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### Learning Objectives

- **Analyze** recent census trends in long-term care facilities, including changes in resident demographics and occupancy rates.
- **Explore** the shifts in payer sources and their effects on revenue streams from Medicare, Medicaid, private pay, and managed care.
- **Review** regulatory changes influencing census management and payer considerations, particularly in the context of value-based care.
- **Develop** strategies for improving census management through effective marketing, community outreach, and enhanced care services.
- **Discuss** market dynamics, including competition and evolving consumer preferences, and their impact on census and payer strategies.
- **Analyze** the financial effects of payer source shifts on reimbursement rates and cash flow.
- **Predict** future trends in census and payer considerations based on aging populations, technological advancements, and healthcare policy changes.
- **Highlight** the role of data analytics in making informed decisions regarding census and payer management.

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### Current Census Trends




- Rising Acuity
- Increase in HCBS, Aging in Place




- Reduced Short Term Census
- Need to Rebuild LTC



- Work Force Shortages
- Clinical Competencies
- Provider Collaboration



- Required Shift in Mindset



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### Current Census Trends

**Aging Population:** The U.S. is witnessing a substantial increase in its elderly demographic. By 2030, the number of individuals aged 65-74 is projected to double, and those over 80, who are primary users of LTC services, are expected to triple.

**Increased Demand for Services:** Approximately 70% of adults aged 65 and older will require long-term care at some point in their lives. The average length of stay in long-term care is 3.2 years, with just over 20% of residents requiring care for 5 years or longer.

**Rising Costs:** Americans spend \$475.1 billion annually on long-term care. Medicaid covers only 54% of these costs, highlighting the financial burden on individuals and families.

**Employment Growth:** Employment in home and community-based care industries has grown dramatically from 1990 to 2024, adding 2.3 million jobs in services for the elderly and people with disabilities, and 1.5 million in home health care services. This trend is expected to continue, with a projected 26.3% increase in employment in services for the elderly and persons with disabilities from 2023 to 2033.



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### Current Census Trends

**Workforce Shortages:** The LTC sector faces a recruitment crisis, with a significant shortage of caregivers. This shortage is exacerbated by an aging population and a diminishing supply of care, leading to increased reliance on informal care.

**Shift Toward Home-Based Care:** Many older adults prefer to age at home, leading to increased demand for home health aides. However, the high costs and emotional toll associated with in-home care present significant challenges for families.

**Luxury Care Options:** There is a growing trend toward high-end care homes that offer hotel-like amenities, catering to affluent seniors seeking upscale living arrangements integrated with comprehensive care.



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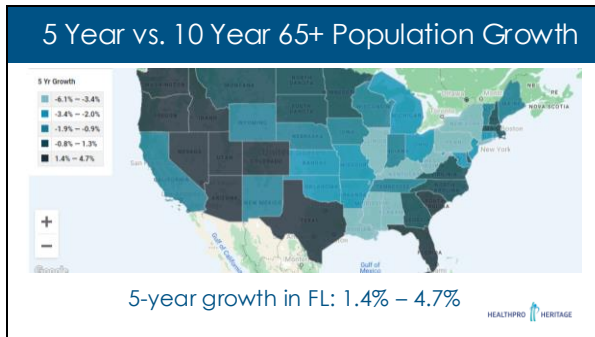
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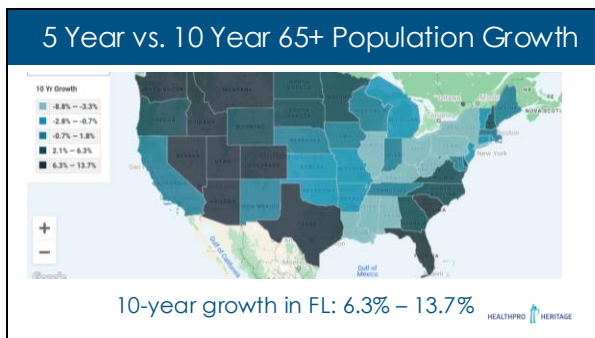
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## Shifts in Payer Sources

### Medicaid's Dominance

**Primary Payer:** As of July 2024, Medicaid was the primary payer for 63% of nursing facility residents, with Medicare covering 13% and the remaining 24% having other primary payers such as private insurance or out-of-pocket payments.

