



Cost of Care Survey

September 2008

New York Life commissioned Long Term Care Group, Inc. (LTCG) to conduct a customized market survey of Medicare-certified nursing homes and Medicare-certified and non Medicare-certified home healthcare costs in specific areas of the United States.

The surveys were conducted by LTCG surveyors using outbound calls in 99 major markets representing approximately 120 New York Life office locations nationally. Private pay rates were obtained for private, single occupancy rooms in Medicare-certified nursing homes. Also surveyed were Medicare-certified Home Healthcare Agencies and non Medicare-certified Home Health Agencies providing private pay or “self-pay” Home Health Aide services on an hourly basis. Surveyors contacted more than 2,200 nursing homes and 2,200 Home Healthcare Agencies. In some regions more than one state was surveyed to account for more heavily populated areas. The heavily populated regions correspond geographically with Metropolitan Statistical Areas as defined by the U.S. Census Bureau.

The average national nursing home private daily room rate was \$209.36 (\$76,416.40 annually). The average national home healthcare services hourly rate was \$25.86.

Nursing Home Private Daily Room Rate

Metropolitan Area	Minimum	Maximum	Average
Albany-Schenectady-Troy, NY	\$208	\$360	\$298
Albuquerque, NM	\$150	\$369	\$206
Anchorage, AK	\$417	\$427	\$422
Atlanta-Sandy Springs-Marietta, GA	\$116	\$229	\$170
Austin-Round Rock, TX	\$88	\$250	\$148
Baltimore-Towson, MD	\$157	\$325	\$228
Baton Rouge, LA	\$113	\$144	\$125
Billings, MT	\$166	\$500	\$221
Birmingham-Hoover, AL	\$140	\$190	\$162
Boise City-Nampa, ID	\$181	\$250	\$206
Boston-Cambridge-Quincy, MA-NH	\$215	\$525	\$311
Bridgeport-Stamford-Norwalk, CT	\$177	\$500	\$360
Buffalo-Cheektowaga-Tonawanda, NY	\$214	\$310	\$272
Burlington-South Burlington, VT	\$220	\$279	\$252
Casper, WY	\$176	\$195	\$186
Cedar Rapids, IA	\$138	\$234	\$174
Charleston, WV	\$148	\$235	\$204
Charleston-North Charleston, SC	\$135	\$208	\$177
Charlotte-Gastonia-Concord, NC-SC	\$106	\$231	\$189
Chicago-Naperville-Joliet, IL-IN-WI	\$115	\$400	\$198
Cincinnati-Middletown, OH-KY-IN	\$126	\$305	\$209
Cleveland-Elyria-Mentor, OH	\$120	\$350	\$205
Columbus, OH	\$127	\$296	\$201
Corpus Christi, TX	\$99	\$264	\$143
Dallas-Fort Worth-Arlington, TX	\$80	\$272	\$145
Denver-Aurora, CO	\$166	\$300	\$218
Des Moines, IA	\$135	\$201	\$156
Detroit-Warren-Livonia, MI	\$130	\$351	\$208
El Paso, TX	\$125	\$204	\$150
Fargo, ND-MN	\$168	\$254	\$196
Fresno, CA	\$140	\$426	\$232
Greenville, SC	\$140	\$175	\$159
Harrisburg Carlisle, PA	\$129	\$276	\$224
Hartford-West Hartford-East Hartford, CT	\$260	\$426	\$345
Honolulu, HI	\$215	\$325	\$271
Houston-Baytown-Sugar Land, TX	\$90	\$250	\$165
Huntsville, AL	\$158	\$190	\$170
Indianapolis, IN	\$130	\$288	\$190
Jackson, MS	\$155	\$210	\$191
Jacksonville, FL	\$112	\$280	\$197
Kansas City, MO-KS	\$108	\$259	\$160
Kennewick-Richland-Pasco, WA	\$205	\$218	\$212
Knoxville, TN	\$113	\$214	\$168
Lafayette, LA	\$85	\$143	\$118
Lansing-East Lansing, MI	\$158	\$329	\$215
Las Vegas-Paradise, NV	\$155	\$245	\$196
Little Rock-North Little Rock, AR	\$113	\$285	\$152
Los Angeles-Long Beach-Santa Ana, CA	\$135	\$500	\$202
Louisville, KY-IN	\$140	\$589	\$223

