

Long-term Care in Wyoming - Trends and Projections

April, 2016

Current Supply

The nursing home industry in Wyoming operates a total of 2,950 licensed beds for approximately 2,300 residents. As shown in Table 1, below, occupancy remains just under 80%, which is lower than the national average of approximately 82%¹.

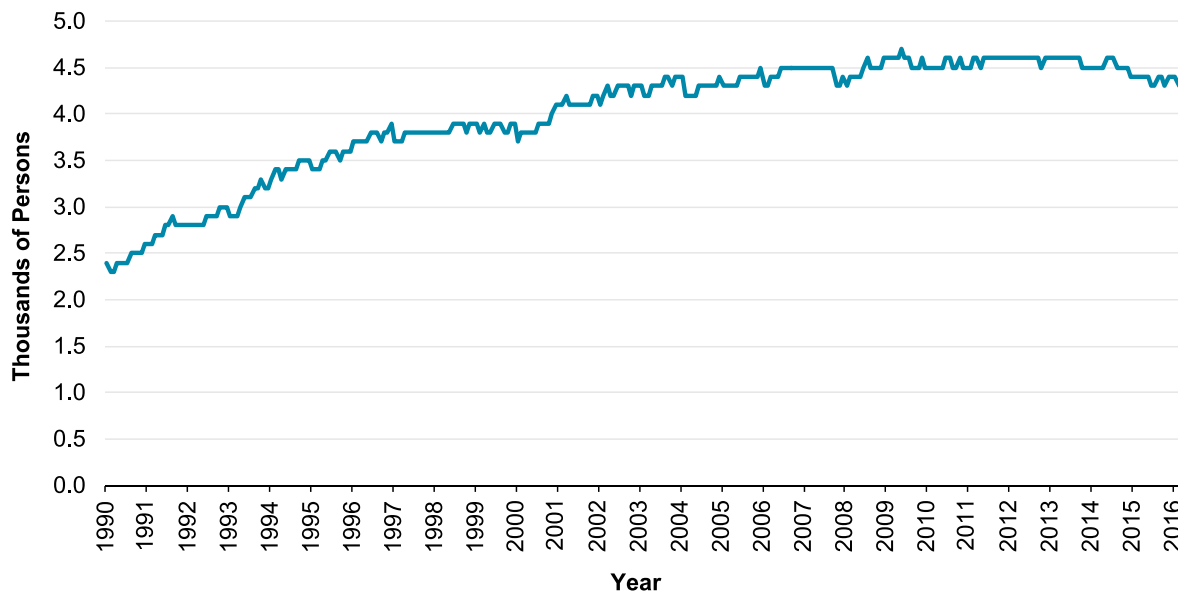
Table 1: Trends in Wyoming SNF capacity and occupancy²

Year	2013	2014	2015	2016
Licensed Beds	2,969	2,969	2,969	2,950
Avg. Residents	2,352	2,378	2,298	2,276
Avg. Occupancy	79%	80%	77%	77%

Employment

According to the Bureau of Labor Statistics, nursing and residential care facilities employ approximately 4,500 people. As shown in the figure below, employment in this industry -- which does not include home or community-based care -- has plateaued since the early 2000s.

Figure 1: Employees in Wyoming nursing and residential care facilities, 1990 - 2016³



¹ Kaiser Family Foundation, Certified Nursing Facility Occupancy rates, 2014. <http://kff.org/other/state-indicator/nursing-facility-occupancy-rates/>

² Compiled from CMS Nursing Home Compare provider information tables (<https://data.medicare.gov/data/nursing-home-compare>)

³ Federal Reserve Bank of St. Louis and US. Bureau of Labor Statistics, All Employees: Health Care: Nursing and Residential Care Facilities in Wyoming [SMU56000006562300001], retrieved from FRED, <https://research.stlouisfed.org/fred2/series/SMU56000006562300001>, April 12, 2016.

Wages for the most common staff types at a nursing home are shown in Table 2, below. Note that wages have remained relatively flat for Nursing Assistants since 2012.

Table 2: Mean hourly wages of Wyoming SNF-related occupations⁴

Year	2012	2013	2014	2015	Avg. Annual Change
Nursing Assistants (31-1014)	\$13.38	\$13.34	\$13.41	\$13.47	0.22%
Licensed Practical Nurses (29-2061)	\$20.07	\$20.51	\$20.82	\$21.19	1.86%
Registered Nurses (29-1141)	\$29.18	\$29.56	\$29.23	\$29.84	0.75%

Demand

Demographic projections extrapolated from Census data indicate that the share of Wyoming’s population over 80 years of age will increase from 3.5% to 8.1% between 2016 and 2040. These projections are shown in Figure 2, on the next page.

