

UTILIZATION, COST, AND QUALITY OF CARE
IN MEDICAID NURSING FACILITIES



PERFORMANCE AUDIT SERVICES
INFORMATIONAL REPORT
ISSUED JUNE 4, 2014

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LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

June 4, 2014

The Honorable John A. Alario, Jr.,
President of the Senate
The Honorable Charles E. "Chuck" Kleckley,
Speaker of the House of Representatives

Dear Senator Alario and Representative Kleckley:

This report provides the results of our audit on utilization, cost, and quality of care in Medicaid nursing facilities. Appendix A contains information on utilization, cost, and quality by nursing facility and Appendix B contains our scope and methodology. Appendix C contains an example price sheet describing a facility's daily rate calculation. I hope this report will benefit you in your legislative decision-making process.

Sincerely,

Daryl G. Purpera, CPA, CFE
Legislative Auditor

DGP/ch

DHH-NURSING HOMES 2014

Louisiana Legislative Auditor

Daryl G. Purpera, CPA, CFE



Utilization, Cost, and Quality of Care in Medicaid Nursing Facilities

June 2014

Audit Control # 40130015

Introduction

Louisiana is in the planning stages for developing Medicaid managed care for recipients of long-term care services. According to the Department of Health and Hospitals (DHH), the key objectives of managed long-term care are the following:

- Improve quality of services and health outcomes
- Decrease fragmentation and improve coordination of care
- Create a system that utilizes proven and/or promising practices
- Refocus the system in order to increase choice and provide more robust living options for those who need long-term care and their families
- Rebalance the system in order to meet the growing demand for services within the existing level of expenditures for the long-term care population

The purpose of this report is to provide information on the current utilization, cost, and quality of care in Medicaid nursing facilities in order to evaluate in the future the impact of managed care in these areas. This report covers nursing facilities; however, subsequent reports will examine Intermediate Care Facilities for the Developmentally Disabled (ICF/DD) and home and community-based services, including the New Opportunities Waiver (NOW) and the Long-Term Care Personal Care Services (LTPCS) program.

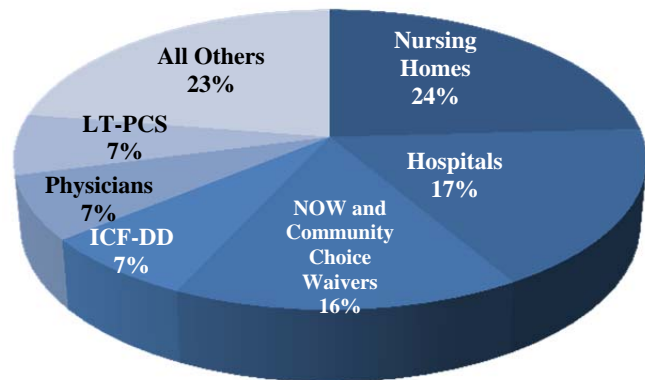
As of November 2013, Louisiana had 276 nursing facilities, of which 259 (94%) accepted Medicaid. These 259 facilities had a total of 32,193 beds. As of December 2013, 24,920 (51%) of 48,016 individuals who are elderly or have disabilities receiving long-term care services in Louisiana received these services in a nursing facility. During fiscal year 2013, nursing facilities received approximately \$840 million or 24.1% of the total Medicaid budget for private providers, making it the largest Medicaid private provider group, ahead of hospitals as shown in Exhibit 1 on the following page.

Nursing facility care is funded through the Medicaid program, which is administered by DHH. DHH's Office of Aging and Adult Services provides oversight of Medicaid nursing facility admissions and its Health Standards Section licenses and inspects nursing facilities to evaluate their compliance with federal regulations. The Governor's Office of Elderly Affairs' Long Term Care Ombudsman Program investigates complaints in nursing facilities and serves as an advocate for the rights of residents. According to the Louisiana Nursing Home Association, services provided in nursing facilities include:

- **Medical care**, provided under a physician's care.
- **Nursing and rehabilitative services**, including services provided by a registered or licensed practical nurse, and other services such as physical therapy and occupational therapy.
- **Patient services**, such as room and board, social, and spiritual programs.
- **Personal care**, including assistance with bathing, dressing, and eating.

Appendix A contains information on utilization, cost, and quality by Medicaid nursing facility, and Appendix B contains our scope and methodology. Appendix C contains an example price sheet describing a facility's daily rate calculation.

Exhibit 1
Fiscal Year 2013 Top Medicaid Private Provider Groups



Source: Prepared by legislative auditor's staff using information provided by DHH.

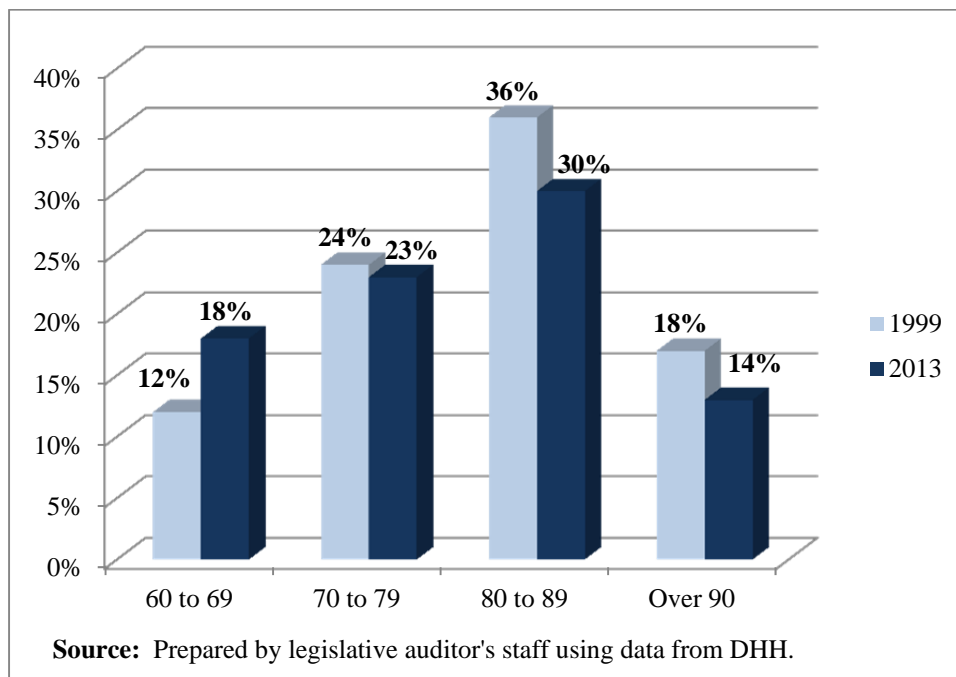


Section 1: Utilization of Medicaid Nursing Facilities

The number of Louisiana Medicaid participants receiving care in a nursing facility decreased from 26,563 in July 2011 to 25,335 in November 2013. Despite this decrease, Louisiana ranks among the top five states for nursing facility utilization per capita for individuals over the age of 85, according to DHH. In addition, according to the AARP, Louisiana ranked fourth among states for the number of nursing facility beds and 12th for the number of individuals in nursing facilities in 2010.

The population served in nursing facilities is getting younger. In 1999, residents aged 80 or older made up 54% of the total nursing facility population, while residents aged 30-59 made up 10% of the population. By 2013, residents aged 30-59 increased to 15% of the total population, while residents aged 80 or greater made up 44%. Exhibit 2 summarizes the percent of nursing facility population by age group in 1999 compared to 2013.

**Exhibit 2
Comparison of Age of Population in Nursing Facilities
1999 Versus 2013**



The health and mental status of Medicaid nursing facility residents has not changed significantly from 2007 to 2010. DHH periodically publishes a report profiling nursing facility residents called *Characteristics of Medicaid Eligible Persons Using Long-Term Care Services in Louisiana*. This report evaluates Minimum Data Set assessment data on a sample of residents in different areas, including health and mental health indicators. Overall, reports from 2007 and 2010 show a similar prevalence among residents for these indicators as shown in Exhibit 3.

With the exception of three indicators (Complaints or Evidence of Daily Pain; Resists Care; Changes in Behavior Symptoms), health and mental statuses did not vary more than 4% between 2007 and 2010 for Medicaid-eligible nursing home residents.

Exhibit 3		
Health and Mental Status of Medicaid-Eligible Nursing Home Residents in Louisiana 2007 and 2010		
Status	2007	2010
Health Conditions		
End-Stage Disease	1%	1%
Falls	32%	35%
Complaints or Evidence of Daily Pain	32%	9%
Weight Loss	11%	9%
Presence of Pressure Ulcers	12%	8%
Presence of Stasis Ulcers	2%	1%
Bladder Incontinence	50%	47%
Bowel Incontinence	49%	45%
Behavioral Symptoms		
Wandering	8%	5%
Verbally Abusive Behavior	8%	5%
Physically Abusive Behavior	4%	2%
Socially Inappropriate Behavior	14%	10%
Resists Care	20%	13%
Changes in Behavior Symptoms	26%	12% (14,707)
Sample Size	28,107	19,207
Source: Prepared by legislative auditor's staff using information from <i>Characteristics of Medicaid-Eligible Persons Using Long-Term Care Services in Louisiana, 2007 and 2010</i> .		

The average occupancy rate (i.e., the number of occupied beds in a nursing facility) in Louisiana is lower than the national average. Average occupancy in individual nursing facilities in Louisiana ranged from a low of 18% in fiscal year 2012 to a high of 100%. The statewide average nursing facility occupancy rate ranged from 72.5% in fiscal year 2011 to 75% in fiscal year 2013. According to the Kaiser Family Foundation, Louisiana's 2011 occupancy rate (72.5%) ranked 43rd lowest out of all 50 states compared to the national average occupancy rate of 83%. South Dakota had the highest occupancy rate (100%) and Oregon had the lowest occupancy rate (61.4%). Exhibit 4 lists occupancy rates for the 50 states and District of Columbia. Exhibit 5 shows the nursing facilities with the highest and lowest occupancy rates from fiscal years 2011 to 2013. Appendix A lists occupancy rates for each Medicaid nursing facility in Louisiana.

Exhibit 4 State Certified Medicaid/Medicare Nursing Facility Occupancy Rates Calendar Year 2011					
State	Occupancy Rate	State	Occupancy Rate	State	Occupancy Rate
South Dakota	100.0%	West Virginia	88.1%	Wyoming	81.6%
District of Columbia	93.4%	New Jersey	87.9%	Colorado	80.5%
Rhode Island	92.2%	Florida	87.6%	Washington	80.4%
New York	91.8%	Maryland	87.6%	Iowa	79.7%
Hawaii	91.4%	Vermont	87.6%	Illinois	78.5%
Alaska	91.3%	North Carolina	86.2%	Indiana	78.5%
Maine	91.0%	Delaware	86.1%	Nebraska	78.3%
Minnesota	90.6%	Alabama	85.4%	Arkansas	72.8%
Pennsylvania	90.4%	Georgia	85.3%	Louisiana	72.5%
North Dakota	90.3%	Ohio	85.3%	Missouri	71.8%
New Hampshire	89.7%	Michigan	85.0%	Arizona	70.4%
Kentucky	89.6%	California	84.9%	Texas	69.9%
South Carolina	89.5%	Tennessee	84.9%	Idaho	69.8%
Connecticut	88.7%	Wisconsin	83.1%	Montana	69.5%
Massachusetts	88.3%	Kansas	82.7%	Oklahoma	67.3%
Mississippi	88.2%	New Mexico	82.7%	Utah	66.3%
Virginia	88.2%	Nevada	81.6%	Oregon	61.4%

Source: Prepared by legislative auditor's staff using information from Kaiser Family Foundation.

