

NYS Nursing Homes: Sponsorship as a Defining Factor in Outcomes

An Analysis by LeadingAge
New York

Background

- Long time desire by members to quantify quality differences between not-for-profit (NFP) and for-profit (FP) nursing homes
- More recent concerns about nursing home funding and greater reliance on managed care
- A team of LeadingAge NY researchers and policy staff reviewed and analyzed available nursing home literature and NYS data

Methodology

- Conducted extensive literature review
- Analyzed resident assessment, survey and cost report data statewide and by region
- Outcomes reviewed:
 - Hospitalizations
 - Staffing levels and case-mix
 - Survey deficiencies
 - Discharges to home
 - Federal quality measures

Key Findings

- Hospitalization rates are higher in FP than NFP homes; difference is 32+% for short-stay, 25+% for long-stay residents
- FP homes report 6.6% higher case-mix than NFPs
- NFP NHs had higher staffing levels than FPs
 - Average number of RN hours per resident day is 27% higher in NFPs; skill mix noticeably higher in NFPs
 - Nursing costs per day is 15% higher in NFPs
- FP facilities had 16% more deficiencies per 100 beds than NFPs
- Greater % of residents are discharged to home from NFP than FP homes
- NFP homes had statistically better outcomes in twice as many CMS quality measures as FP homes

Market Share (July 2010)

	NFP	FP	Public	All
Number of facilities	268	320	44	632
Number of residents	46,935	54,009	10,463	111,407
Market Share	42.1%	48.5%	9.4%	100.0%
By Region				
• Capital District	41.8%	36.4%	21.8%	100.0%
• Central New York	54.7%	34.6%	10.7%	100.0%
• Long Island	18.9%	73.5%	7.6%	100.0%
• New Rochelle	43.1%	46.8%	10.0%	100.0%
• New York City	44.4%	49.9%	5.7%	100.0%
• Buffalo	39.0%	51.7%	9.3%	100.0%
• Rochester	57.7%	26.4%	15.9%	100.0%

- **111,407 individuals reside in 632 nursing homes across NYS**
- **42.1% are NFP - well above national average of 30%**
- **Significant regional variation in market share**

Resident-level Characteristics

	NFP	FP	Public	All
Average age (years) short-stay residents (<=100 days)	78.7	77.3	77.7	78.0
Average age (years) long-stay residents (>100 days)	81.6	79.6	78.4	80.3
% of residents <=65 years old				
• Metro regions	15.8%	17.8%	27.5%	----
• Non-metro regions	7.7%	10.6%	10.6%	----
% of residents >=91 years old				
• Metro regions	20.4%	16.0%	11.6%	----
• Non-metro regions	25.1%	20.8%	20.6%	----
Activities of Daily Living (ADL) Score				
• Length of stay <= 100 days	13.1	13.2	12.2	13.1
• Length of stay > 100 days	12.9	12.3	11.9	12.5
Cognitive Performance Score (CPS)				
• Length of stay <= 100 days	1.7	1.8	2.1	1.8
• Length of stay > 100 days	2.9	2.9	2.8	2.9

