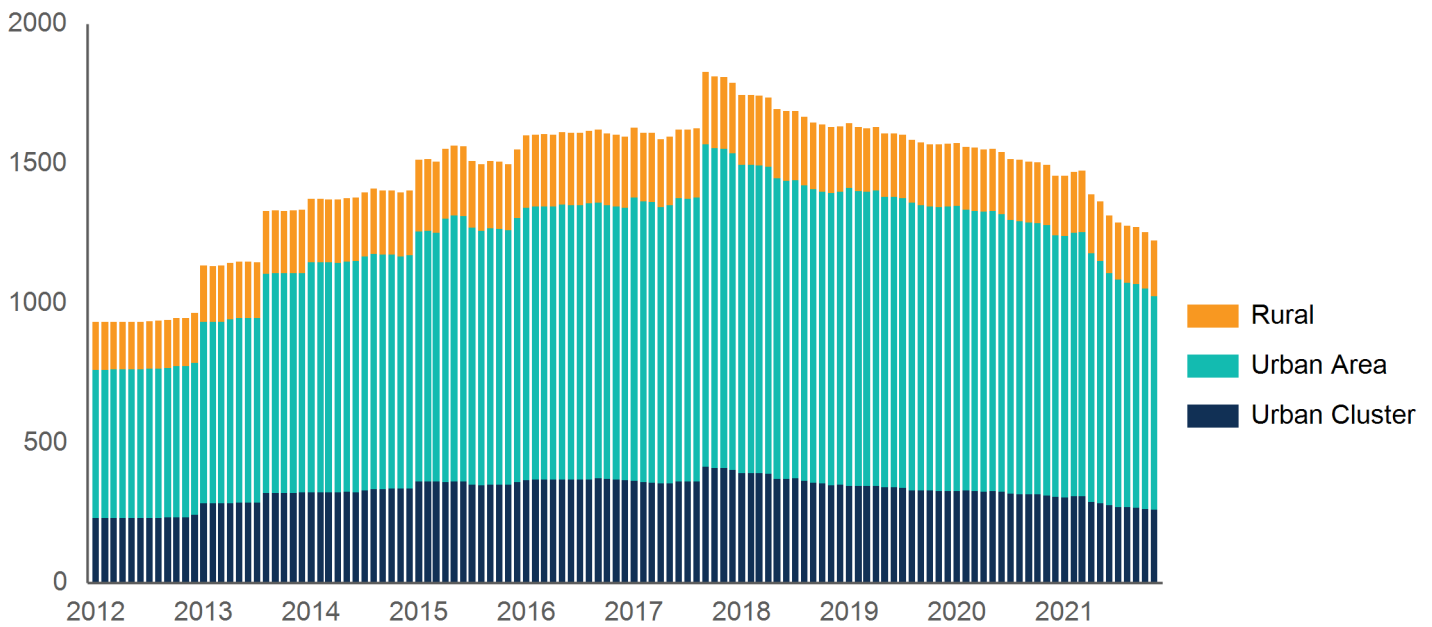#### Managed Medicare

Private

Skilled Nursing Monthly Report
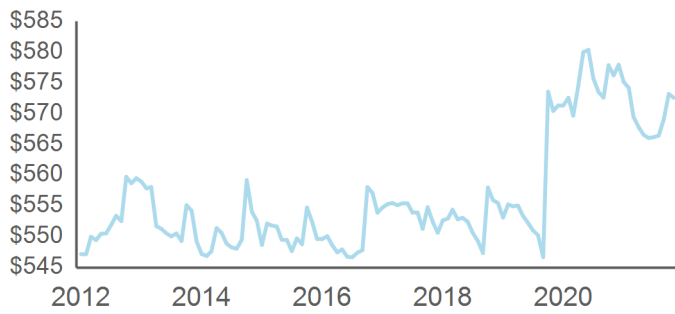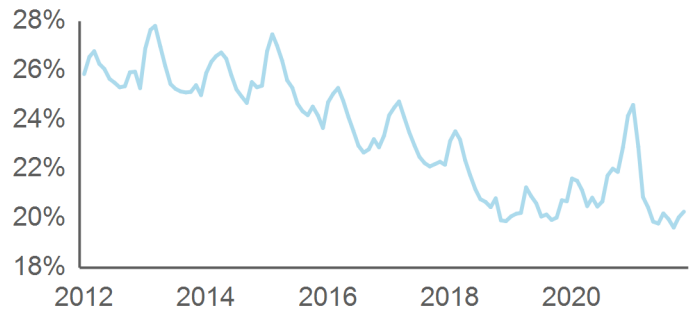