Exhibit 5 Medicaid Nursing Facilities with Highest and Lowest Occupancy Fiscal Year 2013				
Highest Occupancy				
Fiscal Year	Facility Name	City	Total Medicaid Beds	Occupancy Rate
2013	Our Lady of Prompt Succor Nursing Home	Opelousas	80	100.0%
2013	Maison De Lafayette	Lafayette	120	100.0%
2013	Maison Deville - Houma	Houma	120	100.0%
Lowest Occupancy				
2013	Woods Haven Nursing and Rehab	Pollock	92	38.5%
2013	North Point Healthcare Center	Baton Rouge	123	33.6%

Source: Prepared by legislative auditor's staff using DHH reports (LTC 2).

Section 2: Cost of Medicaid Nursing Facilities

During fiscal years 2011 through 2013, nursing facilities in Louisiana received approximately \$2.5 billion in Medicaid payments, with an average annual payment of approximately \$3 million per nursing facility. Exhibit 6 summarizes annual and average Medicaid payments to nursing facilities during fiscal years 2011 through 2013. Appendix A summarizes expenditures by individual nursing facilities.

Exhibit 6		
Medicaid Nursing Facility Payments in Louisiana Fiscal Years 2011-2013		
Fiscal Year	Average Payment per Nursing Facility	Total Annual Payments
2011	\$3,223,480	\$854,222,214
2012	\$2,911,812	\$771,630,082
2013	\$3,233,815	\$840,791,858
Total		\$2,466,644,155
<p>Note: This exhibit does not include the state-run Villa Feliciana Medical Complex because the facility uses a different reimbursement methodology. This facility received approximately \$52.6 million in Medicaid payments during fiscal years 2011-13.</p>		
<p>Source: Prepared by legislative auditor's staff using reimbursement data provided by DHH.</p>		

DHH pays private nursing facilities a daily specific rate. DHH's Rate and Audit Review Section contracts with Myers and Stauffer LC who uses cost report data to calculate daily rates for each nursing facility in the state. Private nursing facilities offering Medicaid long-term care services are required to file Medicare and Medicaid cost reports each year to begin the reimbursement process. To help ensure that costs reported by nursing facilities are accurate, DHH contracts with Posthewaite and Netterville, CPAs to audit these cost reports.

Since 2003, nursing facility rates have been calculated using a price-based case mix system based on costs developed by DHH in conjunction with the nursing facility industry. Nursing facility rates are calculated for the following five components:

- **Direct Care Component:** nursing staff expenses (e.g., salaries/wages of registered nurses, licensed practical nurses, nurse aides)
- **Care Related Component:** other expenses indirectly related to providing clinical care services (e.g., social services, activities, raw food)
- **Administrative/Operating Component:** non-capital expenses necessary to run a business (e.g., housekeeping, laundry)
- **Capital Related Component:** expenses associated with the acquisition or maintenance of fixed assets (e.g., land, equipment, and buildings)

- **Pass Through Component:** expenses added directly to the other rate components to determine the facility’s rate (e.g., property taxes, property insurance, provider fee)

Exhibit 7 provides more detail on how each component of a nursing facility’s daily rate is calculated. Appendix C provides a detailed example of how rates are calculated.

Exhibit 7 Nursing Facility Rate Component and Example		
Rate Component	General Description of Component Calculation	Example
Direct Care*	<ul style="list-style-type: none"> • 112.4% of the statewide resident day-weighted median cost per day • Multiplied by a factor representing the acuity (sickness) of all residents in the facility (“case mix index”) 	\$57.28
Care Related*	<ul style="list-style-type: none"> • 112.4% of the statewide resident day-weighted median cost per day 	\$29.69
Administrative/ Operating	<ul style="list-style-type: none"> • 107.5% of the statewide resident day-weighted median cost per day 	\$45.60
Capital Related	<ul style="list-style-type: none"> • Fair rental value is determined, which takes into account the square footage per bed, the total number of licensed beds, and the facility’s age. Multiplied by a 9.25% rental rate. • The resulting amount is divided by facility’s occupancy rate, which may not be less than 85%. 	\$23.68
Pass Through	<ul style="list-style-type: none"> • Property tax and property insurance are divided by total resident days • \$10.00 provider fee added 	\$4.25 + \$10.00 = \$14.25
Daily Rate		\$170.50
*Nursing facilities are required to spend a set amount (currently 94%) of direct care and care related funding received on these services. If this spending is not at an acceptable level, the nursing facility must reimburse DHH for a portion of the funding it has received.		
Source: Prepared by legislative auditor’s staff using information provided by DHH.		

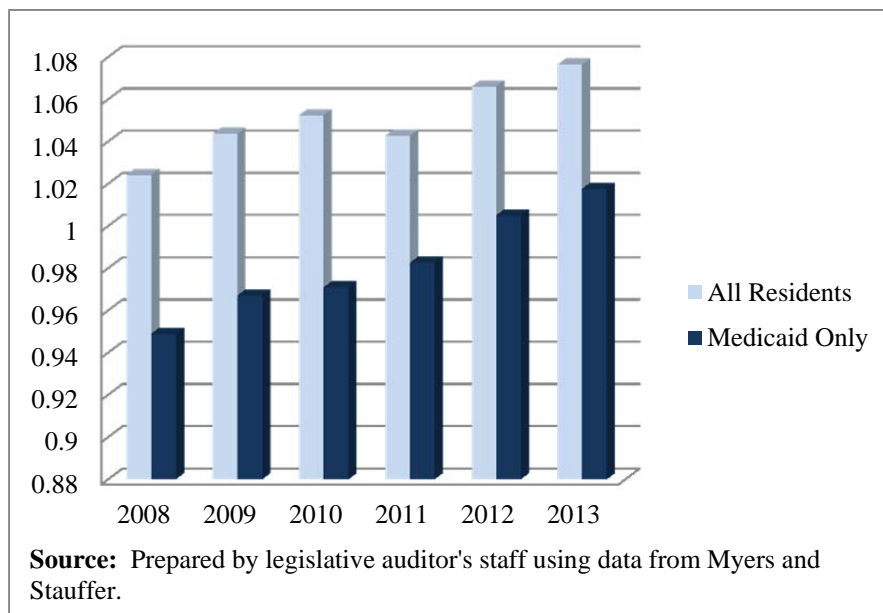
The case mix index (acuity or sickness) in the direct care component of the rate is based on all residents in each facility, not just Medicaid residents. The direct care component of the rate is generally the highest part of the rate. This component is calculated using Minimum Data Set (MDS) assessment data gathered on each resident. The MDS information determines the resident’s Resource Utilization Group (RUG) category. Each category indicates the level of resources (including staff time) that is needed to care for each person in the group, also referred to as the “case mix index.” The case mix index for all residents of the nursing facility is determined on a quarterly basis.

In Louisiana, unlike most other states with similar reimbursement methodologies, the case mix index includes all residents in a nursing facility, including private pay and Medicare residents. If only Medicaid residents were included in the case mix calculation, nursing facility rates would be lower since Medicare and private pay residents typically have higher acuity.¹

¹ We recommended in our 2005 performance audit report on long-term care that only Medicaid residents be included when calculating acuity because four of the five states that use a price-based methodology surveyed calculate it this way.

Exhibit 8 summarizes the differences in acuity when all residents are included versus when only Medicaid residents are included.

Exhibit 8
Acuity Calculations: Medicaid Only Versus All Residents



Nursing facilities are paid indirectly for their excess capacity through the capital component of the reimbursement methodology. This excess capacity costs approximately \$15.6 million per year. According to this methodology, the capital component of the rate is calculated by dividing the fair rental value by a minimum occupancy rate. Act 150 of the 2010 Legislative Session increased this minimum occupancy rate from 70% to 85%.² This means that facilities with occupancy rates that are lower than this are automatically raised to 85% for reimbursement purposes. As a result, facilities raised to this minimum occupancy rate are reimbursed for 15% of their excess capacity in the capital component of their rate. As of July 2013, 182 (70%) of 259 facilities had an occupancy lower than 85% and were raised to the minimum occupancy. Myers and Stauffer estimated that the annual cost for this excess capacity statewide was approximately \$15.6 million.³

Because of this, DHH has provided incentives to reduce the number of beds in nursing facilities. However, only a few nursing facilities have selected to participate in these options. These include the following:

² Per the fiscal note for this legislation, the direct care component percentage was also increased from 110% to 112.4% which generally offsets the average daily Medicaid rate decrease that resulted from the increased occupancy requirement.

³ In a 2005 performance audit, we recommended that this minimum occupancy rate be raised to 90% which is comparable to what other states use. If a minimum occupancy rate of 90% were to be used, Myers and Stauffer LC estimated that the annual cost for excess capacity statewide would be approximately \$4.8 million.

- **Bed Buy-Back Program:** This program is designed for a facility or group of facilities to purchase an existing nursing facility, close that facility, and surrender the licensed bed capacity of that facility to the state. Under this program providers will decrease total licensed beds capacity in the state, as well as increase their total occupancy. The buyer that purchases and closes an existing Medicaid nursing facility will receive incentive payments for five years after the transfer of ownership and closure. As of July 1 2013, according to Myers and Stauffer, there were six facilities participating in this program. Facilities can receive payments over five years ranging from a low of \$379,578 to a high of \$748,091 depending on the number of beds involved which may result in a facility's rate increasing by approximately \$8.00 per day.
- **Private Room Conversion Program:** This program is designed to reduce licensed bed capacity in the state. Under this program a provider would convert semiprivate rooms to private rooms, and then reduce its number of beds to increase its occupancy. In 2008, 11 nursing facilities have converted a portion of their beds to private rooms.

Nursing facility rates are adjusted at the discretion of DHH through rebasing. Nursing facility rates have increased by 38% since June 2010 due to rising costs and acuity increases, but rank relatively low compared to other states. The average nursing facility daily rate increased from \$117.19 in June 2010 to \$161.56 in October 2013, representing a 38% increase. As of October 1, 2013, rates for individual nursing facilities ranged from \$138.92 to \$187.31. (See Appendix A for each facility's Medicaid daily rate.) We obtained Medicaid rates from 19 other states from Myers and Stauffer and found that Louisiana currently ranks 4th lowest, as illustrated in Exhibit 9. Rates are low because rates are based on costs incurred, which are then reimbursed. According to the Genworth 2014 Cost of Care Survey, Louisiana's median annual cost for a semiprivate room in a Medicare-certified facility (\$55,480) is much lower than the U.S. average (\$77,380).

Exhibit 9	
Medicaid Daily Rates for Nursing Facilities in Other States	
State	Average Medicaid Nursing Facility Daily Rate
Hawaii	\$245.07
Connecticut	\$224.24
Maryland	\$223.92
Florida	\$216.43
Vermont	\$211.12
New York	\$209.97
New Jersey	\$205.54
Idaho	\$202.40
Colorado	\$201.34
Pennsylvania	\$198.04
Kentucky	\$192.83
Washington	\$186.13
Indiana	\$172.88
Utah	\$168.60
Montana	\$165.90
Wyoming	\$164.96
Louisiana	\$162.01
Virginia	\$161.94
Iowa	\$153.55
Nevada	\$116.69
Source: Prepared by legislative auditor's staff using information provided by Myers and Stauffer LC.	

Private nursing facilities' rates were last rebased, or updated, in July 2013. A rate rebase is the process of updating the rate component median costs with more recent cost reporting period information. State law requires rebasing of nursing facility rates at least once every two years. However, rates have been rebased more frequently than that. Specifically, prior to the July 2013 rebase, rates were also increased through rebasing in September 2012, July 2012, July 2011, and July 2010. Although the average Medicaid nursing facility daily rate has increased because of rebasing, some facilities have received a rate decrease. The most common cause of this decrease would be a lowering of the acuity (i.e., "sickness") of residents.