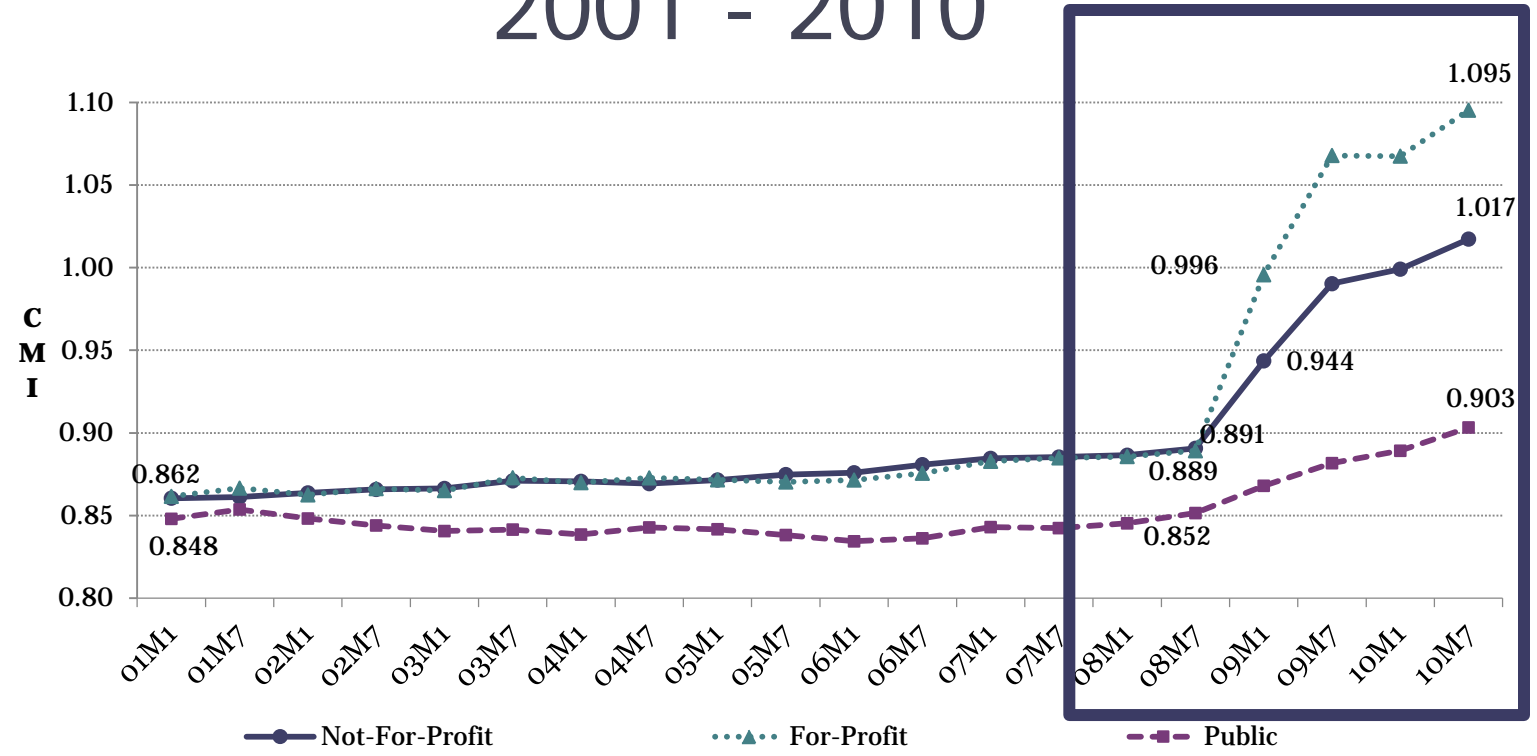
- Residents are older on average in NFP than FP homes
- Long-stay residents of NFPs have a 4.8% higher ADL score

Facility Characteristics

	NFP	FP	Public	All
Number of facilities	268	320	44	632
Bed size				
• 1-49	9.0%	5.0%	2.3%	6.5%
• 50-99	18.3%	14.1%	11.4%	15.7%
• 100-199	36.6%	41.9%	34.1%	39.1%
• 200+ beds	36.2%	39.1%	52.3%	38.8%
Median Housekeeping Sq Ft per bed (2009)	510.5	342.2	553.8	405.2
Average Hosp Bed Reserve Days per 1,000 Medicaid Days	9.5	11.8	7.9	10.5
% of residents by payer (snapshot in time)				
• Medicaid	71.8%	75.7%	76.1%	74.1%
• Medicare	14.1%	14.1%	9.3%	13.6%
• Other	14.1%	10.3%	14.6%	12.3%

- **NFPs report 49.2% more square footage per bed than FPs**
- **Proportion of non-Medicaid/non-Medicare residents (i.e. out-of-pocket, insurance) is 36.9% higher in NFPs**

CMI Trend (non-Medicare Residents) 2001 - 2010



- Average resident acuity (CMI) in FP homes is 7.7% higher than in NFP homes and 21.3% higher than in public facilities
- Suggests that FP homes are more responsive to Medicaid payment rules than NFPs and public homes