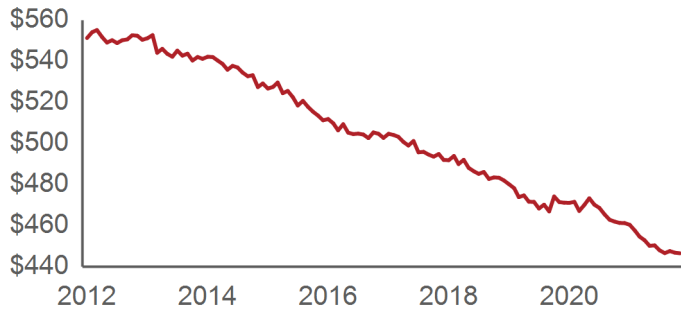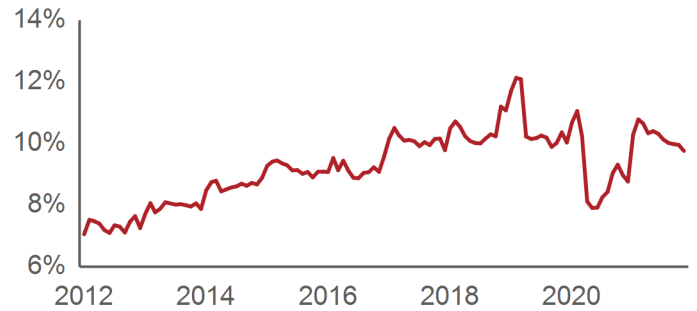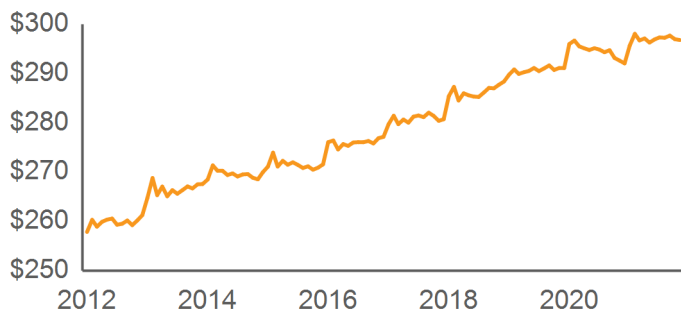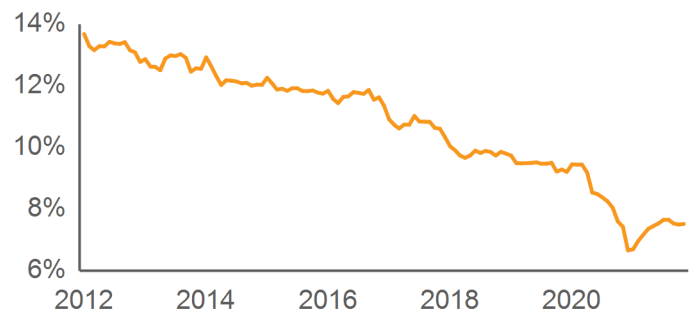
Urban and Rural Trends