More significantly, the ratio of working age adults per individuals over 80 years old (i.e., the aged dependency ratio) will decrease from approximately 15:1 to 6:1 over the same time period.

This decrease in the dependency ratio is important because public payers like Medicaid -- already dominant in the long-term care sector, paying for 61% of bed-days -- will play a larger role in the future as private dollars decrease and the prices of long-term care (Table 3, below) increase.⁵

Table 3: Median annual price for long-term care options (private rates), selected states⁶

State	Home Health	Assisted Living (Single occupancy)	Nursing Home (Private room)
Wyoming	\$49,421	\$46,800	\$89,243
Montana	\$52,624	\$42,720	\$80,300
Idaho	\$46,332	\$38,880	\$88,513
Utah	\$48,048	\$36,000	\$76,650
Colorado	\$50,336	\$45,000	\$93,531
Nebraska	\$52,624	\$43,530	\$79,570
US Average	\$45,760	\$43,200	\$91,250
5-year annual growth	1%	2%	4%

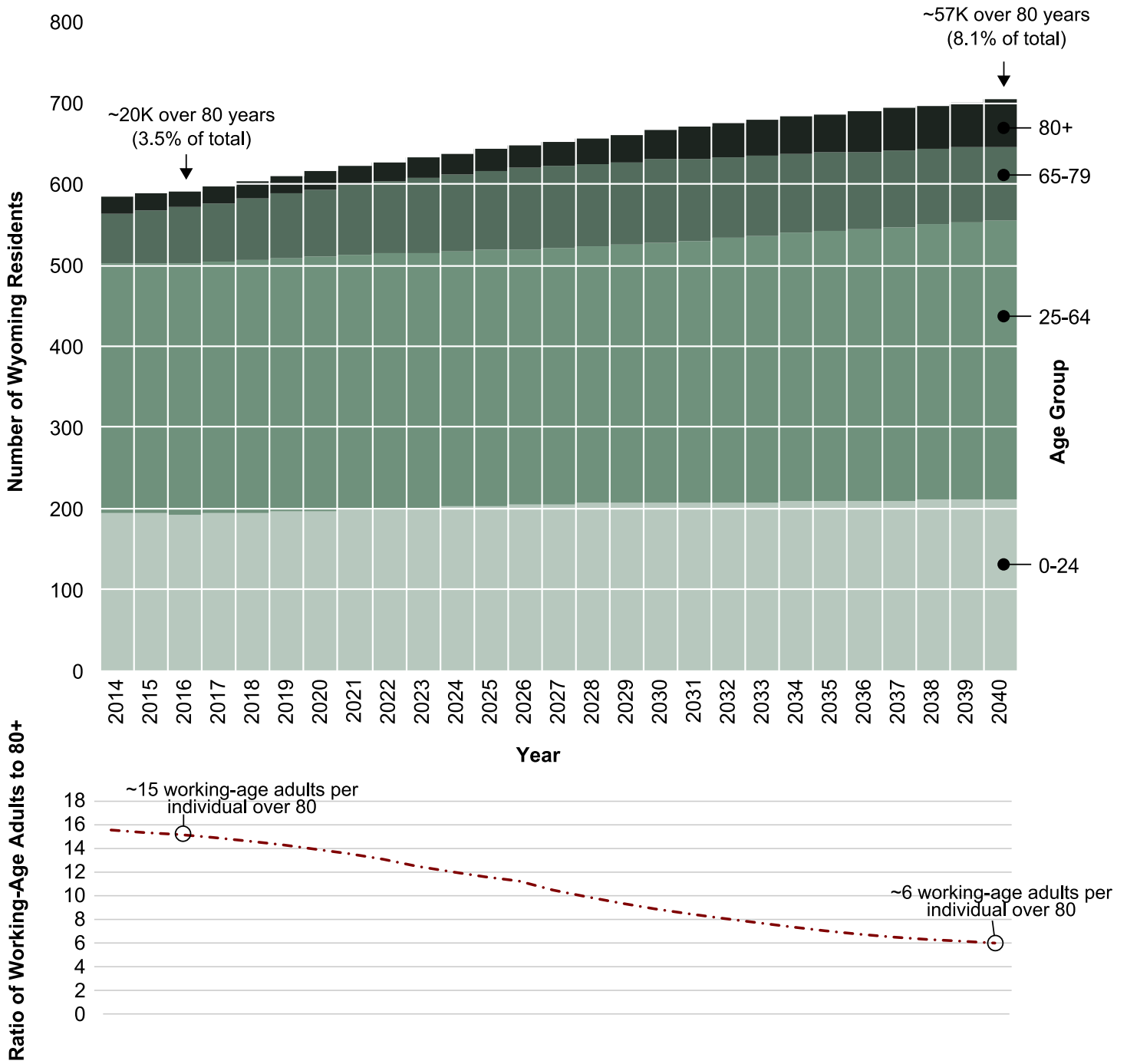
⁴ Bureau of Labor Statistics, Occupational Employment and Wage Estimates - Wyoming (May 2015, 2014, 2013, 2012, 2011) http://www.bls.gov/oes/current/oes_wy.htm