The Medicaid Trust Fund for the Elderly has been used to fund these rate increases; however, this fund will likely be depleted at the end of fiscal year 2015. This fund was established in 2000 by borrowing funds from parish-owned nursing homes to obtain federal funding. According to the Study Group on Long-Term Care Financing⁴ in March 2013, this fund has been used to mitigate cuts to private nursing facilities.⁵ In fiscal year 2005, the Medicaid Trust Fund for the Elderly's ending balance was approximately \$838 million. As of May 2013,

⁴ The Study Group on Long-Term Care Financing was established by HR 166 of the 2012 Regular Session and was created to develop the design for a thorough and complete analysis of funding to long-term care to be proposed in the 2013 Legislative Session, with a goal to increase options for long-term care in Louisiana.

⁵ Along with nursing facilities, this fund is also used for home- and community-based services, primary care and other purposes.

the ending balance was approximately \$409 million, a decrease of over 50% in eight years. Exhibit 10 shows additional information on the ending balance by year for this fund.

Exhibit 10 Medicaid Trust Fund for the Elderly Fund Balance History	
Fiscal Year	Ending Balance
2005	\$838,325,471.47
2006	\$841,616,752.36
2007	\$843,745,743.77
2008	\$828,277,970.13
2009	\$808,635,614.21
2010	\$711,892,829.37
2011	\$602,996,753.23
2012	\$519,482,546.82
2013*	\$409,430,605.54
*FY13 balance is as of 5/13/13 and is less than the FY13 appropriation. Source: Prepared by legislative auditor's staff using information provided by House Fiscal Division staff.	

The Study Group on Long-Term Care Financing concluded in March 2013 that this fund is likely to be depleted within five years, and will then require a large increase in state general fund spending or an alternate means of financing to replace this fund. The Legislative Fiscal Office stated in February 2014 that this fund may be nearly depleted in fiscal year 2015.

In 2014, the public will vote on a constitutional amendment that will lock nursing facility rates into their current amount (on average, \$161.56 per resident per day).

Because the Medicaid Trust Fund for the Elderly will be depleted soon, Act 439 of the 2013 Regular Legislative Session requires voters to decide whether the Louisiana Medical Assistance Trust Fund will be created as a constitutional fund. Figure 1 contains the wording that will appear on the ballot. However, according to Act 439 of the 2013 Regular Legislative Session, if voters approve this constitutional amendment in November 2014, the Legislature will be able to appropriate funds at the established base rate (which may be increased) for each provider group that pays fees into this fund, including nursing facilities. Other providers that are included in this proposed amendment are pharmacies and ICF/DDs (intermediate care facilities for people with developmental disabilities).

**Figure 1
November 2014 Proposition to Amend
Louisiana's Constitution**

Do you support an amendment to authorize the legislature to create the Louisiana Medical Assistance Trust Fund, for the payment of Medicaid reimbursement to the health care provider groups paying fees into the fund? (Adds Article VII, Section 10.14)

Source: Act 439 of 2013 Legislative Session

In addition, the passage of this constitutional amendment would lock in current nursing facility Medicaid rates as established for fiscal year 2014 and would require that the appropriation only be reduced in the future if it does not exceed the average reduction made to other Medicaid providers and is agreed to in writing by two-thirds of the Legislature or two-thirds of the Joint Legislative Committee on the Budget.

Section 3: Quality of Care in Medicaid Nursing Facilities

According to a September 2011 comprehensive report on long-term care services across the country,⁶ nursing facility residents are a vulnerable population with physical, mental, and emotional conditions that largely depend on the quality of care they receive in nursing facilities. The federal Department of Health and Human Services and the Centers for Medicaid and Medicare Services routinely collect data on quality in nursing facilities. DHH also evaluates the quality of care provided in nursing facilities through its survey process.

DHH's Health Standards Section (HSS) performs unannounced surveys at least once every 15 months to ensure that nursing facilities are in compliance with state and federal regulations. A standard survey is a periodic, resident-centered inspection that gathers information about the quality of services furnished in a facility to determine compliance with program requirements. See Figure 2 for the steps in the survey process. In addition to these standard surveys, HSS conducts complaint surveys on an as-needed basis.⁷

Based on the survey results, nursing facilities may be found to be in violation of program regulations - resulting in a deficiency - and may be assessed a state or federal sanction. CMS determines federal sanctions and HSS determines state sanctions.

From state fiscal year 2011 through 2013, Louisiana nursing facilities were cited for 7,666 deficiencies. Although most of these deficiencies (6,978 or 91%) were for violations categorized as "no actual harm with potential for more than minimal harm," 284 (3.7%) were for immediate jeopardy violations meaning that the violation was likely to cause serious injury, harm, impairment, or death to a resident. In addition, 41% (3,165 of 7,666) of the total deficiencies cited were repeat deficiencies. Appendix A contains the number of deficiencies by Medicaid nursing facility. Exhibit 11 lists the top 10 providers with the most deficiencies.

Figure 2
Nursing Home Survey Process Steps

- Offsite/onsite survey preparation
- Entrance conference/facility tour/select sample
- Stage One: preliminary investigation, including resident, family, and staff interviews; observations; record reviews
- Stage Two: Investigations based on Stage One findings
- Analysis and Decision Making: determine if deficiencies will be cited
- Exit conference

Source: Prepared by legislative auditor's staff using information provided by CMS.

⁶ *Raising Expectations: A State Scorecard on Long-Term Services and Supports for Older Adults, People with Physical Disabilities, and Family Caregivers* (AARP, The Commonwealth Fund, The Scan Foundation)

⁷ According to HSS, it receives approximately 1,200-1,500 complaints per year (across all provider types).

Exhibit 11 Nursing Facilities with the Highest Number of Deficiencies Fiscal Year 2011-2013		
Nursing Facility	City	Total Deficiencies
Lake Charles Care Center	Lake Charles	86
Evangeline Oaks Guest House	Carencro	82
Villa Feliciana	Jackson	80
Golden Age of Welsh, LLC	Welsh	80
Affinity Nursing & Rehab Center	Baton Rouge	79
Lafayette Care Center	Lafayette	77
Grand Cove Nursing & Rehabilitation Center	Lake Charles	77
Patterson Healthcare Center	Patterson	74
Carrington Place of Baton Rouge	Baton Rouge	74
Courtyard Manor Nurse Care Center & Assisted Living	Lafayette	71
Source: Prepared by legislative auditor's staff using January 2014 Nursing Home Compare data.		

From fiscal years 2011 through 2013, the most frequently cited deficiency was a failure to implement residents' written plans of care. Other frequently cited deficiencies included issues with sanitation, safety, and other resident care issues. Exhibit 12 summarizes the top 10 most cited nursing facility deficiencies from fiscal years 2011 through 2013.

Exhibit 12
Ten Most Cited Nursing Facility Deficiencies
Fiscal Year 2011-2013

#	Deficiency	Total Citations	Examples
1	Provide care by qualified persons according to each resident's written plan of care.	437	Failure to implement care plan interventions, such as oral care, reporting skin changes to nurses, or providing showers according to plan of care.
2	Allow residents the right to participate in the planning or revision of care and treatment.	316	Failure to reassess the care plan and include the resident and/or their family in this process.
3	Ensure that a nursing facility area is free from accident hazards and provides adequate supervision to prevent avoidable accidents.	311	Failure to ensure wheelchairs have footrests or securing dangerous chemicals in the shower rooms.
4	Develop a complete care plan that meets all the resident's needs, with timetables and actions that can be measured.	307	Failure to develop a care plan to address pressure ulcers, hospice care, or foot care for diabetic residents.
5	Conduct initial and periodic assessments of each resident's functional capacity.	291	Failure to conduct an accurate initial or ongoing assessment of resident's activities of daily living, dental problems, or transfer needs.
6	Have a program that investigates, controls, and keeps infection from spreading.	288	Failure to ensure blood glucose monitoring strips were not contaminated before use, clean the shower rooms, or perform hand hygiene during wound care.
7	Store, cook, and serve food in a safe and clean way.	261	Failure to close food containers, maintain proper temperature in the dry storage room, clean grease and dust buildup on the back of the oven, properly store ice scoops, or follow instructions for the sanitization of pots, pan, and utensils.
8	Ensure that each resident's (1) entire drug/medication regimen is free from unnecessary drugs; and (2) is managed and monitored to achieve highest level of well-being.	231	Failure to monitor residents on psychoactive medication, ensure residents do not take unnecessary medications, or gradually reduce dose reductions for residents on antipsychotic medications in the absence of behaviors.
9	Keep accurate, complete and organized clinical records on each resident that meet professional standards.	191	Failure to document resident's behavior, correct medication dosages, or weekly weights.
10	Provide care for residents in a way that maintains or improves their dignity and respect in full recognition of their individuality.	182	Failure to sufficiently cover residents from their room to the shower, knock on the door before entering, or serving meals/beverages in disposable dishware with plastic cutlery.

Source: Prepared by legislative auditor's staff using January 2014 Nursing Home Compare data and information provided by DHH.

Although Louisiana had the lowest overall nurse staffing (an average of 3.6 hours per resident per day) out of all 50 states, all Louisiana nursing facilities met state regulations regarding staffing. Nursing facilities must provide nursing services “to attain or maintain the highest practicable physical, mental, and psychosocial well-being of each resident.” Nursing facilities in Louisiana are staffed by registered nurses (RN), licensed practical nurses (LPN), certified nurse assistants (CNA) and other staff to provide care for residents. According to CMS, higher staffing levels of all types in nursing facilities result in higher quality of care for residents.

Federal regulations require Medicaid certified nursing facilities to have a registered nurse (RN) on duty at least 8 hours a day and a licensed practical nurse (LPN) on duty 24 hours a day. However, the federal government has not developed standardized staffing ratios that states must follow. Louisiana’s state regulations require 1.5 hours of minimum nursing care per resident each day for licensed facilities and 2.35 hours of minimum nursing care per resident per day for Medicaid certified facilities.⁸ Exhibit 13 lists Louisiana’s average staffing hours per resident per day (for RNs, LPNs, and CNAs), the national average, and Louisiana’s ranking when compared to other states. Louisiana ranks 10th for its LPN staffing levels, and 51st and 47th, respectively, for RN and CNA staffing levels.

Exhibit 13			
Average Staffing Hours for Medicaid Nursing Facilities			
Fiscal Year 2011-2013			
Nursing Staff Type	Average Staffing Hours Per Resident Per Day - Louisiana	Average Staffing Hours Per Resident Per Day - National	Louisiana’s Ranking
Registered Nurse (RN)	0.42	0.75	51 st
Licensed Practical Nurse (LPN)	0.94	0.82	10 th
Certified Nurse Assistant (CNA)	2.23	2.45	47 th
All Nursing Staff (RN, LPN, & CNA)	3.59	4.02	51st
Note: Staffing data is self-reported by nursing facilities.			
Source: Prepared by legislative auditor’s staff using January 2014 Nursing Home Compare data.			

During fiscal years 2011-2013, Louisiana nursing facilities were assessed approximately \$4.9 million in sanctions for deficiencies. Of this total, approximately \$2.5 million (51%) were federal fines, while approximately \$2.4 million (49%) were state fines.⁹ In addition, Louisiana nursing facilities were denied payment for 1,648 days. Denials of payments are federal sanctions in which nursing facility payments are suspended for a certain amount of time. When compared to other states, Louisiana had the 14th highest federal fine assessment (approximately \$2.5 million) in state fiscal years 2011-2013. Exhibit 14 lists statewide fiscal years 2011-2013 federal and state sanctions. Appendix A contains a list of federal and state sanctions by Medicaid nursing facility.