**Financial Implications:** Medicaid's reimbursement rates are often lower than the actual cost of care, leading to financial challenges for facilities. This disparity can affect the quality of care and the facility's ability to maintain operations.




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## Shifts in Payer Sources

### Medicare's Limitations

**Short-Term Coverage:** Medicare generally covers up to 100 days of skilled nursing facility care following a qualifying hospital stay. However, it does not cover long-term custodial care, which is a significant portion of LTC services.

**Impact on Facility Census:** Facilities with a higher proportion of Medicare residents may experience fluctuations in occupancy rates due to the limited duration of Medicare coverage. This can lead to periods of low occupancy and financial instability.




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## Shifts in Payer Sources

### Private Pay & Other Sources

**Private Pay Challenges:** Private pay residents often have higher acuity levels, increasing the cost of care. Additionally, the financial burden on families can lead to quicker transitions to Medicaid, affecting facility revenue streams.

**Other Payers:** Other sources, including private insurance and out-of-pocket payments, account for a smaller portion of LTC funding. The variability in these sources can lead to unpredictable revenue for facilities.




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## Regulatory Changes & Value-Based Care

Changes in payer sources, including shifts in Medicaid and Medicare policies, the financial challenges of private pay residents, and state-specific funding mechanisms, are significantly impacting the census and financial health of long-term care facilities.

**Medicare Expansion Proposals:** Recent proposals to expand Medicare to cover home-based long-term care services could impact facility census by potentially reducing the number of residents requiring institutional care.

**State-Level Variations:** State-specific programs and funding mechanisms can influence the payer mix in LTC facilities. For example, some states offer cash grants for individuals or their caregivers, affecting the number of residents relying on Medicaid.

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## Regulatory Changes & Value-Based Care

### Impact on Payer Considerations

**Quality Metrics Integration:** Payers are increasingly incorporating quality measures into reimbursement models, incentivizing LTC facilities to enhance care standards. For instance, CMS has implemented value-based payment models that link reimbursement rates to quality performance, encouraging facilities to improve care to receive higher payments.

**Cost Efficiency Incentives:** VBC models reward facilities that deliver care efficiently, potentially reducing unnecessary hospital readmissions and emergency room visits. This approach aligns with payers' goals to control healthcare expenditures while maintaining or improving care quality.

**Risk-Sharing Arrangements:** Payers are exploring risk-sharing agreements where LTC facilities assume some financial risk for patient outcomes. Such arrangements can lead to shared savings if quality targets are met, but may also result in financial penalties if outcomes fall short.

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## Regulatory Changes & Value-Based Care

### Implications for Long-Term Care Facilities

**Financial Sustainability:** Adopting VBC models requires LTC facilities to invest in quality improvement initiatives and data analytics to monitor performance. While this can lead to improved care and potential financial rewards, it also necessitates upfront investments and may pose challenges for facilities with limited resources.

**Care Coordination:** To succeed in VBC models, LTC facilities must enhance care coordination, integrating services across various providers to achieve better health outcomes. This collaborative approach is essential for meeting the comprehensive care expectations set by payers.

**Policy Adaptation:** LTC providers need to stay informed about evolving VBC policies and adapt their practices accordingly. Engaging in discussions with policymakers and participating in pilot programs can help facilities navigate the complexities of VBC and align with payer expectations.




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## Census Management Strategies

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## Strategies for Improving Census Management

### Enhance Care Quality & Services

- **Incorporate Wellness Programs:** Integrate comprehensive wellness initiatives into daily activities to promote physical, mental, and emotional well-being. This holistic approach can attract potential residents seeking a balanced lifestyle.
- **Leverage Technology:** Implement advanced technologies, such as virtual reality (VR), to offer immersive experiences that combat loneliness and stimulate cognitive function. For example, VR can enable residents to "travel" or revisit nostalgic places, enhancing their quality of life.




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## Strategies for Improving Census Management

### Strengthen Community Engagement

- **Host Events and Seminars:** Organize open houses, health fairs, and educational seminars to showcase your facility's offerings and build relationships with the local community. Encouraging current residents and their families to share positive experiences can also enhance your facility's reputation.
- **Develop a Strong Community Culture:** Define and model core values that promote a positive environment. A strong, positive company culture can lead to higher resident satisfaction and attract new residents.