⁵ The number of long-term care insurance policies sold each year has steadily decreased from approximately 350,000 in 2004 to 131,000 in 2014. Similarly, annual long-term care insurance premium written has decreased from ~\$700 million to under \$316 million (<http://www.wsj.com/articles/long-term-care-insurance-is-it-worth-it-1430488733>). For individual to “self-insure” for long-term care requires significant assets in retirement. Fewer than half of households approaching retirement (55-64) today have more than \$25,000 in savings (<http://www.gao.gov/assets/680/670153.pdf>).

⁶ 2015 Genworth Cost of Care Survey

(https://www.genworth.com/dam/Americas/US/PDFs/Consumer/corporate/130568_040115_gnw.pdf)

Figure 2: Demographic projections
data: Wyoming Economic Analysis Division (8/2015)



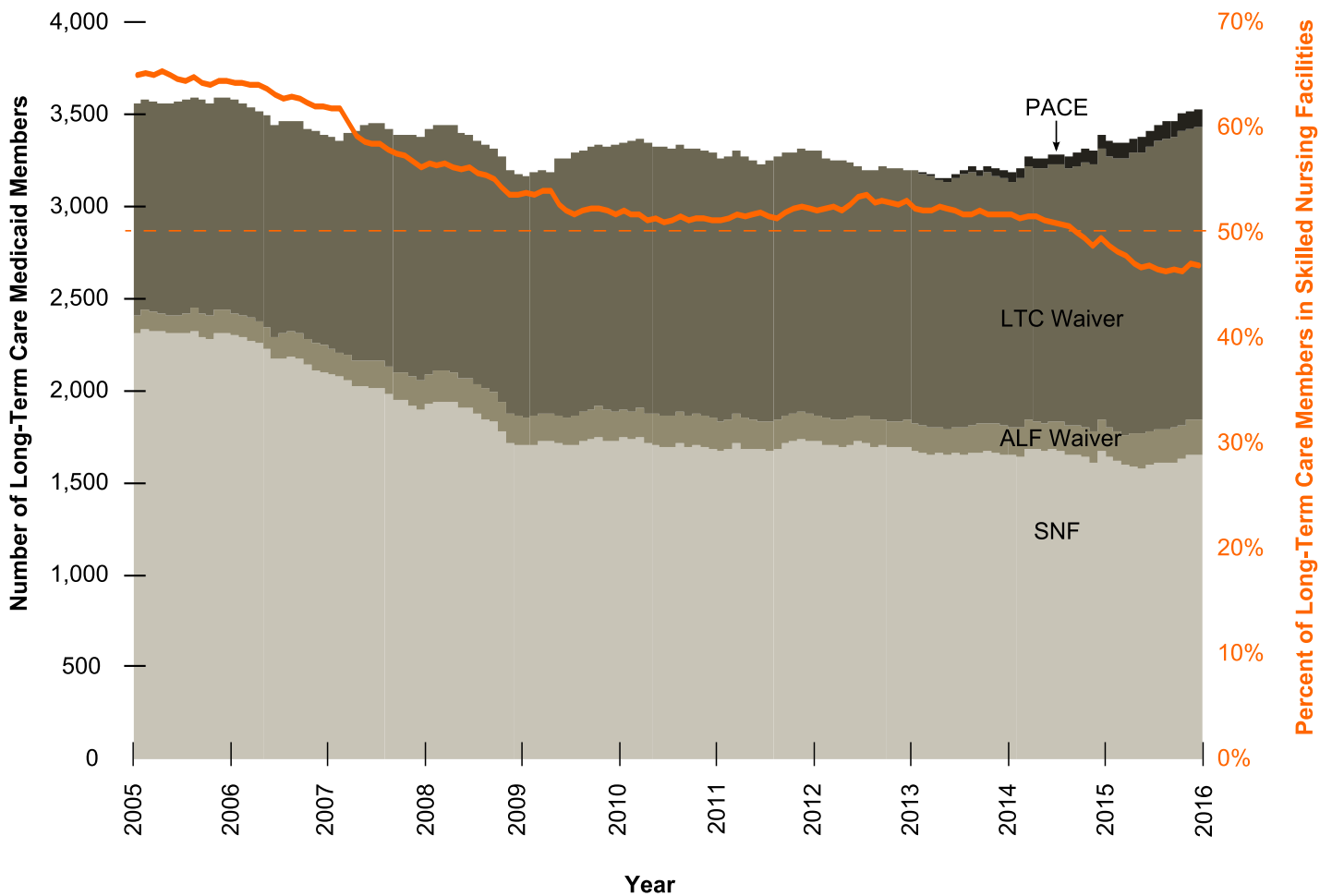
Wyoming Medicaid and Long-Term Care

As the largest payer of long-term care services in the State, Wyoming Medicaid has been working to make less-restrictive and lower-cost alternatives to Skilled Nursing Facility (SNF) services more widely available, while increasing reimbursement to SNFs who take higher-needs clients.