⁸ The 1.5 hour and 2.35 hour requirements include RN, LPN, and CNA hours.

⁹ According to DHH, state fines may be offset by federal fines, so that nursing homes are not penalized twice for the same violation.

Exhibit 14 Louisiana Nursing Facility Federal and State Sanctions 2011-2013		
Year	Total Fines	Total Days of Payment Denied
2011	\$1,144,682	468
2012	\$1,583,745	812
2013	\$2,176,902	368
Total	\$4,905,329	1,648

Source: Prepared by legislative auditor's staff using January 2014 Nursing Home Compare and state sanction data.

According to May 2011 data from the U.S. Agency for Healthcare Research and Quality (AHRQ), Louisiana is “far from the benchmark” for several quality of care indicators. The AHRQ routinely collects benchmark data from states on quality of care measures. According to this data, Louisiana has eight quality measures that achieved the benchmark or better, one quality measure close to the benchmark, and 10 quality measures that are far from the benchmark. For example, the percentage of residents spending most of their time in a bed or wheelchair in Louisiana was 7.3%, compared to the benchmark of 1.43%, and the percentage of residents in physical restraints in Louisiana was 6.09%, compared to the benchmark of 1.35%. However, the percentage of residents receiving and being assessed for flu and pneumonia vaccinations in Louisiana achieved the benchmark. Exhibit 15 summarizes these results.

Exhibit 15 Louisiana’s Performance When Compared to AHRQ Benchmark Data May 2011		
Measure	LA	Benchmark
Achieved Benchmark or Better		
Low-risk long-stay nursing facility residents with pressure sores	1.46	1.52
Long-stay nursing facility residents whose ability to move about in and around their room decreased	11.8	11.9
Short-stay nursing facilities with moderate to severe pain	14.6	14.5
Long-stay nursing facility residents who received influenza vaccination	91.6	94.9
Long-stay nursing facility residents who were assessed for pneumococcal vaccination	87.6	94
Short-stay nursing facility residents who received influenza vaccination	84.1	90.4
Low-risk long-stay nursing facility residents with loss of control of bowels or bladder	42.8	39.8
Short-stay nursing facility residents who were assessed for pneumococcal vaccination	81.3	89.1
Close to Benchmark		
Long-stay nursing facility residents with too much weight loss	8.46	6.68
Far from Benchmark		
Short-stay nursing facility residents with pressure sores	18	12
Long-stay nursing facility residents whose need for help with daily activities increased	20.3	12.7
Long-stay nursing residents whose depression or anxiety increased	14.9	9.3
Long-stay nursing facility residents with a urinary tract infection	10.4	6.14
Low-risk long-stay nursing facility residents with a catheter inserted and left in the bladder	6.66	3.94

Exhibit 15		
Louisiana's Performance When Compared to AHRQ Benchmark Data May 2011		
Measure	LA	Benchmark
Far from Benchmark (Cont.)		
High-risk long-stay nursing facility residents with pressure sores	14.1	7.14
Long-stay nursing facility residents with moderate to severe pain	6.8	3.37
Short-stay nursing facility residents with delirium	4.4	1.38
Long-stay nursing facility residents with physical restraints	6.09	1.35
Long-stay nursing facility residents with most of their time spent in bed or in a chair	7.3	1.43
Source: Prepared by legislative auditor's staff using February 2014 AHRQ report.		

Louisiana ranks at or near the bottom when comparing quality indicators among states. According to a September 2011 comprehensive report on long-term care services across the country,¹⁰ Louisiana ranked 43rd across all long-term care indicators measured, including five indicators specifically associated with nursing facilities. For example,

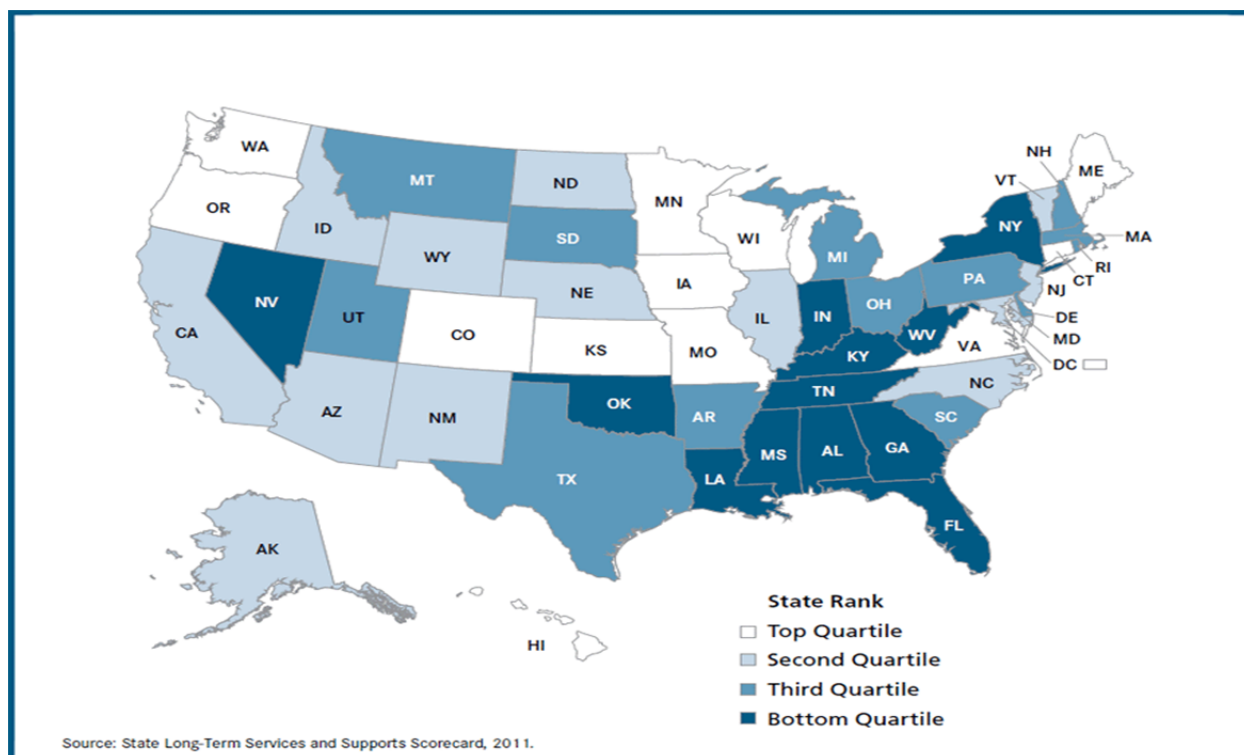
- Louisiana ranked 50th for the percent of high risk nursing facility residents with pressure sores.* According to the report, pressure sores (areas of damaged skin resulting from staying in one position too long) may occur when residents receive inadequate care or who have limited mobility, which can lead to serious and/or severe, potentially life-threatening, infection.
- Louisiana ranked 48th for the percent of long-stay nursing facility residents who were physically restrained.* According to the report, use of restraints may result in increased prevalence of pressure sores, social isolation, and emotional distress.
- Louisiana ranked 47th for the percent of nursing home residents with low care needs.* According to the report, a higher percentage of residents with low care needs may indicate the state offers too few home- and community-based services, or that these residents chose a nursing home without knowing of alternative placements.
- Louisiana ranked 47th for the percent of long-stay nursing home residents with a hospital admission.* According to the report, admissions and readmissions can be reduced through timely and effective preventative services, early treatment of acute illness, and effective management of chronic conditions.



¹⁰ *Raising Expectations: A State Scorecard on Long-Term Services and Supports for Older Adults, People with Physical Disabilities, and Family Caregivers* (AARP, The Commonwealth Fund, The Scan Foundation)

However, the report noted one positive indicator as Louisiana ranked 9th in nursing home staffing turnover, with a lower percentage (33.9%) than the median across all states (46.9%). Exhibit 16 shows a pictorial representation of Louisiana’s overall ranking with regard to other states.

Exhibit 16
Overall State Rankings



CMS’s Five-Star Rating system also provides consumers with information on quality. As of January 2014, 37 (14%) of 259 nursing facilities in Louisiana had five stars. The U.S. CMS developed and implemented the Five-Star Quality Rating System in 2008 to provide helpful information to consumers and improve provider quality. The system assigns each nursing facility an overall rating and three component ratings (health inspections, staffing, and quality measures) based on the extent to which the nursing facility meets CMS’s quality standards and other measures. The rating scale ranges from one to five stars, with more stars indicating higher quality.

Although the rating system provides consumers with easy to understand information, several stakeholders have raised concerns regarding this data. The Government Accountability Office released a report in March 2012 questioning whether CMS has strategic tools in place to ensure its implementation goals are met. In addition, advocacy groups have raised concerns regarding the methodology used to develop the ratings. For example, both the health inspection and quality ratings distribute scores across nursing facilities in the state using a set distribution. Specifically, quality measure and health inspection ratings are assigned to generally achieve a distribution where the top 10% of nursing homes receive five stars, the bottom 20% receive one

star, and the middle 70% of nursing homes receive two, three, or four stars, with equal proportions (23.33%) in each category. Exhibit 17 indicates Louisiana’s overall nursing facility rankings. See Appendix A for the overall star rating for each 2013 Medicaid nursing facility as of January 2014.

Exhibit 17	
Louisiana’s Overall Nursing Facility Compare Rankings	
As of January 2014	
Overall Star Rating	Total Nursing Facilities (%)
5	37 (14%)
4	49 (19%)
3	56 (22%)
2	63 (24%)
1	54 (21%)
Total	259
Source: Prepared by legislative auditor’s staff using January 2014 Nursing Home Compare data.	

**APPENDIX A: INFORMATION ON UTILIZATION, COST, AND
QUALITY BY NURSING FACILITY, AS OF JULY 2013**

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Appendix A

Facility Name ¹¹	Overall CMS 5-Star Rating (1/2014)	Parish	Medicaid Per Diem (10/2013)	Medicaid Reimbursement (FY 2013)	Medicaid Licensed Beds (11/2013)	Occupancy Rate (Rate Year 2013) ¹²	DHH Occupancy Rate (FY 2013) ¹³	Deficiencies (FY 2013)	Federal Fines (FY 2013)	Federal Payment Denial Days (FY 2013)	State Fines (FY 2013) ¹⁴
Region 1 - Greater New Orleans Area											
Bayside Healthcare Center	5	Jefferson	\$167.18	\$3,419,887	151	58.52%	58.78%	11	\$0	0	\$0
Belle Vie Living Center, LLC	2	Jefferson	\$161.74	\$2,188,220	89	71.93%	84.87%	7	\$0	0	\$0
Chateau Living Center	1	Jefferson	\$170.09	\$6,414,561	256	79.38%	77.49%	15	\$0	0	\$6,200
Colonial Oaks Living Center	4	Jefferson	\$158.54	\$2,286,819	67	86.25%	95.07%	4	\$0	0	\$1,100
Jefferson Healthcare Center	1	Jefferson	\$168.92	\$6,840,513	276	66.00%	62.87%	16	\$4,550	0	\$0
Maison De'Ville Nrsng Home of Harvey	2	Jefferson	\$148.85	\$3,745,182	100	92.32%	96.04%	16	\$163,434	0	\$2,500
Marrero Healthcare Center	4	Jefferson	\$165.31	\$2,936,584	134	58.66%	60.32%	13	\$0	0	\$0
Metairie Healthcare Center	4	Jefferson	\$163.22	\$3,905,815	202	58.36%	58.02%	2	\$0	0	\$300
St. Anthony's Nursing Home	4	Jefferson	\$160.91	\$2,905,003	122	67.33%	74.87%	7	\$0	0	\$1,000
St. Joseph of Harahan	2	Jefferson	\$168.63	\$4,266,677	206	73.94%	72.78%	8	\$0	0	\$0
Waldon Health Care Center	1	Jefferson	\$166.41	\$3,580,545	205	53.62%	56.61%	9	\$0	0	\$2,400
West Jefferson Health Care	2	Jefferson	\$149.80	\$3,781,561	104	88.35%	94.27%	14	\$3,575	0	\$7,700
Wynhoven Health Care Center	5	Jefferson	\$166.65	\$4,583,811	180	85.01%	82.86%	3	\$0	0	\$0

¹¹ Facility name used by DHH Rate and Audit Review contractor.