Reporting Property Distribution

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:
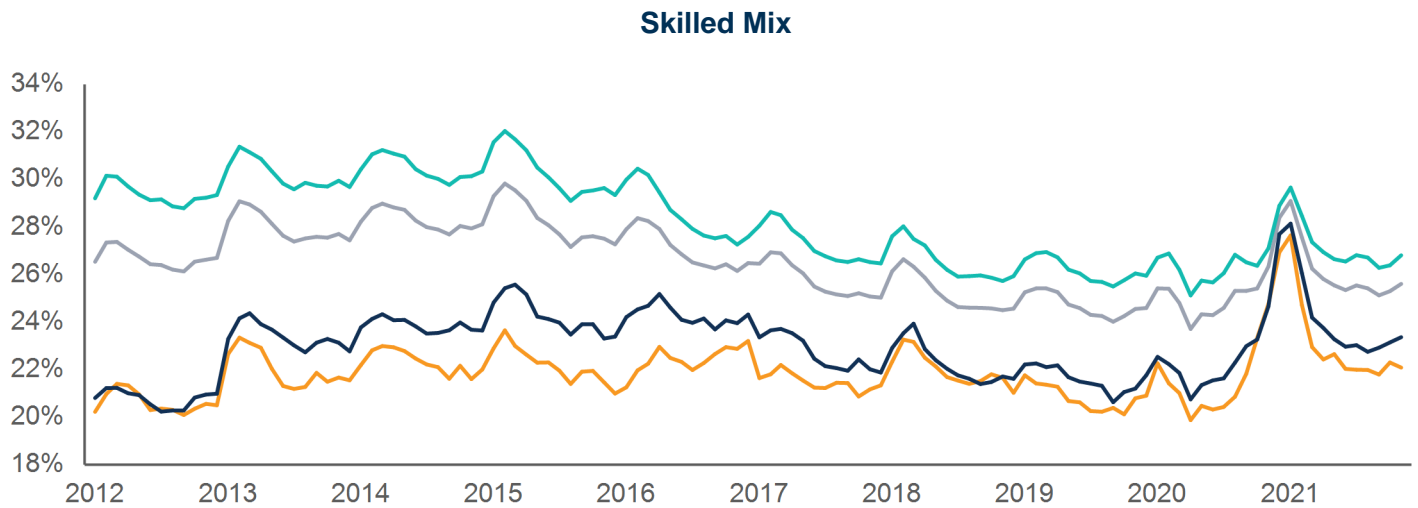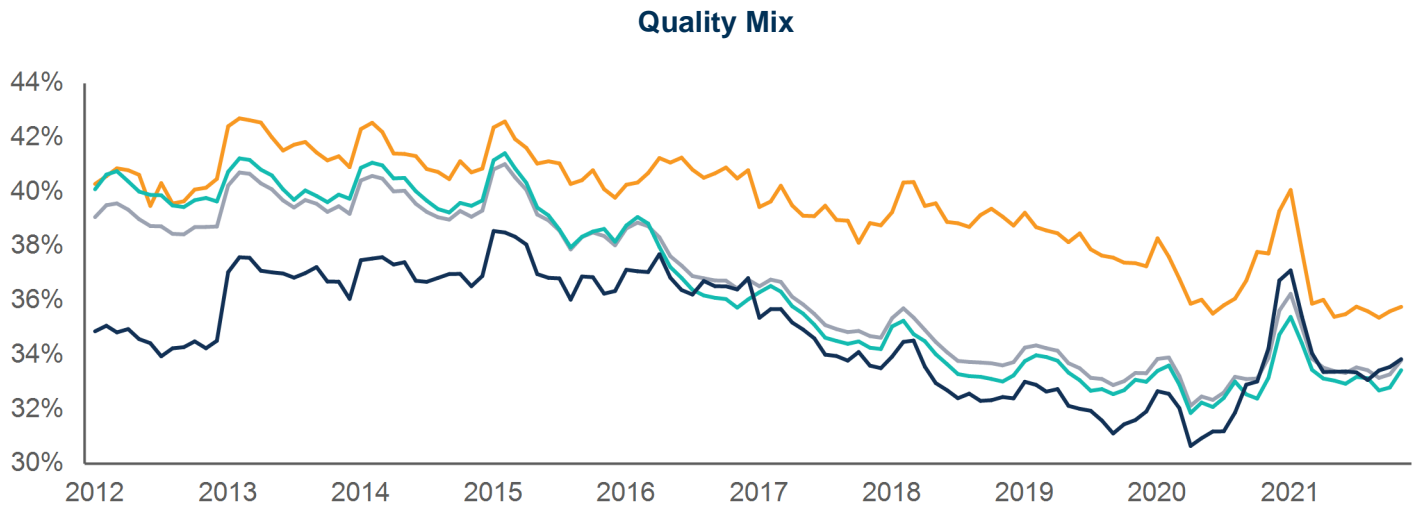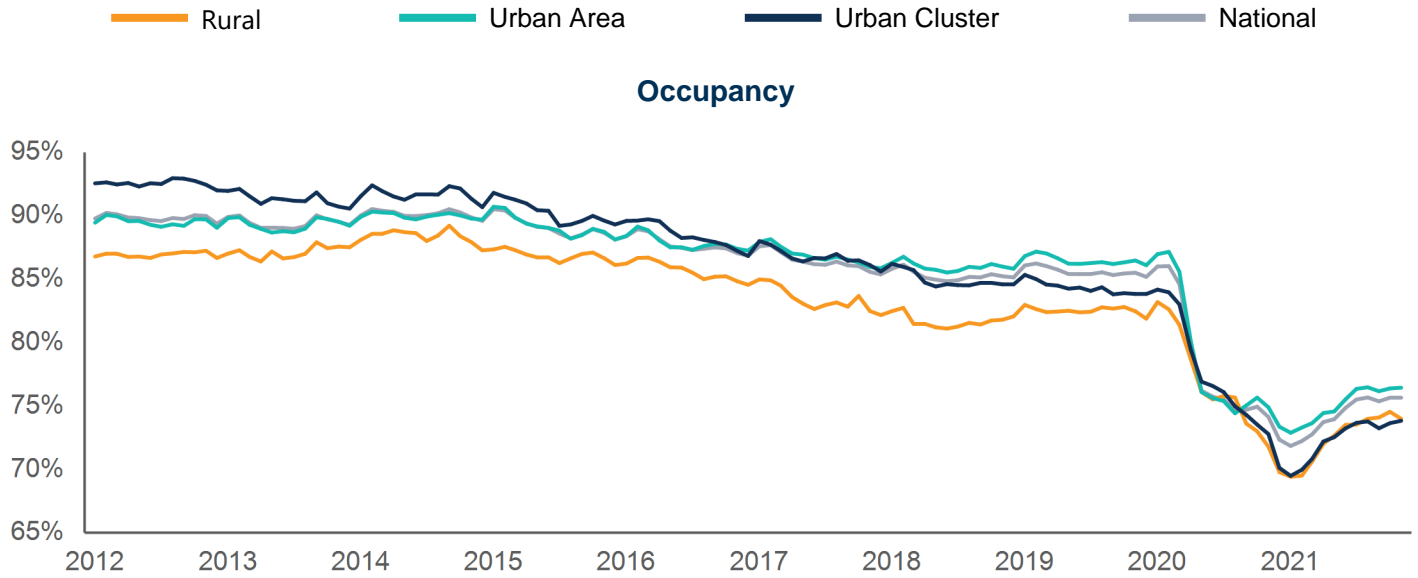
For the 2010 Census, the Census Bureau classified as urban all territory, population, and housing units located within urbanized