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## Strategies for Improving Census Management

### Optimize Marketing & Outreach

- **Implement Effective Marketing Strategies:** Utilize targeted marketing campaigns, including digital marketing and search engine optimization (SEO), to reach potential residents and their families. Personalized communication and showcasing your facility's unique features can set you apart from competitors.
- **Highlight Unique Amenities:** Emphasize distinctive amenities and services that cater to residents' preferences, such as gourmet dining, wellness programs, and social activities. For instance, some facilities offer luxury accommodations and personalized care to attract affluent seniors.




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## Strategies for Improving Census Management

### Adapt to Market Demands

- **Reconfigure Facilities:** Consider redesigning older buildings to meet current preferences, such as combining smaller units into larger ones or updating interiors to appeal to modern tastes. Professional staging can help potential residents envision themselves in the space.
- **Offer Flexible Care Options:** Provide a range of care levels and services to accommodate diverse needs, from independent living to specialized dementia care. This flexibility can attract a broader demographic.




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## Embracing Technology and Data

- Insights through machine learning & artificial intelligence
- Changes & trends in behaviors
- Transportation
  - Dentist visits
  - PCP visits
  - Outside activities
- Wellness & activity participation
- Dining preferences
- "Medical Concierge"
- Communication to support seniors' engagement
- Predictive analytics
- Wearables & RPM/RTM



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## Embracing Technology

### Insights Through Machine Learning & Artificial Intelligence

- Analyze changes & trends in behaviors
- Schedule transportation, Dentist visits, PCP visits, Outside activities
- Increase wellness & activity participation
- Monitor dining preferences
- Provide a "Medical Concierge"
- Communications technology to support seniors' engagement
- Predictive analytics
- Wearables & RPM/RTM

### Make it Work for YOU

Facility Apps  
Fall & Balance Tech  
Remote Therapeutic Monitoring  
Wearable Health Monitors  
Supervision Tech

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## Strategies for Improving Census Management

### TRADITIONAL UPSTREAM

- Hospital
- Specialty Physicians
- What can we do better as a partner
- Showcasing outcomes of success
- Case Management focus - easy button success

### HOSPITAL-LESS STREAM

- Hospital at Home Programs
- Home Health Agencies - leveraging readmission penalties and VBP
- Primary Care via Transitional Care Management Partnerships
- Change in admission process and referral management
- High Presence MD/NP Models in High-Acuity Management

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## The Acuity & Occupancy Equation



- Thoughtful Level of Care Placement to Match Patient Needs
- Preventative Health Services
- Ancillary Services & Partnerships
- Integrated Health & Wellness Models
- Purposeful Marketing Shift
  - Help independent adults "aspire to retire"
  - Promote the benefits of community vs. staying home
  - Combat loneliness & improve social lifestyle
- Create a "One Stop Shop" Community
  - Lifestyle offerings that appeal to all
  - Ease of Access to Care
  - Maintain a sense of PURPOSE

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## The Acuity & Occupancy Equation

Understand the financial impact and success drivers of YOUR Occupancy Formula



- Thoughtful Level of Care Placement with Focus on Wellness and Lifestyle Offerings
- Preventative Health Services
- Ancillary Services and Partnerships
- Integrated H+W Models
- Purposeful Marketing Shift
  - Help independent adults "aspire to retire"
  - Promote the benefits of community vs. staying home
  - Combat loneliness & improve social lifestyle
- Create a "One Stop Shop" Community

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## Strategies for Improving Census Management

- **Standardized Communication Tools:**
  - Utilize EHR with the ability to cross-communicate with other providers, use secure messaging systems or centralized care platforms.
- **Routine Touchpoints:**
  - Establish points of contact with key players at each care setting.
- **Multidisciplinary Team Meetings:**
  - Hold internal meetings with all relevant caregivers to align goals and ensure all transitional data paints a clear picture.