Figure 3, below, shows trends in Medicaid enrollment in SNF, Long-term Care (LTC) Waiver, Assisted Living Facility (ALF) waiver, and Program for All-Inclusive Care for the Elderly (PACE) programs. Note that, over the last ten years, the share of individuals requiring long-term care services who are in facilities has been steadily decreasing.

This trend has accelerated since the enrollment cap was lifted for the ALF and LTC waiver programs in 2013, with the passage of Medicaid reform legislation. The 50% threshold was crossed in mid-2014.

Figure 3: Medicaid enrollment in long-term care programs, 2005 - 2016
data: Wyoming Medicaid Management Information System



As shown in Table 3, below, both the ALF and LTC programs cost slightly less than 50%, on a per-member per-month basis, of SNF services.

Table 3: Medicaid costs (per-member per-month) for long-term care settings, by State Fiscal Year
data: Wyoming Medicaid Management Information System

Eligibility Group	2010	2011	2012	2013	2014	2015	% of SNF
Skilled Nursing Facility	\$3,863	\$3,941	\$3,859	\$3,833	\$3,773	\$3,774	100%
PACE				\$2,516	\$2,504	\$2,488	66%
Assisted Living Facility (ALF)	\$1,652	\$1,702	\$1,713	\$1,691	\$1,744	\$1,811	48%
Long-Term Care (LTC)	\$1,579	\$1,643	\$1,809	\$1,676	\$1,647	\$1,633	43%
Total (blended)	\$2,763	\$2,823	\$2,879	\$2,809	\$2,758	\$2,696	

Exhibit 1: Wyoming Skilled Nursing Facilities (CMS Nursing Home Compare)