Staffing

	NFP	FP	Public	All
Average RN hours per resident per day	0.71	0.56	0.67	0.63
Average LPN hours per resident per day	0.82	0.77	0.86	0.8
Average CNA hours per resident per day	2.39	2.18	2.62	2.3
Average total staff hours (RN+LPN+CNA)	3.93	3.52	4.15	3.73
Average skill mix (RN hours/Total staff hours)	17.8%	16.0%	15.7%	16.7%
Median nursing hours per day including agency	3.40	3.18	----	----
Median nursing employee retention (%)	80.7%	79.0%	----	----
Per-day nursing costs	\$108.32	\$94.00		

- Average RN hours per resident day is 26.7% higher in NFPs
- Average total staff hours and skill mix is 11% higher in NFPs

Staff Retention

- **Based on 2009 data, staff retention is higher on average in NFPs**
- **While statewide figures differ by 2.1%, there are wide regional differences**

Facility Spending

- **On average, NFP homes spent 17.8% more than FP facilities on resident meals**

Process Quality Measures

	NFP	FP	Public
Average # deficiencies per 100 beds (excluding QIS surveys)	3.4	3.9	2.4
CMS Quality Measures			
Residents who were physically restrained	3.1%	2.5%	3.3%
Indwelling catheters (risk-adjusted)	4.4%	4.2%	6.0% ^H
Prevalence of antipsychotic use - high risk	41.4% ^L	45.9%	43.4%
Prevalence of antipsychotic use - low risk	14.5% ^L	17.0%	14.9% ^L

Note: ^H means the rate is statistically higher than the rate in FP facilities; ^L means the rate is statistically lower than the rate in FP facilities.

- Typical FP facility had 16% more deficiencies per 100 beds than NFP
- Lower rates of antipsychotic use in NFPs for both high-risk and low-risk residents (10.9% and 17.2% respectively)

Outcomes - Hospitalizations

	NFP	FP	Public	All
Hospitalizations				
% of long-stay residents hospitalized in past year or since admission	24.5%	31.4%	23.2%	27.7%
% of short-stay residents hospitalized in past year or since admission	6.1%	8.2%	7.0%	7.2%
Number of hospitalizations per 10,000 resident days (age-adjusted)				
• Short-stay residents (LOS≤100 days)	20.0	26.5	19.7	23.2
• Long-stay residents (LOS>100 days)	10.3	12.9	8.2	11.3

- The % of long-stay and short-stay residents hospitalized in past year or since admission is 28% and 34% higher respectively in FPs than NFPs
- After adjusting for age, hospitalization rates are higher for both long-stay (33%) and short-stay (25%) residents in FPs than NFPs