areas (UAs) and urban clusters (UCs), both defined using the same criteria. The Census Bureau delineates UA and UC boundaries that represent densely developed territory, encompassing 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.
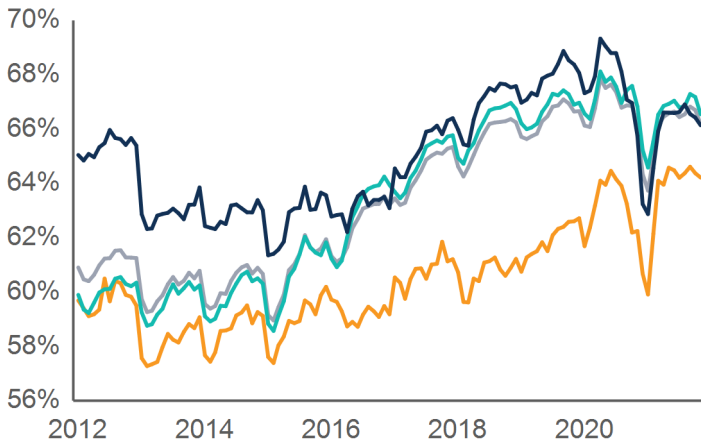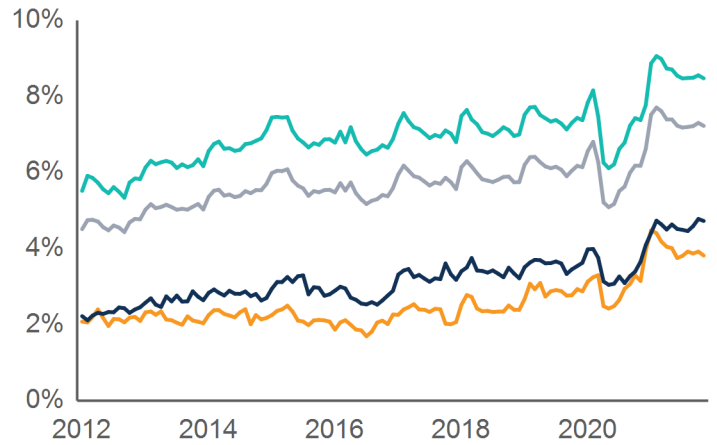
Urban and Rural Trends