Nursing Home	City	Beds				Avg. Residents				Avg. Occupancy			
		2013	2014	2015	2016	2013	2014	2015	2016	2013	2014	2015	2016
STAR VALLEY CARE CENTER	AFTON	24	24	24	24	23	23	23	23	96%	96%	96%	96%
BONNIE BLUEJACKET MEMORIAL NURSING HOME	BASIN	37	37	37	37	33	32	25	25	89%	86%	68%	68%
WYOMING RETIREMENT CENTER	BASIN	90	90	90	90	66	74	71	71	73%	82%	79%	79%
AMIE HOLT CARE CENTER	BUFFALO	50	50	50	50	42	41	42	45	84%	82%	84%	90%
POPLAR LIVING CENTER	CASPER	120	120	120	120	101	100	96	96	84%	83%	80%	80%
SHEPHERD OF THE VALLEY HEALTHCARE CENTER	CASPER	192	192	192	192	156	156	160	158	81%	81%	83%	82%
LIFE CARE CENTER OF CASPER	CASPER	120	120	120	120	104	110	103	103	87%	92%	86%	86%
GRANITE REHABILITATION AND WELLNESS	CHEYENNE	146	146	146	146	116	116	110	83	79%	79%	75%	57%
CHEYENNE HEALTH CARE CENTER	CHEYENNE	105	105	105	105	90	90	96	99	86%	86%	91%	94%
LIFE CARE CENTER OF CHEYENNE	CHEYENNE	160	160	160	160	137	137	123	123	86%	86%	77%	77%
CHEYENNE REG MEDICAL CTR TRANSITIONAL CARE UNIT	CHEYENNE	16	16	16	16	15	16	16	16	94%	100%	100%	100%
WEST PARK LONG TERM CARE CENTER	CODY	94	94	94	94	72	72	70	77	77%	77%	74%	82%
DOUGLAS CARE CENTER LLC	DOUGLAS	60	60	60	60	53	56	58	56	88%	93%	97%	93%
ROCKY MOUNTAIN CARE - EVANSTON	EVANSTON	60	60	60	60	41	37	40	40	68%	62%	67%	67%
MORNING STAR CARE CENTER	FORT WASHAKIE	45	45	45	45	36	33	36	32	80%	73%	80%	71%
PIONEER MANOR NURSING HOME	GILLETTE	150	150	150	150	118	118	112	116	79%	79%	75%	77%
MISSION AT CASTLE ROCK REHABILITATION CENTER	GREEN RIVER	59	59	59	59	56	55	50	50	95%	93%	85%	85%
ST JOHN'S NURSING HOME	JACKSON	60	60	60	60	51	40	51	48	85%	67%	85%	80%
SOUTH LINCOLN NURSING CENTER	KEMMERER	24	24	24	24	19	20	20	20	79%	83%	83%	83%
WESTWARD HEIGHTS CARE CENTER	LANDER	60	60	60	60	55	55	52	53	92%	92%	87%	88%
IVINSON MEMORIAL HOSPITAL EXTENDED CARE FACILITY	LARAMIE	10	10	10	10	3	3	1	5	30%	30%	10%	50%
LARAMIE CARE CENTER	LARAMIE	105	105	105	105	76	76	80	81	72%	72%	76%	77%
NEW HORIZONS CARE CENTER	LOVELL	85	85	85	85	73	73	71	71	86%	86%	84%	84%
WESTON COUNTY HEALTH SERVICES	NEWCASTLE	54	54	54	54	53	53	51	51	98%	98%	94%	94%
SUBLETTE CENTER	PINEDALE	50	50	50	50	35	35	36	36	70%	70%	72%	72%
POWELL VALLEY CARE CENTER	POWELL	100	100	100	100	82	82	81	80	82%	82%	81%	80%
RAWLINS REHABILITATION AND WELLNESS	RAWLINS	62	62	62	62	55	55	45	45	89%	89%	73%	73%
WIND RIVER REHABILITATION AND WELLNESS	RIVERTON	81	81	81	81	73	78	67	67	90%	96%	83%	83%
SAGE VIEW CARE CENTER	ROCK SPRINGS	101	101	101	82	61	61	48	34	60%	60%	47%	41%
SARATOGA CARE CENTER LLC	SARATOGA	46	46	46	46	28	28	22	16	61%	61%	48%	35%
SHERIDAN MANOR	SHERIDAN	128	128	128	128	69	69	83	86	54%	54%	65%	67%
WESTVIEW HEALTH CARE CENTER	SHERIDAN	102	102	102	102	76	76	59	68	75%	75%	58%	67%
GREEN HOUSE LIVING FOR SHERIDAN	SHERIDAN	48	48	48	48	16	43	47	47	33%	90%	98%	98%
CROOK CO MEDICAL SERVICE DISTRICT LONG TERM CARE	SUNDANCE	32	32	32	32	26	21	29	29	81%	66%	91%	91%
THERMOPOLIS REHABILITATION AND CARE CENTER	THERMOPOLIS	60	60	60	60	48	48	47	47	80%	80%	78%	78%
GOSHEN HEALTHCARE COMMUNITY	TORRINGTON	103	103	103	103	93	95	77	84	90%	92%	75%	82%
PLATTE COUNTY MEMORIAL NURSING HOME	WHEATLAND	43	43	43	43	37	38	39	39	86%	88%	91%	91%
WORLAND HEALTHCARE AND REHABILITATION CENTER	WORLAND	87	87	87	87	64	63	61	56	74%	72%	70%	64%
Total		2969	2969	2969	2950	2352	2378	2298	2276	79%	80%	77%	77%