¹² Although cost report data used in rate setting is audited, occupancy rates are from 2011.

¹³ DHH's LTC 2 reports have data reliability issues because occupancy rate calculations are not consistent for all nursing homes.

¹⁴ Includes reductions.

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Carrington Place of New Orleans	1	Orleans	\$161.97	\$4,650,043	186	54.67%	66.27%	9	\$0	0	\$1,000
Chateau de Notre Dame	3	Orleans	\$168.01	\$2,743,720	171	91.44%	93.27%	6	\$0	0	\$0
Covenant Home	5	Orleans	\$151.59	\$2,608,379	96	88.96%	89.82%	7	\$0	0	\$0
Crescent City Health Care Center	Not available	Orleans	\$169.58	\$3,255,356	166	29.99%	47.28%	Not available	Not available	Not available	\$1,000
Ferncrest Manor Living Center	3	Orleans	\$166.47	\$6,160,973	200	71.90%	73.97%	8	\$0	0	\$2,500
Good Samaritan Rehab and Nursing Center	5	Orleans	\$154.34	\$5,462,759	200	66.94%	67.78%	4	\$0	0	\$3,500
Jo Ellen Smith Convalescent Center	3	Orleans	\$153.32	\$5,678,305	180	84.57%	91.67%	9	\$0	0	\$3,500
Lafon Nursing Facility of the Holy Family	3	Orleans	\$162.04	\$3,182,298	155	39.32%	62.40%	6	\$0	0	\$0
New Orleans Home for the Incurables - John J. Hainkel	2	Orleans	\$164.26	\$3,756,106	142	70.59%	56.81%	9	\$0	0	\$15,650
Our Lady of Wisdom HCC	2	Orleans	\$161.45	\$2,710,685	118	92.35%	93.89%	6	\$0	0	\$0
St. Luke's Living Center	5	Orleans	\$157.50	\$3,236,212	104	91.82%	93.27%	8	\$0	0	\$0
St. Margaret's Daughters' Home	5	Orleans	\$164.21	\$4,059,498	112	89.81%	93.51%	5	\$0	0	\$0
Unity Nursing and Rehab Center	1	Orleans	\$157.84	\$3,794,418	116	80.96%	81.34%	20	\$0	0	\$0
Willow Wood at Woldenberg Village	2	Orleans	\$167.50	\$2,597,071	96	93.42%	98.11%	7	\$0	0	\$0
Riverbend Nursing and Rehabilitation	5	Plaquemines	\$172.63	\$3,881,549	120	96.34%	97.36%	2	\$0	0	\$0

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Region 2 - Capital Area											
Ascension Oaks Nursing & Rehabilitation Center	4	Ascension	\$160.83	\$3,507,578	102	72.16%	98.13%	1	\$0	0	\$600
Chateau D'Ville Rehab and Retirement	4	Ascension	\$154.80	\$3,121,458	Not available	68.07%	Not available	13	\$0	0	\$0
Gonzales Healthcare Center	2	Ascension	\$162.44	\$2,816,280	124	73.05%	73.66%	3	\$4,500	0	\$20,650
Affinity Nursing and Rehab Center	2	E. Baton Rouge	\$145.01	\$4,803,340	184	60.72%	64.50%	32	\$6,678	34	\$10,700
Baton Rouge Health Care Corp	4	E. Baton Rouge	\$151.23	\$3,361,655	145	62.13%	67.07%	7	\$0	0	\$3,200
Baton Rouge Heritage House	4	E. Baton Rouge	\$156.60	\$4,062,976	130	76.18%	75.41%	17	\$3,575	11	\$2,600
Capitol House Nursing	1	E. Baton Rouge	\$166.43	\$4,448,177	125	71.49%	71.13%	6	\$0	0	\$0
Carrington Place of Baton Rouge	2	E. Baton Rouge	\$168.17	\$3,105,652	141	66.19%	52.99%	26	\$4,550	0	\$1,200
Colonial Care Retirement Center	1	E. Baton Rouge	\$163.72	\$1,770,792	54	52.50%	92.40%	23	\$0	0	\$7,100
Flannery Oaks Guest House	2	E. Baton Rouge	\$168.39	\$3,297,183	130	69.93%	72.46%	None listed	\$0	0	\$1,600
Heritage Manor of Baton Rouge	1	E. Baton Rouge	\$164.73	\$3,645,995	144	69.28%	72.24%	8	\$0	0	\$0
Jefferson Manor Nursing & Rehab	2	E. Baton Rouge	\$161.98	\$4,295,266	122	90.82%	91.60%	8	\$0	0	\$0
Landmark of Baton Rouge	3	E. Baton Rouge	\$165.73	\$3,734,793	139	88.03%	94.26%	None listed	\$0	0	\$4,800
Lane Memorial Hosp. Geriatric LTC	4	E. Baton Rouge	\$140.26	\$1,147,150	39	94.27%	95.26%	2	\$0	0	\$0

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North Point Healthcare Center	4	E. Baton Rouge	\$150.68	\$1,367,512	123	7.93%	33.58%	12	\$0	0	\$0
Northridge Care Center, LLC	5	E. Baton Rouge	\$151.36	\$4,015,952	132	75.23%	79.06%	7	\$0	0	\$0
Nottingham Regional Rehab Center	2	E. Baton Rouge	\$164.24	\$4,143,925	120	82.33%	91.09%	21	\$325,338	0	\$24,650
Old Jefferson Community Care Center	3	E. Baton Rouge	\$167.02	\$2,844,321	136	89.82%	92.59%	9	\$0	0	\$0
Regency Place	1	E. Baton Rouge	\$159.95	\$3,026,398	85	71.27%	80.37%	26	\$0	0	\$4,800
St. Clare Manor	3	E. Baton Rouge	\$155.78	\$4,069,091	120	100.00%	92.65%	14	\$0	0	\$1,700
Sterling Place Nursing Home	1	E. Baton Rouge	\$169.00	\$4,490,146	160	67.32%	66.33%	13	\$9,035	33	\$6,000
The Care Center	3	E. Baton Rouge	\$159.99	\$2,603,528	104	59.99%	68.95%	4	\$0	0	\$0
The Guest House of Baton Rouge, LLC	3	E. Baton Rouge	\$162.59	\$4,259,661	126	72.11%	81.45%	16	\$0	0	\$0
Zachary Manor Nursing and Rehab	4	E. Baton Rouge	\$148.27	\$2,452,392	110	100.00%	73.92%	3	\$0	0	\$0
Grace Nursing Home	4	East Feliciana	\$160.40	\$3,644,873	128	87.49%	97.78%	14	\$0	0	\$0
Villa Feliciana Medical Complex	2	East Feliciana	n/a	\$17,139,367	297	Not available	46.01%	28	\$87,295	43	\$0
Plaquemine Caring, LLC	2	Iberville	\$157.69	\$5,015,283	150	61.58%	80.39%	3	\$0	0	\$1,000
Plaquemine Manor Nursing Home, Inc.	2	Iberville	\$151.98	\$2,305,615	106	54.62%	56.39%	5	\$0	0	\$9,450
Lakeview Manor Nursing Home	4	Pointe Coupee	\$155.96	\$3,709,433	120	79.26%	79.28%	3	\$0	0	\$1,200

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Pointe Coupee Healthcare	2	Pointe Coupee	\$169.81	\$4,477,672	120	96.34%	98.55%	14	\$0	0	\$0
Port Allen Care Center, LLC	5	W. Baton Rouge	\$139.72	\$2,682,452	120	70.42%	66.32%	11	\$0	0	\$250
St. Francisville Country Manor, LLC	2	West Feliciana	\$155.47	\$4,433,197	128	90.88%	91.81%	8	\$0	0	\$10,450
Region 3 - South Central Louisiana											
Heritage Manor of Napoleonville	5	Assumption	\$160.78	\$3,576,596	130	74.18%	72.83%	13	\$0	0	\$0
Audubon Health and Rehab	5	Lafourche	\$158.31	\$4,039,230	180	70.27%	71.79%	1	\$0	0	\$0
Broadway Nursing & Rehab Ctr.	4	Lafourche	\$160.79	\$4,017,893	126	91.76%	95.46%	1	\$0	0	\$0
Lafourche Home for the Aged	5	Lafourche	\$160.18	\$2,226,588	64	92.63%	97.66%	3	\$0	0	\$0
Raceland Manor Nursing Home, Inc.	1	Lafourche	\$157.67	\$2,271,130	87	63.80%	71.14%	27	\$0	0	\$0
Thibodaux Healthcare Center	3	Lafourche	\$160.44	\$2,180,925	68	90.65%	92.36%	6	\$0	0	\$0
Luling Living Center	2	St. Charles	\$152.37	\$2,497,723	117	67.71%	65.76%	4	\$0	0	\$0
Ormond Nursing & Care Center	2	St. Charles	\$160.07	\$3,177,486	146	83.54%	86.47%	6	\$0	0	\$0
Chateau St. James Rehab and Retirement	4	St. James	\$151.60	\$2,156,604	Not available	57.89%	Not available	7	\$0	0	\$0
Twin Oaks Nursing Home, Inc.	2	St. John Baptist	\$170.98	\$3,907,346	148	75.03%	73.80%	10	\$0	0	\$3,500
Franklin Health Care Center	2	St. Mary	\$152.73	\$3,518,412	152	70.35%	72.44%	28	\$0	0	\$0
Morgan City Health Care	2	St. Mary	\$154.82	\$2,534,794	87	86.02%	90.09%	12	\$0	0	\$0

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Patterson Healthcare Center	1	St. Mary	\$165.68	\$2,941,096	130	71.07%	62.53%	24	\$0	0	\$25,250
Chateau Terrebonne Healthcare Center	2	Terrebonne	\$166.38	\$6,493,479	198	63.90%	78.49%	15	\$0	0	\$17,250
Heritage Manor of Houma	4	Terrebonne	\$166.72	\$3,675,914	120	89.74%	94.90%	5	\$0	0	\$0
Maison Deville of Houma, Inc.	1	Terrebonne	\$157.28	\$4,962,536	120	56.42%	100.00%	5	\$0	0	\$3,300
The Oaks of Houma	3	Terrebonne	\$166.10	\$3,807,210	120	84.46%	93.36%	8	\$0	0	\$0
Region 4 - Acadiana											
Acadia St. Landry Guest Home, Inc.	4	Acadia	\$158.89	\$3,721,497	152	70.47%	67.92%	13	\$0	0	\$0
Camelot Place	2	Acadia	\$165.69	\$4,595,658	130	86.84%	93.90%	18	\$2,925	0	\$5,000
Rayne Guest Home, Inc.	1	Acadia	\$154.35	\$3,440,054	120	78.78%	79.09%	19	\$0	0	\$0
Southwind Nursing and Rehabilitation	2	Acadia	\$156.19	\$3,226,772	99	91.59%	95.92%	7	\$0	0	\$2,500
The Encore Healthcare And Rehabilitation Center	2	Acadia	\$162.51	\$1,883,002	Not available	62.42%	Not available	16	\$0	0	\$0
Basile Care Center, Inc.	1	Evangeline	\$151.82	\$1,888,709	78	56.52%	66.74%	15	\$54,535	0	\$6,100
Heritage Manor of Ville Platte	4	Evangeline	\$163.52	\$3,261,759	145	62.64%	60.85%	3	\$0	0	\$0
Prairie Manor Nursing Home	4	Evangeline	\$172.79	\$3,057,007	100	90.56%	84.88%	11	\$0	0	\$0
Savoy Care Center	4	Evangeline	\$151.70	\$2,372,609	112	53.01%	57.22%	2	\$0	0	\$1,000
Belle Teche Nursing & Rehabilitation Center	1	Iberia	\$169.93	\$4,252,611	150	80.75%	81.44%	25	\$0	0	\$7,800