Legend: ▬ Rural ▬ Urban Area ▬ Urban Cluster ▬ National

Occupancy

Quality Mix

Skilled Mix

Skilled Nursing Monthly Report

Urban and Rural Trends

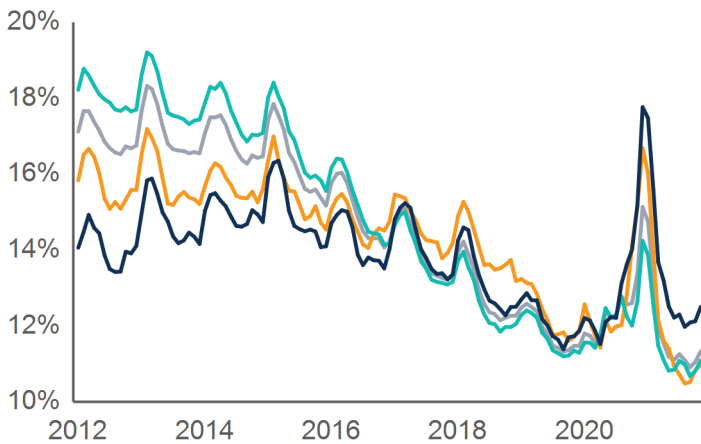Rural ● Urban Area ● Urban Cluster ● National
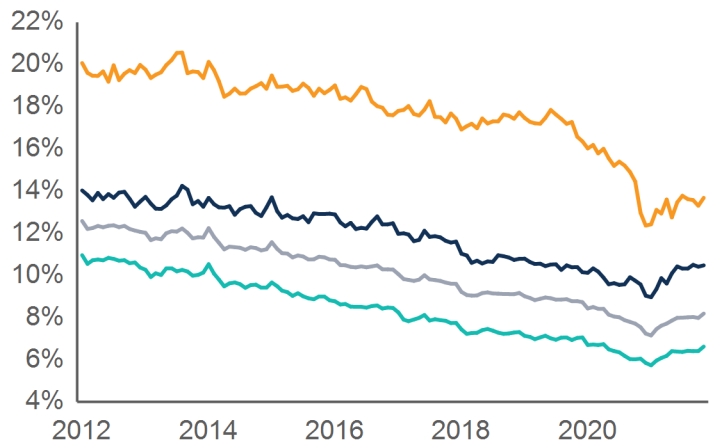
Patient Day Mix