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## Strategies for Improving Census Management

### Offer Comprehensive Services

- Falls Programming
- Memory Care Programming
- Transitional Care Management
- Pharmacy
- Rehab/Therapy
- Wellness/Fitness
- Home Health

### Advanced Clinical Programming:

UL Parkinson's, Pain Management, Post-Operative Recovery, CHF/COPD, and MORE



Establish Non-negotiable Clinical Programs and Partnerships to Ensure you are Building Up on a Strong Foundation

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## Market Dynamics




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## Market Dynamics & Their Influence

### Market Dynamics

- **Technological Integration:** The adoption of advanced technologies, such as telehealth and health monitoring systems, is becoming a competitive differentiator. Facilities integrating these technologies can offer enhanced care and attract tech-savvy residents.
- **Consumer Expectations:** There is a growing preference for high-quality, personalized care. Facilities offering upscale amenities and services are attracting affluent seniors seeking a higher standard of living. For example, KYN Hurlingham in London provides luxury accommodations, including a spa, private cinema, and Michelin-starred restaurant, catering to this demand.

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## Market Dynamics & Their Influence

### Competitive Landscape

- **Market Fragmentation:** The LTC market is highly fragmented, with numerous providers ranging from small, family-owned facilities to large, corporate chains. This fragmentation intensifies competition, making differentiation crucial.
- **Emerging Competitors:** New entrants, including luxury care homes and innovative service models, are challenging traditional facilities. For instance, the Iloura Village in Chinchilla, Australia, is a state-of-the-art facility offering 81 beds and creating 20-30 new jobs, highlighting the trend toward modern, well-equipped care environments.
- **Consumer-Centric Models:** There is a shift toward models that prioritize consumer choice and flexibility, such as assisted living and home care services, which can impact traditional nursing home census.




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## Financial Effects

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## Financial Impact of Payer Shifts

### Impact on Reimbursement Rates

- **Medicaid Adjustments:** Medicaid is a primary payer for LTC services, but reimbursement rates often lag behind the actual cost of care. Recent reports indicate that states are facing substantial increases in Medicaid costs due to a sicker-than-expected population post-pandemic. For example, Pennsylvania proposed a \$2.5 billion increase in Medicaid spending to address these challenges.
- **Medicare Payment Models:** Medicare's fee-for-service system pays separately for acute and post-acute care, which can lead to longer stays in skilled nursing facilities than optimal. This payment structure may not always align with the actual cost of care, affecting facility revenues.
- **Private Insurance Variability:** Private insurers may offer higher reimbursement rates compared to Medicaid, but these rates can vary widely. Facilities with a higher proportion of private-pay residents may experience more favorable cash flow, while those reliant on Medicaid may face financial strain due to lower reimbursement rates.




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## Financial Impact of Payer Shifts

### Impact on Cash Flow

- **Delayed Payments:** Medicaid and Medicare often have longer reimbursement cycles, leading to cash flow challenges for LTC facilities. Facilities may need to manage operational costs without timely payments, affecting their financial stability.
- **Regulatory Changes:** Alterations in healthcare regulations and policies can impact LTC revenue cycles. For instance, changes to Medicare and Medicaid reimbursement policies could affect revenue streams, necessitating facilities to adapt their financial strategies accordingly.
- **Payer Mix Management:** A facility's payer mix—the proportion of revenue from Medicaid, Medicare, and private insurance—directly influences cash flow. A higher percentage of Medicaid residents can strain finances due to lower reimbursement rates, while a balanced mix may offer more financial stability.

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## Financial Impact of Payer Shifts

### Strategies to Mitigate Financial Impact

- **Diversify Payer Sources:** Increasing the proportion of private-pay residents can enhance cash flow, as private insurance and out-of-pocket payments typically offer higher reimbursement rates.
- **Optimize Operational Efficiency:** Implementing cost-effective practices and improving operational efficiencies can help offset lower reimbursement rates from public payers.
- **Advocate for Policy Changes:** Engaging in advocacy efforts to influence Medicaid and Medicare reimbursement policies can lead to more favorable rates for LTC facilities.