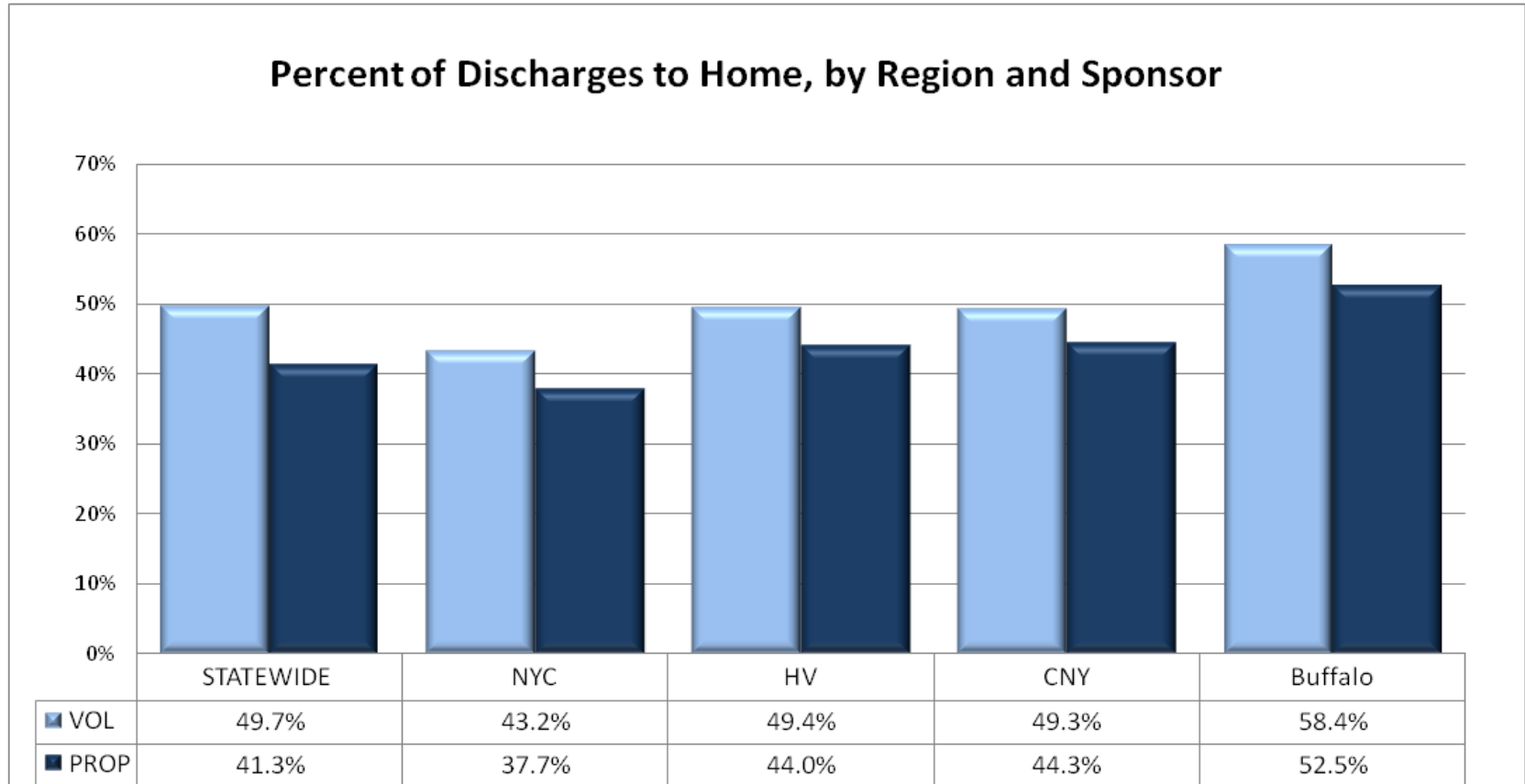
Outcome Quality Measures

	NFP		FP	Public
CMS Quality Measures				
Residents with urinary tract infection (UTI)	6.9%	^L	7.8%	7.0%
High-risk residents with pressure ulcers	11.5%	^L	13.1%	9.5% ^L
Low-risk residents with pressure ulcers	1.9%		2.1%	2.4%
Short-stay residents with pressure ulcers (risk-adjusted)	18.7%		19.5%	19.4%
Prevalence of falls	10.6%	^H	9.6%	11.0% ^H
Residents who have become more depressed or anxious	14.1%	^H	12.8%	13.6%

Note: ^H means the rate is statistically higher than the rate in FP facilities; ^L means the rate is statistically lower than the rate in FP facilities.

- NFP homes had lower percentages of residents with UTIs (11% lower) and high-risk long-stay residents with pressure ulcers (12.5% lower)
- FP facilities had lower rates of falls (9.6% lower)

Discharges to Home



- In 2009, discharges to home were about 20% higher in NFPs than FPs statewide; similar trend regionally

Takeaways for Member Organizations

- **Nursing homes facing major marketplace dynamics in the near future**
 - Mandatory Medicaid managed care enrollment starting this year
 - Impacts of Medicaid statewide pricing and negotiated rates with Medicaid managed care plans
 - Referring hospitals under pressure to minimize re-hospitalizations and ER use
 - Growth of care coordination models across primary, acute and long term care including patient-centered medical homes (PCMHs), health homes and accountable care organizations (ACOs)

Takeaways for Member Organizations

- **These trends increase the importance of monitoring key indicators within the facility**
 - Hospitalization rates
 - Survey history
 - Staffing levels and tenure
 - Quality measures
 - Unit cost of services
 - Resident/family satisfaction
- **Benchmark performance on key indicators against competitors**

Takeaways for Member Organizations

- **Educate stakeholders on how your facility performs in the key areas**
 - Medicare Advantage plans
 - Medicaid managed care and managed LTC care plans
 - Hospitals
 - Primary care providers
 - Other community stakeholders
- **Explore opportunities with payers and referral sources**
 - Preferred provider and care manager arrangements with managed care plans
 - Participation in health homes, PCMHs and ACOs

Questions or reactions?



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