Macon, GA	\$135	\$206	\$155
Madison, WI	\$198	\$287	\$234
Manchester-Nashua, NH	\$215	\$525	\$311
Memphis, TN-MS-AR	\$110	\$195	\$164
Miami-Fort Lauderdale-Miami Beach, FL	\$175	\$455	\$244
Midland, TX	\$97	\$238	\$165
Milwaukee-Waukesha-West Allis, WI	\$189	\$315	\$249
Minneapolis-St. Paul-Bloomington, MN-WI	\$161	\$285	\$205
Mobile	\$148	\$193	\$167
Montgomery, AL	\$145	\$255	\$181
Nashville-Davidson--Murfreesboro, TN	\$135	\$295	\$188
New Orleans-Metairie-Kenner, LA	\$110	\$190	\$141
New York-Newark-Edison, NY-NJ-PA	\$210	\$590	\$325
Oklahoma City, OK	\$123	\$199	\$148
Omaha-Council Bluffs, NE-IA	\$100	\$234	\$173
Orlando, FL	\$170	\$232	\$201
Oxnard-Thousand Oaks-Ventura, CA	\$165	\$304	\$214
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	\$165	\$412	\$277
Phoenix-Mesa-Scottsdale, AZ	\$155	\$435	\$228
Pittsburgh, PA	\$170	\$368	\$247
Portland-South Portland, ME	\$190	\$512	\$273
Portland-Vancouver-Beaverton, OR-WA	\$190	\$400	\$243
Poughkeepsie-Newburgh-Middletown, NY	\$280	\$360	\$333
Raleigh-Cary, NC	\$108	\$260	\$187
Reno-Sparks, NV	\$185	\$251	\$219
Richmond, VA	\$141	\$260	\$194
Riverside-San Bernardino-Ontario, CA	\$142	\$350	\$208
Roanoke, VA	\$160	\$245	\$205
Rochester, NY	\$280	\$350	\$308
Sacramento--Arden-Arcade--Roseville, CA	\$175	\$345	\$247
Salem, OR	\$195	\$275	\$226
Salt Lake City, UT	\$97	\$260	\$175
San Antonio, TX	\$105	\$232	\$143
San Diego-Carlsbad-San Marcos, CA	\$195	\$400	\$260
San Francisco-Oakland-Fremont, CA	\$165	\$452	\$250
San Jose-Sunnyvale-Santa Clara, CA	\$165	\$332	\$232
Savannah, GA	\$135	\$177	\$164
Scranton--Wilkes-Barre, PA	\$195	\$245	\$221
Seattle-Tacoma-Bellevue, WA	\$150	\$315	\$241
Shreveport-Bossier City, LA	\$100	\$135	\$121
Sioux Falls, SD	\$145	\$184	\$161
St. Louis, MO-IL	\$102	\$249	\$155
Stockton, CA	\$150	\$275	\$207
Tampa-St. Petersburg-Clearwater, FL	\$174	\$428	\$213
Toledo, OH	\$167	\$248	\$201
Tucson, AZ	\$170	\$370	\$228
Tulsa, OK	\$130	\$204	\$159
Virginia Beach Norfolk Newport News, VA NC	\$148	\$242	\$191
Washington-Arlington-Alexandria, DC-VA-MD-WV	\$162	\$420	\$255
Wichita, KS	\$131	\$185	\$159