Medicaid

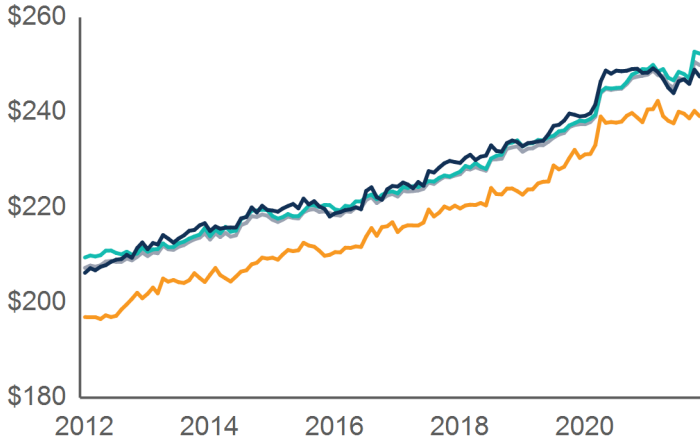Managed Medicare

Medicare

Private
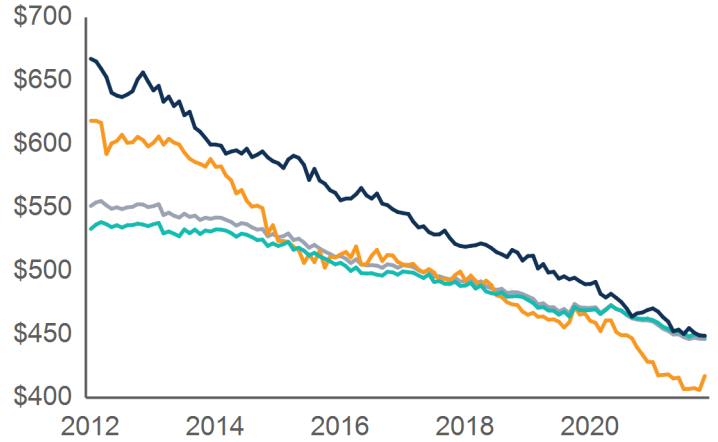
Urban and Rural Trends

--- Rural   --- Urban Area   --- Urban Cluster   --- National
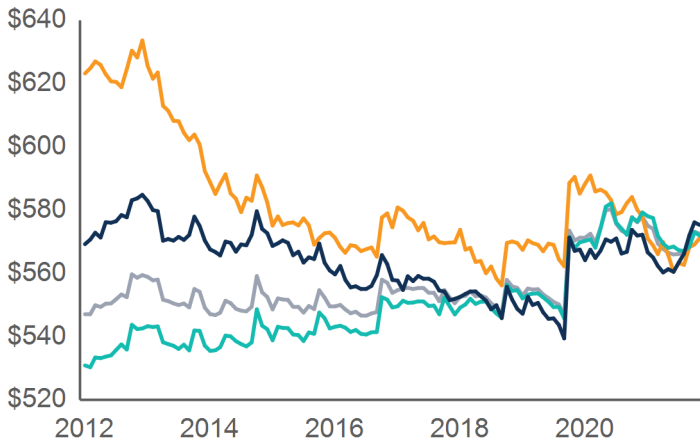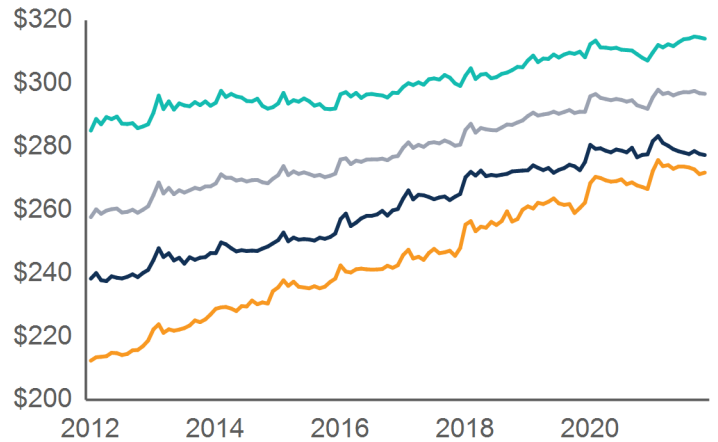
Revenue Per Patient Day