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Facility Name ¹¹	Overall CMS 5-Star Rating (1/2014)	Parish	Medicaid Per Diem (10/2013)	Medicaid Reimbursement (FY 2013)	Medicaid Licensed Beds (11/2013)	Occupancy Rate (Rate Year 2013) ¹²	DHH Occupancy Rate (FY 2013) ¹³	Deficiencies (FY 2013)	Federal Fines (FY 2013)	Federal Payment Denial Days (FY 2013)	State Fines (FY 2013) ¹⁴
Consolata Home	3	Iberia	\$150.64	\$2,705,635	114	82.02%	80.00%	14	\$0	0	\$1,000
Maison Teche, Inc.	2	Iberia	\$154.96	\$2,109,450	121	59.91%	61.01%	18	\$0	0	\$0
New Iberia Manor North	2	Iberia	\$168.52	\$2,613,335	121	62.98%	57.36%	21	\$88,000	0	\$15,500
New Iberia Manor South	2	Iberia	\$164.43	\$2,566,291	90	76.30%	80.55%	2	\$0	0	\$4,400
Amelia Manor Nursing Home	3	Lafayette	\$154.12	\$3,385,882	151	68.49%	69.58%	19	\$0	0	\$0
Bethany Health Care Center	4	Lafayette	\$162.58	\$1,218,100	40	96.07%	96.80%	9	\$0	0	\$0
Camelot of Broussard	1	Lafayette	\$165.06	\$4,891,603	148	92.72%	95.16%	9	\$0	0	\$3,600
Courtyard Manor Nurse Care Ctr & Assisted Living	1	Lafayette	\$157.17	\$2,012,339	92	85.57%	86.00%	27	\$40,365	0	\$28,950
Evangeline Oaks Guest House	2	Lafayette	\$155.86	\$4,804,393	160	76.72%	77.32%	19	\$0	30	\$16,250
Lady of the Oaks Retirement Manor	2	Lafayette	\$167.89	\$2,691,153	121	23.62%	58.47%	24	\$9,913	0	\$0
Lafayette Care Center	1	Lafayette	\$158.57	\$1,605,446	60	86.35%	77.92%	32	\$40,755	0	\$5,000
Magnolia Estates	4	Lafayette	\$161.11	\$4,601,107	130	90.25%	93.19%	14	\$0	0	\$0
Maison de Lafayette	1	Lafayette	\$163.80	\$5,110,166	120	92.93%	100.00%	26	\$0	0	\$0
River Oaks Retirement Manor	4	Lafayette	\$162.17	\$3,419,530	100	93.83%	94.82%	8	\$0	0	\$0
Heritage Manor of Opelousas	2	St. Landry	\$168.97	\$3,951,710	100	91.17%	94.22%	9	\$0	0	\$3,500
J. Michael Morrow Memorial Nrsng Home	2	St. Landry	\$156.84	\$4,669,668	160	84.82%	76.79%	4	\$0	0	\$2,900
Nursing Home of Eunice LLC	3	St. Landry	\$161.34	\$4,821,416	126	92.37%	94.56%	6	\$0	0	\$1,200

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Oak Lane Wellness & Rehabilitative Center	1	St. Landry	\$156.76	\$3,577,551	120	81.24%	87.55%	30	\$126,040	27	\$0
Our Lady of Prompt Succor Nursing Facility	1	St. Landry	\$159.50	\$3,146,091	80	86.57%	100.00%	14	\$0	0	\$0
Senior Village Nursing Home	2	St. Landry	\$174.36	\$6,114,472	157	94.39%	88.14%	18	\$0	0	\$1,800
Tri-Community Nursing Center	2	St. Landry	\$151.22	\$2,690,913	90	56.59%	75.77%	20	\$0	0	\$0
St. Agnes Healthcare and Rehab, Inc.	5	St. Martin	\$156.89	\$3,847,623	128	83.64%	86.86%	6	\$0	0	\$500
St. Martinville Rehab & Nursing Ctr.	2	St. Martin	\$168.51	\$3,362,915	124	68.63%	67.82%	14	\$0	0	\$0
Eastridge Nursing Center	4	Vermilion	\$159.45	\$2,596,090	77	93.51%	96.98%	12	\$0	0	\$0
Gueydan Memorial Guest Home	5	Vermilion	\$160.80	\$1,808,612	66	86.25%	85.99%	9	\$0	0	\$0
Kaplan Healthcare Center	2	Vermilion	\$161.45	\$2,561,180	120	72.77%	66.18%	8	\$0	0	\$0
Maison du Monde	2	Vermilion	\$156.54	\$4,411,881	128	92.52%	96.21%	14	\$0	0	\$2,000
Pelican Point Nursing and Rehabilitation	3	Vermilion	\$164.74	\$3,443,611	100	60.09%	94.82%	9	\$0	0	\$1,000
Vermilion Health Care Center	4	Vermilion	\$155.46	\$4,189,700	120	88.32%	91.37%	9	\$0	0	\$0
Region 5 - Southwest Louisiana											
Allen Oaks Nursing and Rehab Center	3	Allen	\$150.97	\$2,154,638	91	69.38%	67.67%	8	\$0	0	\$0
Kinder Retirement & Rehab Center	4	Allen	\$155.13	\$2,400,180	100	74.08%	73.66%	12	\$0	0	\$0

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St. Frances Nursing Home PFU, LLC	1	Allen	\$160.18	\$2,831,650	100	84.25%	76.22%	9	\$0	0	\$11,250
Deridder Retirement & Rehab	3	Beauregard	\$155.11	\$1,791,356	90	61.56%	66.22%	4	\$0	0	\$0
Merryville Rehabilitation Center, Inc.	4	Beauregard	\$154.55	\$1,372,031	60	73.75%	65.35%	11	\$0	0	\$0
Westwood Manor Nursing Home	3	Beauregard	\$157.70	\$3,102,770	100	71.04%	79.12%	8	\$0	0	\$2,200
Grand Cove Nursing and Retirement Center	1	Calcasieu	\$172.59	\$2,463,841	109	87.13%	89.69%	34	\$0	0	\$0
High Hope Rehab & Nursing Center	3	Calcasieu	\$160.82	\$2,446,233	101	87.49%	83.81%	24	\$0	0	\$0
Holly Hill House, Inc.	3	Calcasieu	\$155.03	\$2,650,892	200	46.38%	44.91%	13	\$0	0	\$2,500
Lake Charles Care Center	1	Calcasieu	\$153.52	\$5,294,665	176	84.09%	84.80%	37	\$0	0	\$4,800
Landmark of Lake Charles	2	Calcasieu	\$167.54	\$4,633,620	160	77.66%	77.48%	12	\$0	0	\$0
Martin DePorres Nursing Home	2	Calcasieu	\$138.92	\$5,492,792	249	60.93%	59.89%	5	\$0	0	\$0
Resthaven Nursing Center	2	Calcasieu	\$175.82	\$5,143,422	150	92.33%	93.86%	15	\$0	0	\$1,600
Rosewood Nursing Center	3	Calcasieu	\$153.85	\$2,363,537	120	58.40%	52.13%	19	\$0	0	\$0
The Care Center of Dequincy	3	Calcasieu	\$154.26	\$1,980,993	80	69.55%	66.18%	13	\$0	0	\$0
Camelot Place - Brookside	3	Jefferson Davis	\$164.26	\$4,275,998	120	57.23%	96.76%	10	\$0	0	\$2,200
Golden Age of Welsh, LLC	1	Jefferson Davis	\$166.26	\$2,966,542	100	81.10%	72.59%	39	\$250,120	32	\$18,150
Jeff Davis Living Center	3	Jefferson Davis	\$155.77	\$2,615,263	135	60.55%	54.66%	10	\$0	0	\$0

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Region 6 - Central Louisiana											
Avoyelles Manor, Inc.	1	Avoyelles	\$148.94	\$1,782,142	104	57.46%	52.69%	13	\$5,850	0	\$0
Bayou Chateau Nursing Center	5	Avoyelles	\$152.25	\$2,431,871	104	71.04%	71.55%	2	\$0	0	\$0
Bayou Vista Community Care Center	5	Avoyelles	\$160.12	\$2,378,427	130	58.04%	56.28%	7	\$0	0	\$0
Colonial Nursing Home	5	Avoyelles	\$156.35	\$2,813,932	100	79.30%	78.08%	1	\$0	0	\$0
Hessmer Nursing Home, Inc.	5	Avoyelles	\$159.63	\$2,178,465	92	69.54%	68.94%	4	\$0	0	\$0
Oak Haven Community Care Center	5	Avoyelles	\$169.22	\$1,813,580	104	64.76%	63.97%	None listed	\$0	0	\$0
Rio Sol Nursing Home, Inc.	4	Avoyelles	\$152.41	\$1,401,300	92	47.63%	50.46%	10	\$0	0	\$1,200
Valley View Health Care Facility	5	Avoyelles	\$150.41	\$2,691,474	100	87.19%	84.55%	2	\$0	0	\$0
The Columns Community Care Center	5	Catahoula	\$159.56	\$2,445,657	140	52.43%	57.72%	6	\$0	0	\$1,000
Camelot Leisure Living	3	Concordia	\$179.78	\$2,000,617	80	65.39%	61.78%	11	\$0	0	\$0
Heritage Manor Health & Rehab Ferriday	1	Concordia	\$154.60	\$2,480,601	120	61.76%	58.95%	19	\$0	0	\$9,500
Colfax Reunion Nursing and Rehab Center	1	Grant	\$154.70	\$4,126,697	140	82.82%	87.77%	19	\$0	0	\$3,000
Woods Haven Senior Citizens Home	2	Grant	\$158.46	\$1,068,248	92	47.53%	38.51%	12	\$0	0	\$0

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Jena Nursing & Rehabilitation Center	1	LaSalle	\$171.60	\$2,858,762	88	58.58%	74.95%	15	\$0	0	\$1,200
LaSalle Nursing Home	2	LaSalle	\$152.66	\$3,194,700	133	63.53%	74.67%	2	\$0	0	\$0
Hilltop Nursing Center #1	2	Rapides	\$165.47	\$4,353,901	130	90.22%	91.34%	13	\$0	7	\$0
Lexington House	5	Rapides	\$166.40	\$3,821,875	152	81.14%	81.50%	7	\$0	0	\$0
Matthews Memorial Health Care Center	5	Rapides	\$171.00	\$2,749,341	157	70.44%	55.11%	8	\$0	0	\$0
Naomi Heights Nursing and Rehab	1	Rapides	\$166.54	\$4,366,005	130	87.96%	85.52%	9	\$0	0	\$0
St. Christina Nursing and Rehabilitation Center	3	Rapides	\$145.65	\$5,140,836	140	86.93%	90.86%	18	\$0	0	\$0
The Oaks Care Center	1	Rapides	\$179.21	\$3,001,503	120	75.84%	70.74%	12	\$0	0	\$600
The Summit	5	Rapides	\$184.45	\$4,989,800	130	86.68%	86.66%	5	\$0	0	\$0
Tioga Community Care Center	5	Rapides	\$150.66	\$3,177,747	154	70.55%	68.09%	1	\$0	0	\$0
Rosepine Retirement and Rehabilitation Center	3	Vernon	\$158.52	\$2,507,882	80	79.42%	92.89%	17	\$0	0	\$0
The Woodlands Healthcare	5	Vernon	\$159.02	\$3,213,853	152	73.09%	71.16%	6	\$0	0	\$0
Autumn Leaves Nursing Home	3	Winn	\$170.50	\$3,734,765	114	72.80%	88.76%	6	\$0	0	\$1,000
Winnfield Nursing and Rehab Center LLC	1	Winn	\$153.89	\$1,542,929	124	40.32%	40.77%	7	\$0	0	\$0