National Average			\$209.36
-------------------------	--	--	-----------------

Home Healthcare Services Hourly Rate

Metropolitan Area	Minimum	Maximum	Average
Albany-Schenectady-Troy, NY	\$20	\$25	\$23
Albuquerque, NM	\$19	\$50	\$35
Anchorage, AK	\$20	\$35	\$25
Atlanta-Sandy Springs-Marietta, GA	\$17	\$41	\$30
Austin-Round Rock, TX	\$17	\$50	\$33
Baltimore-Towson, MD	\$18	\$42	\$24
Baton Rouge, LA	\$16	\$25	\$20
Billings, MT	\$22	\$38	\$30
Birmingham-Hoover, AL	\$15	\$25	\$18
Boise City-Nampa, ID	\$18	\$44	\$32
Boston-Cambridge-Quincy, MA-NH	\$18	\$60	\$29
Bridgeport-Stamford-Norwalk, CT	\$17	\$45	\$29
Buffalo-Cheektowaga-Tonawanda, NY	\$19	\$24	\$21
Burlington-South Burlington, VT	\$22	\$27	\$24
Casper, WY	\$28	\$31	\$29
Cedar Rapids, IA	\$22	\$30	\$25
Charleston, WV	\$18	\$35	\$25
Charleston-North Charleston, SC	\$19	\$38	\$31
Charlotte-Gastonia-Concord, NC-SC	\$16	\$33	\$27
Chicago-Naperville-Joliet, IL-IN-WI	\$10	\$50	\$24
Cincinnati-Middletown, OH-KY-IN	\$10	\$46	\$22
Cleveland-Elyria-Mentor, OH	\$12	\$38	\$19
Columbus, OH	\$15	\$50	\$20
Corpus Christi, TX	\$12	\$50	\$21
Dallas-Fort Worth-Arlington, TX	\$10	\$50	\$26
Denver-Aurora, CO	\$14	\$56	\$35
Des Moines, IA	\$17	\$31	\$24
Detroit-Warren-Livonia, MI	\$12	\$40	\$21
El Paso, TX	\$13	\$75	\$40
Fargo, ND-MN	\$19	\$30	\$25
Fresno, CA	\$19	\$26	\$23
Greenville, SC	\$15	\$26	\$20
Harrisburg-Carlisle, PA	\$18	\$35	\$24
Honolulu, HI	\$24	\$35	\$28
Houston-Baytown-Sugar Land, TX	\$10	\$56	\$24
Huntsville, AL	\$16	\$51	\$28
Indianapolis, IN	\$16	\$47	\$24
Jackson, MS	\$69	\$69	\$69
Jacksonville, FL	\$16	\$40	\$22
Kansas City, MO-KS	\$18	\$38	\$24
Kennewick-Richland-Pasco, WA	\$41	\$60	\$49
Knoxville, TN	\$20	\$28	\$24
Lafayette, LA	\$14	\$38	\$23
Lansing-East Lansing, MI	\$17	\$22	\$19
Las Vegas-Paradise, NV	\$18	\$38	\$25
Little Rock-North Little Rock, AR	\$14	\$30	\$17
Los Angeles-Long Beach-Santa Ana, CA	\$10	\$88	\$34
Louisville, KY-IN	\$16	\$38	\$24
Macon, GA	\$45	\$45	\$45
Madison, WI	\$23	\$45	\$31
Manchester-Nashua, NH	\$20	\$69	\$31
Memphis, TN-MS-AR	\$10	\$28	\$20

Miami-Fort Lauderdale-Miami Beach, FL	\$10	\$49	\$19
Midland, TX	\$10	\$40	\$29
Milwaukee-Waukesha-West Allis, WI	\$17	\$52	\$27
Minneapolis-St. Paul-Bloomington, MN-WI	\$10	\$73	\$35
Mobile	\$16	\$35	\$23
Montgomery, AL	\$14	\$53	\$31
Nashville-Davidson--Murfreesboro, TN	\$15	\$38	\$26
New Orleans-Metairie-Kenner, LA	\$12	\$45	\$25
New York-Newark-Edison, NY-NJ-PA	\$14	\$41	\$20
Oklahoma City, OK	\$12	\$75	\$23
Omaha-Council Bluffs, NE-IA	\$20	\$50	\$24
Orlando, FL	\$16	\$35	\$20
Oxnard Thousand Oaks Ventura, CA	\$23	\$35	\$27
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	\$16	\$77	\$22
Phoenix-Mesa-Scottsdale, AZ	\$17	\$45	\$27
Pittsburgh, PA	\$10	\$30	\$21
Portland-South Portland, ME	\$21	\$25	\$24
Portland-Vancouver-Beaverton, OR-WA	\$17	\$61	\$23
Poughkeepsie-Newburgh-Middletown, NY	\$19	\$51	\$31
Raleigh-Cary, NC	\$15	\$65	\$30
Reno-Sparks, NV	\$17	\$38	\$27
Richmond, VA	\$14	\$33	\$18
Riverside-San Bernardino-Ontario, CA	\$17	\$45	\$27
Roanoke, VA	\$17	\$18	\$17
Rochester, NY	\$23	\$50	\$32
Sacramento--Arden-Arcade--Roseville, CA	\$20	\$45	\$29
Salem, OR	\$21	\$61	\$41
Salt Lake City, UT	\$12	\$54	\$27
San Antonio, TX	\$12	\$75	\$27
San Diego-Carlsbad-San Marcos, CA	\$17	\$35	\$23
San Francisco-Oakland-Fremont, CA	\$18	\$45	\$28
San Jose-Sunnyvale-Santa Clara, CA	\$22	\$25	\$24
Savannah, GA	\$16	\$21	\$19
Scranton--Wilkes-Barre, PA	\$18	\$28	\$22
Seattle-Tacoma-Bellevue, WA	\$20	\$38	\$27
Shreveport-Bossier City, LA	\$11	\$16	\$13
Sioux Falls, SD	\$20	\$23	\$21
St. Louis, MO-IL	\$15	\$31	\$19
Stockton, CA	\$20	\$44	\$25
Tampa-St. Petersburg-Clearwater, FL	\$12	\$34	\$20
Toledo, OH	\$16	\$30	\$19
Tucson, AZ	\$18	\$48	\$25
Tulsa, OK	\$15	\$26	\$20
Virginia Beach-Norfolk-Newport News, VA-NC	\$16	\$56	\$26
Washington-Arlington-Alexandria, DC-VA-MD-WV	\$15	\$55	\$22
Wichita, KS	\$17	\$27	\$22

National Average

\$25.86

Methodology

Nursing Homes

Sampling Procedures

The sampling frame or universe is a list of approximately 7,500 Medicare-certified nursing homes. Across 99 individual regions, surveyors polled at least 10% of all certified nursing homes and in no region did less than 10% of providers complete the survey.