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## Future Trends in Census & Payer Considerations

### Technological Advancements

- **Predictive Analytics:** Utilizing machine learning algorithms, predictive analytics can analyze data to forecast health issues before they become serious. For instance, data from wearable devices can detect early signs of health concerns, enabling proactive care.
- **Telehealth Integration:** The adoption of telehealth services allows for remote monitoring and consultations, enhancing care accessibility and efficiency. This integration is particularly beneficial for managing chronic conditions prevalent among the elderly.
- **Robotics and Automation:** The use of robotics in LTC facilities can assist with tasks such as medication management and mobility support, improving operational efficiency and resident well-being.




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## Future Trends in Census & Payer Considerations

### Other Trends

- **Community Integration:** There is a growing trend towards integrating LTC facilities with the broader community to combat loneliness and enhance the quality of life for residents. Person-centered models that connect senior homes with community resources are becoming more prevalent.
- **Policy Adaptation:** LTC facilities are adapting to policy changes by implementing value-based care models and complying with new regulations. This adaptability ensures continued funding and aligns care practices with current standards.
- **Technological Integration:** The incorporation of advanced technologies, such as predictive analytics and telehealth, is becoming standard practice. These technologies improve care delivery, operational efficiency, and resident satisfaction.




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## The Role of Data Analytics

- **Predictive Analytics for Demand Forecasting:** By analyzing historical data, demographic trends, and seasonal patterns, data analytics can forecast future patient admissions and discharges. This foresight allows LTC facilities to anticipate occupancy levels, adjust staffing, and manage resources efficiently.
- **Resource Allocation and Staffing Optimization:** Data analytics assists in determining optimal staffing levels based on patient acuity and census trends. By analyzing historical data on patient needs and staffing levels, facilities can ensure appropriate staffing, enhancing patient care and operational efficiency.
- **Quality Improvement Initiatives:** By monitoring key performance indicators (KPIs) such as hospital admission rates, infection rates, and patient satisfaction scores, data analytics helps identify areas for improvement. This information supports targeted quality improvement initiatives, leading to better patient outcomes and higher occupancy rates.
- **Financial Performance Analysis:** Data analytics enables facilities to assess financial metrics, including revenue per patient day and payer mix. Understanding these financial aspects aids in pricing strategies, identifying profitable payer sources, and improving overall financial health.

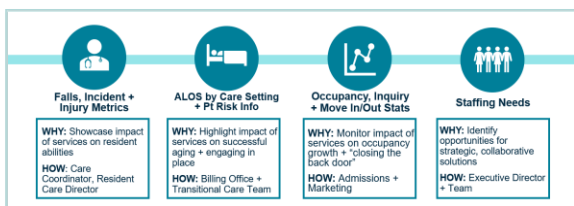


## The Role of Data Analytics

- **Enhancing Patient Care and Satisfaction:** By analyzing patient data, facilities can tailor care plans to individual needs, improving patient satisfaction and outcomes. Satisfied patients are more likely to recommend the facility, positively influencing census numbers.
- **Compliance and Risk Management:** Data analytics helps identify and mitigate risks related to regulatory compliance, billing errors, and fraud. By analyzing data from electronic health records (EHRs) and claims, facilities can detect anomalies and ensure adherence to regulations, avoiding penalties and maintaining a positive reputation.
- **Market Analysis and Competitive Positioning:** Analyzing market data allows facilities to understand local demographics, competitor offerings, and market demand. This insight supports strategic decisions on service offerings, pricing, and marketing efforts to attract and retain residents.



## Meaningful Metrics: Understand the Impact



## Leveraging Your EMR



**Assessment**  
Internal & state requirements  
Determine level of care & service plan  
Move in & Annually  
At any time of a change in function



**Assessment Plan – Service Plan of Care**  
Document scheduled tasks  
Provide interventions as appropriate  
Track compliance



**Unscheduled Services**  
Intervention Planning/ At risk  
Timeline for prior level  
Possible change in level of care & payment  
Communication



**Point of Care Tasks**  
Track service delivery & completion  
Track compliance  
Will show insight into unscheduled services/tasks

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## Final Thoughts

- Census management is an ever-evolving process which requires continual monitoring and adjustment based on current and future trends
- Utilize all available resources to manage your census in a way that works for you
- The future of census management clearly lies in technology. Start implementing programs and devices now to stay ahead of the upcoming challenges

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## Questions?

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**Thank You!**

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