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Region 7 - Northwest Louisiana											
Arcadia/Willow Ridge Nursing & Rehab	4	Bienville	\$169.03	\$2,916,394	105	82.87%	89.70%	3	\$0	0	\$0
Leslie Lakes Care Center	5	Bienville	\$160.06	\$2,635,794	110	59.91%	69.39%	6	\$0	0	\$0
Ringgold Nursing and Rehab Center	2	Bienville	\$163.81	\$2,063,197	112	56.02%	53.01%	9	\$0	0	\$0
Colonial Oaks Guest Care Center LLC	3	Bossier	\$170.80	\$3,168,026	120	91.14%	94.42%	2	\$0	0	\$0
Cypress Point Nursing & Rehabilitation Center	1	Bossier	\$160.50	\$2,771,613	112	53.57%	74.13%	13	\$83,395	0	\$0
Heritage Manor of Bossier	3	Bossier	\$151.49	\$1,957,791	63	89.93%	86.93%	12	\$0	0	\$0
Heritage Nursing Center of Haynesville	4	Bossier	\$155.51	\$1,949,703	80	69.95%	76.32%	2	\$0	0	\$0
Pilgrim Manor Guest Care Center LLC	4	Bossier	\$173.18	\$4,407,380	153	90.58%	91.77%	2	\$0	0	\$0
Riverview Care Center	1	Bossier	\$166.32	\$3,501,941	115	61.36%	76.41%	11	\$0	0	\$0
Whispering Pines Partnership	4	Bossier	\$150.00	\$2,598,828	89	82.74%	81.67%	3	\$0	0	\$0
Booker T. Washington Guest Care Center	3	Caddo	\$181.20	\$3,737,842	80	89.52%	96.27%	18	\$0	0	\$0
Claiborne Healthcare Center	3	Caddo	\$157.45	\$2,788,700	86	74.54%	78.34%	13	\$0	0	\$5,000
Garden Park Nursing & Rehabilitation	1	Caddo	\$167.35	\$4,407,550	130	84.99%	85.22%	8	\$0	0	\$6,600

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Harmony House Nursing & Rehabilitation	5	Caddo	\$148.92	\$4,509,394	115	80.05%	88.98%	2	\$0	0	\$0
Heritage Manor of Stratmore	3	Caddo	\$175.37	\$3,190,258	142	88.84%	85.87%	16	\$0	0	\$0
Heritage Manor South	1	Caddo	\$173.46	\$3,932,066	145	72.21%	83.54%	9	\$0	58	\$4,900
Heritage Manor West	2	Caddo	\$172.02	\$3,371,624	Not available	79.30%	Not available	14	\$0	0	\$5,000
Live Oak Retirement Community	3	Caddo	\$161.09	\$2,294,795	130	84.43%	85.20%	4	\$0	0	\$8,500
Magnolia Manor Nursing Home	5	Caddo	\$155.83	\$2,544,777	98	62.13%	57.04%	6	\$0	0	\$1,200
Nurse Care Nursing & Rehabilitation Center	3	Caddo	\$168.81	\$7,930,870	197	89.42%	90.07%	12	\$0	0	\$1,200
Pierremont Healthcare Center	1	Caddo	\$169.82	\$4,402,273	196	68.38%	68.14%	15	\$0	0	\$3,000
Progressive Care Center	4	Caddo	\$158.24	\$1,918,729	131	51.30%	50.40%	6	\$0	0	\$300
Roseview Nursing and Rehabilitation Center	4	Caddo	\$153.19	\$4,109,322	124	78.19%	82.42%	10	\$0	0	\$0
Shreveport Manor, LLC	4	Caddo	\$162.82	\$4,442,040	127	81.81%	86.37%	12	\$0	0	\$0
Southern Hills Healthcare & Rehabilitation	3	Caddo	\$163.84	\$2,847,218	140	59.94%	58.13%	14	\$0	0	\$1,100
Southern Oaks Nursing & Rehabilitation Center, LLC	3	Caddo	\$162.12	\$1,640,922	61	61.89%	70.42%	11	\$0	0	\$0

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The Bradford Guest Care, LLC	1	Caddo	\$171.10	\$4,699,710	120	91.47%	90.39%	8	\$0	0	\$3,600
The Guest Care Center at Spring Lake	3	Caddo	\$177.18	\$4,169,219	124	83.83%	87.90%	None listed	\$0	0	\$0
The Guest House of Shreveport	3	Caddo	\$165.59	\$5,435,316	134	93.17%	96.11%	11	\$0	0	\$0
Village Health Care at the Glen	5	Caddo	\$159.90	\$2,097,893	70	95.24%	92.13%	2	\$0	0	\$0
Vivian Healthcare Center	2	Caddo	\$155.25	\$2,504,732	90	64.53%	76.57%	8	\$0	0	\$2,700
Claiborne Manor Nursing Home	4	Claiborne	\$166.77	\$1,467,831	100	41.33%	44.06%	9	\$0	0	\$0
Presbyterian Village of Homer, Inc.	4	Claiborne	\$153.26	\$1,455,374	79	66.37%	64.80%	23	\$0	0	\$0
Desoto Retirement & Rehab	4	DeSoto	\$151.20	\$2,492,393	135	52.96%	51.80%	8	\$0	0	\$2,400
Mansfield Nursing Center	3	DeSoto	\$155.29	\$2,235,637	86	71.46%	67.65%	3	\$0	0	\$1,000
Natchitoches Community Care Center	5	Natchitoches	\$164.11	\$2,493,855	120	64.88%	69.02%	3	\$0	0	\$0
Natchitoches Nursing and Rehab Center LLC	3	Natchitoches	\$161.11	\$2,670,481	98	74.79%	77.79%	11	\$0	0	\$0
Natchitoches Parish Hospital LTCU	Not available	Natchitoches	\$155.10	\$2,938,449	108	92.66%	90.39%	Not available	Not available	Not available	\$0
Green Meadow Haven	3	Red River	\$154.78	\$2,812,280	157	55.78%	53.83%	3	\$0	0	\$1,000
Many Healthcare North	2	Sabine	\$153.07	\$2,996,229	188	43.88%	40.87%	15	\$0	0	\$0
Sabine Retirement & Rehabilitation	4	Sabine	\$160.77	\$2,594,929	86	86.06%	79.15%	7	\$0	0	\$0

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Toledo Retirement and Rehabilitation Center	5	Sabine	\$152.12	\$1,934,477	80	70.65%	65.56%	None listed	\$0	0	\$0
Carrington Place of Springhill	1	Webster	\$153.88	\$2,104,891	153	50.73%	50.55%	9	\$4,550	2	\$4,400
Meadowview Health & Rehab Center	1	Webster	\$170.87	\$6,898,439	228	57.58%	61.06%	12	\$0	0	\$500
Town and Country Nursing Center, LLC	2	Webster	\$172.36	\$6,455,165	143	94.16%	98.47%	7	\$0	0	\$0
Region 8 - Northeast Louisiana											
Haven Nursing Center, Inc.	5	Caldwell	\$173.04	\$2,247,433	99	54.41%	68.41%	3	\$0	0	\$0
Shady Lake Nursing Home, Inc.	3	East Carroll	\$176.89	\$3,550,494	108	65.35%	68.87%	8	\$0	0	\$0
Charlyn Rehab & Nursing Center	3	Franklin	\$151.89	\$2,627,648	150	53.78%	49.67%	6	\$0	0	\$0
Mary Anna Nursing Home, Inc.	1	Franklin	\$154.74	\$1,568,246	81	59.83%	54.78%	10	\$0	0	\$4,900
Plantation Manor Nursing Center	2	Franklin	\$171.28	\$4,205,118	130	88.28%	88.67%	4	\$0	0	\$2,100
Plantation Oaks Nursing & Rehabilitation	3	Franklin	\$159.67	\$1,621,465	75	53.13%	57.76%	4	\$0	0	\$0
Forest Haven Nursing Center	3	Jackson	\$178.40	\$5,047,662	139	94.79%	91.48%	None listed	\$0	0	\$0
Wyatt Manor Nursing Home	1	Jackson	\$147.87	\$2,492,775	62	90.30%	93.07%	6	\$0	0	\$2,900
Alpine Guest Care, LLC	1	Lincoln	\$164.13	\$2,654,747	144	56.32%	54.55%	15	\$0	0	\$2,200
Ruston Nursing & Rehab Ctr., LLC	2	Lincoln	\$163.63	\$3,942,048	130	76.56%	76.00%	8	\$0	0	\$600

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The Olive Branch Senior Care Center	3	Madison	\$158.76	\$3,691,384	146	73.29%	75.73%	21	\$0	0	\$0
Cherry Ridge Skilled Nursing Facility, LLC	4	Morehouse	\$163.04	\$2,845,653	110	62.53%	77.72%	9	\$0	0	\$0
Lagniappe Healthcare, LLC	2	Morehouse	\$184.00	\$3,438,627	112	91.45%	80.66%	4	\$0	0	\$1,300
LeGrand Healthcare & Rehab Center	2	Morehouse	\$162.15	\$3,490,741	120	70.51%	74.21%	16	\$0	0	\$1,200
The Oak Woods Home for the Elderly	4	Morehouse	\$150.86	\$2,069,527	142	46.70%	42.58%	9	\$0	0	\$0
Avalon Place	2	Ouachita	\$161.21	\$2,136,616	94	86.36%	87.95%	5	\$0	0	\$0
Christus St. Joseph Home	2	Ouachita	\$169.21	\$2,648,324	130	74.90%	75.83%	11	\$0	0	\$2,000
Landmark Nursing Center	1	Ouachita	\$166.82	\$4,041,631	108	90.84%	98.36%	13	\$0	0	\$3,900
Mary Goss Nursing Home, Inc.	4	Ouachita	\$148.95	\$1,936,883	91	61.25%	60.49%	11	\$0	0	\$0
Princeton Place - Ruston	2	Ouachita	\$155.88	\$2,787,931	123	59.07%	73.30%	11	\$0	0	\$0
Ridgecrest Community Care Center	4	Ouachita	\$165.29	\$3,117,709	112	90.31%	93.35%	15	\$0	0	\$0
Riverside Nursing Home	Not available	Ouachita	\$187.31	\$4,250,915	Not available	60.71%	Not available	Not available	Not available	Not available	\$2,400
Southern Acres Care Center	2	Ouachita	\$147.51	\$1,840,319	74	76.94%	67.57%	15	\$0	0	\$0
The Oaks	1	Ouachita	\$155.55	\$3,961,667	176	69.24%	73.32%	40	\$6,500	0	\$8,200
West Monroe Guest House, Inc.	4	Ouachita	\$165.52	\$2,944,043	140	52.06%	56.44%	6	\$0	0	\$2,800