With limited exception, at least 10 facilities completed the survey in all regions. In many areas, the sample size was significantly larger. The sampling included the daily rate for a private room (single occupant) in Medicare-certified nursing facilities.

Required Elements

- Data collected includes daily private pay room rate for private (single occupant) nursing home room.
- Results presented include average, maximum and minimum values within each region and in total.

Home Healthcare

Sampling Procedure

The sampling frame, or universe, is a list of more than 5,600 Medicare-certified home care agencies. Across 99 individual regions, surveyors polled at least 10% of home care providers across state licensed Medicare-certified and state licensed non Medicare-certified, provider types to determine the hourly private pay rates charged for the services of a “Home Health Aide.” (US Bureau of Labor Standard Occupational Code 31-1011)

In select regions where an area had a smaller available sample size, a minimum of 10 providers completed surveys for each region. In many areas, the sample size was substantially larger. Surveyors completed more than 2,200 surveys.

Where a rate range was provided by an agency, the midpoint was used. Some agencies charge a higher hourly rate when the claimant uses less than four hours of services in a week; where such a practice was employed, surveyors used the hourly rate associated with four or more hours of service in a week. Most agencies have a minimum 2-4 hour per day requirement for their rates.

All rates are weekday (Monday – Friday) rates. Agencies often have a higher weekend hourly rate which includes a differential premium of \$1.00 to \$2.00 per hour more than weekday (Monday-Friday) rates.

Required Elements:

- Data collected includes:
 - Hourly private pay rate for a Home Health Aide (certified provider)
 - Hourly private pay rate for a Home Health Aide (non-certified provider)
- Results presented include average, maximum and minimum values within each region and in total.

Technical Notes:

1. Minnesota law requires all nursing facilities within the state to cap charges of private-paying residents at the rate Medicaid pays for similar services. Termed “rate equalization”, this law is unique to certain states such as Minnesota and North Dakota and was established to prevent nursing homes from discriminating based on payer source.

The law was enacted to ensure that nursing homes in Minnesota and North Dakota can only charge the established Medicaid rate for people that have the resources to pay for their care privately. As a result, nearly all of the payment rates for state facilities are government-controlled.

For the purposes of this survey, surveyors requested both the cost for a private pay, single occupancy room for an individual with a score of PE2 and an ADL score of 16-18, (the highest available ADL score) as well as an individual with a score of PA2 and an ADL score of 4-5, (the lowest available ADL score). The average was calculated and the percentage premium for a private room (which usually was 15% and in some cases 30% for the first 30 days of the stay) was calculated into the costs.

2. Many home healthcare agencies require differing levels or frequency of observation of the Home Health Aide by a Registered Nurse (RN). Many home healthcare agencies have a required minimum observation visit by a registered nurse of the Home Health Aide. In some cases observational visits are required within the first 14 days and then every 60 days thereafter. In some cases this cost would be wrapped into the hourly rate charged to the claimant. In other regions, such as Alaska, a yearly assessment fee of between \$70 and \$90 is charged annually to cover these costs. The hourly rates in Alaska vary from \$20 to \$35 per hour with a 2 hour minimum visit requirement. In the survey analysis, the yearly assessment fees were not calculated into the costs quoted by the agency for the hourly private pay rate for a Home Health Aide.

3. More than 2,000 facilities and 2,000 home healthcare agencies were contacted to meet the sampling and data element requirements. Some of the home health agencies contacted no longer offered Home Health Aide services on a private pay or “self pay” basis. A number of the non Medicare-certified home care agencies are no longer in business.

4. In certain areas home healthcare agencies add a premium of \$1.00 to \$1.50 per hour to the “self pay” or private pay hourly rate if the agency is required to file claims directly to the insurance company versus directly to the claimant. Some agencies require a minimum number of dates of service (for example 30 days of service) in order to accept the referral.

5. The price for Home Health Aide services are projected to increase due to the rise in demand for services and increased transportation costs. There is significant pressure to recruit and retain HHAs.