Medicaid

Managed Medicare

Medicare

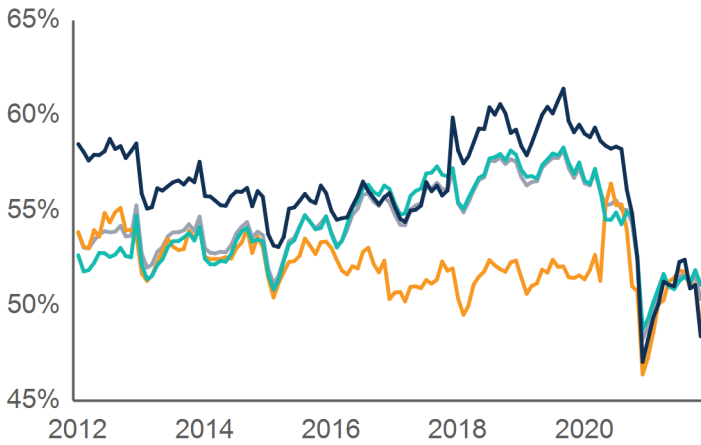
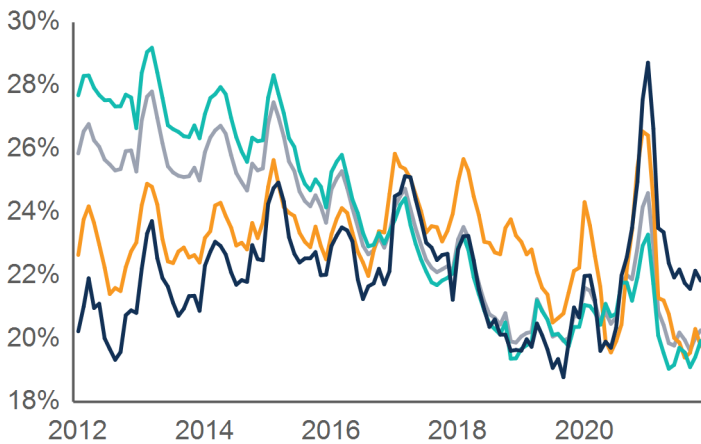**Private**

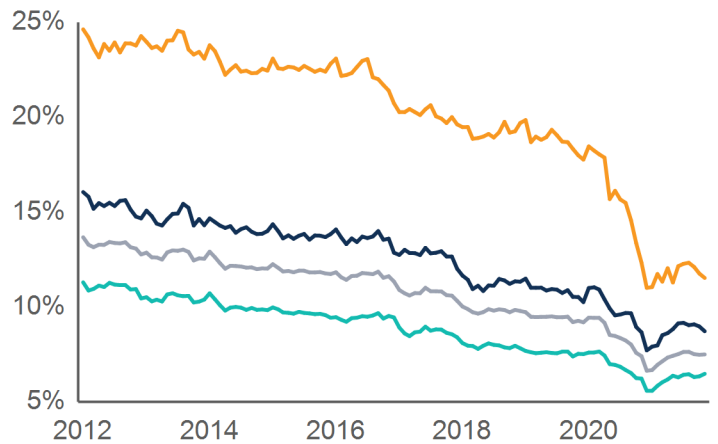## Urban and Rural Trends

Revenue Mix

Medicaid

Managed Medicare
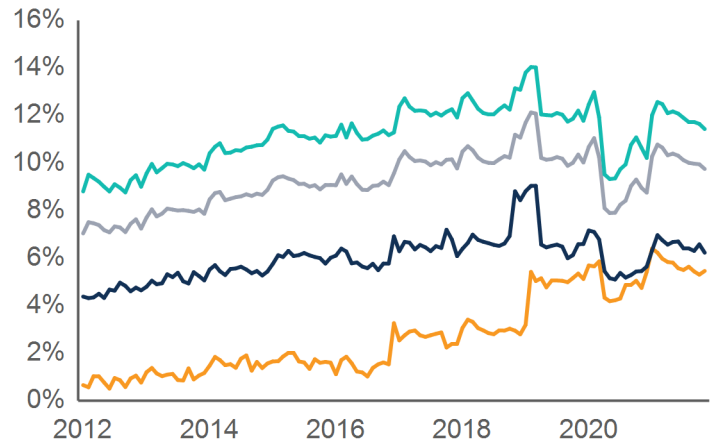
Medicare

Private

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.