Utilization, Cost, and Quality of Care
in Medicaid Nursing Facilities

Appendix A

Facility Name ¹¹	Overall CMS 5-Star Rating (1/2014)	Parish	Medicaid Per Diem (10/2013)	Medicaid Reimbursement (FY 2013)	Medicaid Licensed Beds (11/2013)	Occupancy Rate (Rate Year 2013) ¹²	DHH Occupancy Rate (FY 2013) ¹³	Deficiencies (FY 2013)	Federal Fines (FY 2013)	Federal Payment Denial Days (FY 2013)	State Fines (FY 2013) ¹⁴
Colonial Manor Nursing and Rehabilitation Center	2	Richland	\$148.08	\$1,538,558	134	39.08%	40.11%	9	\$0	0	\$0
Deerfield Nursing & Rehabilitation Center	3	Richland	\$160.91	\$2,515,841	103	68.33%	68.13%	8	\$0	0	\$500
Rayville Nursing & Rehabilitation Center	3	Richland	\$153.29	\$1,793,433	149	46.32%	39.09%	12	\$0	0	\$1,000
Bernice Nursing and Rehab Center LLC	1	Union	\$158.10	\$2,216,541	126	30.83%	51.17%	24	\$6,370	0	\$2,400
Farmerville Nursing and Rehab Center	2	Union	\$166.89	\$2,043,788	117	45.35%	50.07%	12	\$0	0	\$600
Timberlake Health Care	Not available	Union	\$156.78	\$2,839,126	Not available	51.93%	Not available	Not available	Not available	Not available	\$0
Carroll Nursing Home	4	West Carroll	\$158.72	\$1,729,237	120	41.34%	47.90%	6	\$0	0	\$0
West Carroll Care Center, Inc.	2	West Carroll	\$158.77	\$2,689,997	80	72.53%	88.93%	11	\$0	0	\$0
Region 9 - Northshore Area											
Golden Age Nursing Home	1	Livingston	\$163.31	\$5,358,559	175	85.37%	92.41%	5	\$0	0	\$3,600
Harvest Manor Nursing Home	3	Livingston	\$165.77	\$4,277,963	171	83.43%	83.67%	None listed	\$0	0	\$600
St. Helena Parish Nursing Home	4	St. Helena	\$148.57	\$1,989,554	72	80.30%	88.61%	14	\$0	0	\$600
Forest Manor Nursing Home	4	St. Tammany	\$168.35	\$3,727,912	192	65.55%	70.51%	2	\$0	0	\$1,500
Greenbriar Community Care Center	1	St. Tammany	\$159.07	\$3,020,178	174	63.60%	67.13%	7	\$0	0	\$0

Utilization, Cost, and Quality of Care
in Medicaid Nursing Facilities

Appendix A

Facility Name ¹¹	Overall CMS 5-Star Rating (1/2014)	Parish	Medicaid Per Diem (10/2013)	Medicaid Reimbursement (FY 2013)	Medicaid Licensed Beds (11/2013)	Occupancy Rate (Rate Year 2013) ¹²	DHH Occupancy Rate (FY 2013) ¹³	Deficiencies (FY 2013)	Federal Fines (FY 2013)	Federal Payment Denial Days (FY 2013)	State Fines (FY 2013) ¹⁴
Guest House of Slidell	5	St. Tammany	\$162.07	\$2,376,330	116	56.67%	61.15%	10	\$0	0	\$0
Heritage Manor of Mandeville	5	St. Tammany	\$173.86	\$3,408,206	145	90.25%	89.84%	2	\$0	0	\$0
Heritage Manor of Slidell	3	St. Tammany	\$167.39	\$2,750,493	Not available	72.45%	Not available	None listed	\$0	0	\$250
Lacombe Nursing Center	4	St. Tammany	\$159.85	\$2,069,758	98	84.10%	83.66%	7	\$0	0	\$0
Pontchartrain Health Care Center	1	St. Tammany	\$166.05	\$2,746,799	171	58.88%	55.86%	22	\$0	0	\$0
Trinity Neurologic Rehab Center of Slidell	4	St. Tammany	\$180.46	\$5,456,424	104	90.35%	90.79%	6	\$0	0	\$1,200
Belle Maison Nursing Home	1	Tangipahoa	\$167.51	\$3,196,310	140	61.67%	76.06%	22	\$55,478	42	\$350
Hammond Nursing Home	2	Tangipahoa	\$149.19	\$3,607,968	120	85.11%	88.08%	1	\$0	0	\$1,200
Heritage Healthcare Center Hammond	3	Tangipahoa	\$158.70	\$2,064,576	108	65.76%	68.69%	1	\$0	0	\$0
Kentwood Manor Nursing Home	5	Tangipahoa	\$152.32	\$2,511,117	108	59.34%	62.52%	8	\$0	0	\$0
Landmark Nursing Center Hammond	3	Tangipahoa	\$162.02	\$3,920,090	140	80.50%	79.76%	7	\$0	0	\$0
Tangi Pines Nursing Center	1	Tangipahoa	\$159.55	\$2,209,301	100	56.64%	57.84%	5	\$0	0	\$7,200
Heritage Manor of Franklinton	1	Washington	\$155.46	\$3,711,944	121	85.72%	91.94%	28	\$163,736	49	\$2,800
Home Away From Home, Inc.	Not available	Washington	\$159.23	\$1,926,308	Not available	76.28%	Not available	Not available	Not available	Not available	\$0
Resthaven Living Center, LLC	3	Washington	\$154.78	\$3,294,475	128	48.91%	70.45%	16	\$8,888	0	\$0

APPENDIX B: SCOPE AND METHODOLOGY

We conducted this informational performance audit under the provisions of Title 24 of the Louisiana Revised Statutes of 1950, as amended. We conducted this audit in accordance with the Louisiana Legislative Auditor's Strategic Plan. Our audit focused on Medicaid nursing facilities in Louisiana and covered State Fiscal Years 2011-2013. In some cases, we extended our scope to include historical and/or current information. Our audit topics included the utilization, cost, and quality of Medicaid nursing facilities.

We conducted this performance audit in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. To answer our objectives, we reviewed internal controls relevant to the audit objectives and performed the following audit steps:

- Obtained information on Medicaid long-term care services offered to individuals who are elderly or have physical disabilities in Louisiana.
- Interviewed DHH Office of Aging and Adult Services and Bureau of Health Services Financing (Medicaid) staff (Rate and Audit Review, Health Standards). Discussed audit topics with Louisiana Nursing Facility Association management officials.
- Observed a portion of two nursing facility surveys.
- Reviewed applicable state and federal nursing facility laws, regulations, policies, and research.
- Reviewed recent state and national aging and nursing facility population statistics.
- Obtained current Louisiana Medicaid nursing facility appropriations and recipient data.
- Reviewed Medicaid nursing facility reimbursement, monitoring, and enforcement processes.
- Analyzed SFY 2011-2013 nursing facility occupancy rates using DHH and Myers and Stauffer LC data.
- Compared Calendar Year 2011 state nursing facility occupancy rates using Kaiser Family Foundation data.

- Analyzed SFY 2011-2013 Medicaid nursing facility reimbursement data and per diems.
- Compared Louisiana's average Medicaid per diem rate to other states' average Medicaid per diem rates.
- Reviewed the current status of the Medicaid Trust Fund for the Elderly and the Louisiana Medical Assistance Trust Fund.
- Using January 2014 CMS Nursing Facility Compare data, analyzed state and national deficiency and sanction data, staffing data, and Five-Star Quality Rating System data.
- Analyzed state sanction data maintained by DHH Health Standards.
- Reviewed comparative research regarding nursing facility quality in Louisiana and other states using information from the U.S. Agency for Healthcare Research and Quality and the following report: *Raising Expectations: A State Scorecard on Long-Term Services and Supports for Older Adults, People with Physical Disabilities, and Family Caregivers* (AARP, The Commonwealth Fund, and The Scan Foundation).
- Discussed this report with DHH and gave them the opportunity to respond.

APPENDIX C: SAMPLE RATE SHEET

LOUISIANA DEPARTMENT OF HEALTH AND HOSPITALS
OCTOBER 1, 2013 SCHEDULE OF REIMBURSEMENT RATE

		Prepared Date	11/05/2013
		Rate Effective Date.....	10/01/2013
		12/31/2013 Inflation Factor.....	5.3769%
Provider Number.....		Current Licensed Beds.....	159
Base Year Cost Report Period.....	01/01/2011 - 12/31/2011		
Bed Days Available per Base Year Cost Report Period.....	58,035	Annual Bed Days Available.....	58,035
Resident Days per Base Year Cost Report Period.....	32,688	Occupancy Percentage per Base Year Cost Report Period.....	56.32%
Specialized Service Days (TDC, ID, NRTP).....	0	Annual Resident Days per Base	
Facility Cost Report Period Case-mix Index.....	1.1886	Year Occupancy Percentage....	32,688
07/01/2013 Facility-wide Average Case-mix Index:	1.1935	(cost report period is the base year cost report period)	

CALCULATION OF FAIR RENTAL VALUE PER DIEM

Weighted Age of Facility (maximum age of 30 years)	17
Total Square Feet	47,576
Total Square Feet per Bed (47,576 / 159)	299
Allowable Square Feet per bed (min of 300 sq ft per bed and max of 450 sq ft per bed)	300
Allowable Square Feet (current lic beds * allowable square feet per bed)	47,700
Gross Facility Value ([allow. square ft * \$181.68] + [current lic beds * \$6,776.00])	\$9,743,520
Depreciation Rate (weighted age * 1.25%)	21.25%
Depreciated Facility Value (land value of \$16.53 per sq ft is not depreciated)	\$7,840,574
Rental Rate	9.25%
Annual Fair Rental Value	\$725,253
Divided by Greater of Total Patient Days or 85% of Total Bed Days	49,330
Fair Rental Value Per Diem	\$14.70

CALCULATION OF FACILITY SPECIFIC DIRECT CARE AND CARE RELATED PRICE AND FLOOR

	<u>DIRECT CARE</u>	<u>CARE RELATED</u>	<u>TOTAL</u>
Base Year Per Diem Cost - C/R Period Ending 12/31/2011	\$51.33	\$25.93	\$77.26
Divided by the Facility Cost Report Period Case-mix Index	1.1886	N/A	
Facility Neutralized Direct Care Cost and Care Related Cost	\$43.19	\$25.93	\$69.12
Percentage of Total	62.49%	37.51%	100%
Price:			
Distribution of Statewide Direct Care and Care Related Price	\$51.22	\$30.74	\$81.96
Times the Facility-wide Average Case-mix Index	1.1935	N/A	
Facility Specific Direct Care and Care Related Price	\$61.13	\$30.74	\$91.87
Floor:			
Distribution of Statewide Direct Care and Care Related Floor	\$42.83	\$25.71	\$68.54
Times the Facility-wide Average Case-Mix Index	1.1935	N/A	
Facility Specific Direct Care and Care Related Floor	\$51.12	\$25.71	\$76.83

CALCULATION OF REIMBURSEMENT RATE

Administrative and Operating Rate	\$ 45.60
Facility Specific Direct Care and Care Related Rate	\$91.87
Capital Rate	\$ 14.70
Pass-Through Rate:	
Property Tax and Property Insurance (Inflated from base year to 12/31/2013)	\$ 1.96
Provider Fee	\$ 10.00
Medicaid Reimbursement Rate Effective October 1, 2013	\$164.13

LEAVE OF ABSENCE RATES

Occupancy % (LTC-2 Report for time period 04/01/2012 through 03/31/2013)	55.10%
Hospital Leave of Absence Per Diem	\$ 25.41
Home Leave of Absence Per Diem Rate	\$ 25.41