



North Carolina Health Care Facilities Association

Serving North Carolina's Skilled Nursing Facilities Since 1955

Nursing Homes in North Carolina

February 12, 2018

North Carolina Health Care Facilities Association (NCHCFA)

- NCHCFA is the trade association representing only North Carolina Nursing Homes
 - NC Affiliate of the American Health Care Association (AHCA)
 - 90%+ of the nursing home beds in NC are members of NCHCFA, including beds in private nursing homes and hospitals
- Offers programs of government relations, continuing education, quality improvement initiatives, workforce and leadership development, annual meetings, and a tradeshow
- Existed since 1955 and under the NCHCFA name since the early 1970s
- Governed by a 17-member Board of Directors elected every two years by the full membership

Terminology – Not all facilities that provide long term care are Nursing Homes

- Nursing Home (NH) – North Carolina statutory term, defined in N.C.G.S. § 131E-101(6) as:
"Nursing home" means a facility, however named, which is advertised, announced, or maintained for the express or implied purpose of providing nursing or convalescent care for three or more persons unrelated to the licensee. A "nursing home" is a home for chronic or convalescent patients, who, on admission, are not as a rule, acutely ill and who do not usually require special facilities such as an operating room, X-ray facilities, laboratory facilities, and obstetrical facilities. A "nursing home" provides care for persons who have remedial ailments or other ailments, for which medical and nursing care are indicated; who, however, are not sick enough to require general hospital care. Nursing care is their primary need, but they will require continuing medical supervision.
 - Combination Home (CH) – North Carolina statutory term, defined in N.C.G.S. § 131E-101(1a) as:
"Combination home" means a nursing home offering one or more levels of care, including any combination of skilled nursing, intermediate care, and adult care home.
 - In this context, under N.C.G.S. § 131E-101(1), Adult Care Home means: *"Adult care home", as distinguished from a nursing home, means a facility operated as a part of a nursing home and which provides residential care for aged or disabled persons whose principal need is a home with the shelter or personal care their age or disability requires. Medical care in an adult care home is usually occasional or incidental, such as may be required in the home of any individual or family, but the administration of medication is supervised. Continuing planned medical and nursing care to meet the resident's needs may be provided under the direct supervision of a physician, nurse, or home health agency. Adult care homes are to be distinguished from nursing homes subject to licensure under this Part.*
 - Continuing Care Retirement Community – North Carolina statutory term, regulated under Chapter 58, Article 64 of the General Statutes related to insurance contract, but the provision of nursing home services still regulated by DHHS.
- Assisted Living Residence:
 - Three types in NC according to N.C.G.S. § 131D-2.1(5):
 - Adult Care Homes N.C.G.S. § 131D-2.1(3): *An assisted living residence in which the housing management provides 24-hour scheduled and unscheduled personal care services to two or more residents, either directly or for scheduled needs, through formal written agreement with licensed home care or hospice agencies. Some licensed adult care homes provide supervision to persons with cognitive impairments whose decisions, if made independently, may jeopardize the safety or well-being of themselves or others and therefore require supervision. Medication in an adult care home may be administered by designated trained staff. Adult care homes that provide care to two to six unrelated residents are commonly called family care homes.*
 - Adult Care Homes that serve only elderly persons N.C.G.S. § 131D-2.1(3), (5): *As used in this section, "elderly person" means: a. Any person who has attained the age of 55 years or older and requires assistance with activities of daily living, housing, and services, or b. Any adult who has a primary diagnosis of Alzheimer's disease or other form of dementia who requires assistance with activities of daily living, housing, and services provided by a licensed Alzheimer's and dementia care unit.*
 - Multiunit assisted housing with services as defined by N.C.G.S. § 131D-2.1(10).

State and Federal Regulation of Nursing Homes

NC General Assembly

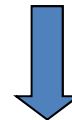
Centers for Medicare and Medicaid Services (CMS)



NC Department of Health and Human Services (DHHS)



Division of Health Service Regulation



Licensure and Certification Section

Source: <https://www2.ncdhhs.gov/dhsr/>

State and Federal Regulation of Nursing Homes

- Licensure
 - N.C.G.S. § 131E-102 requires a license issued by the DHHS in order to operate a Nursing Home in North Carolina
 - This has been delegated to the Nursing Home Licensure and Certification Section of the Division of Health Service Regulation (DHSR)
- Certification
 - If a licensed Nursing Home would like to participate in the Medicare and Medicaid programs, it must apply to CMS and NC Medicaid to do so and undergo a certification process conducted by DHSR in order to be certified to participate
 - Initial inspection is to certify that Nursing Home complies with applicable federal regulations
 - Regular surveys occur in Nursing Homes participating in the Medicare and Medicaid programs every 9 to 15 months to ensure Nursing Homes are compliant in their operations with applicable federal regulations
 - Inspections or ‘surveys’ are conducted by teams of nurses, pharmacists, dietitians and social workers who are federally trained to perform this work
 - Surveys are comprehensive and typically take 3-4 days to complete
 - » Any departure from governing regulations is cited and a plan of correction is required from the Nursing Home; additional penalties may also result
 - DHSR surveyors also investigate complaints alleged against a Nursing Home

Source: <https://www2.ncdhhs.gov/dhsr/nhlcs/index.html>

Additional Terminology – Federal Regulation of Nursing Homes

- Skilled Nursing Facility (SNF) – Medicare Part A term, defined in Section 1819 of the Social Security Act as:

Skilled Nursing Facility Defined.—In this title, the term “skilled nursing facility” means an institution (or a distinct part of an institution) which—(1) is primarily engaged in providing to residents—(A) skilled nursing care and related services for residents who require medical or nursing care, or (B) rehabilitation services for the rehabilitation of injured, disabled, or sick persons, and is not primarily for the care and treatment of mental diseases; (2) has in effect a transfer agreement (meeting the requirements of section 1861(l)) with one or more hospitals having agreements in effect under section 1866; and (3) meets the requirements for a skilled nursing facility described in subsections (b), (c), and (d) of this section.

- Nursing Facility (NF) – Medicaid term, defined in Section 1919 of the Social Security Act as:

Nursing Facility Defined.—In this title, the term “nursing facility” means an institution (or a distinct part of an institution) which—(1) is primarily engaged in providing to residents—(A) skilled nursing care and related services for residents who require medical or nursing care, (B) rehabilitation services for the rehabilitation of injured, disabled, or sick persons, or (C) on a regular basis, health-related care and services to individuals who because of their mental or physical condition require care and services (above the level of room and board) which can be made available to them only through institutional facilities, and is not primarily for the care and treatment of mental diseases; (2) has in effect a transfer agreement (meeting the requirements of section 1861(l)) with one or more hospitals having agreements in effect under section 1866; and (3) meets the requirements for a nursing facility described in subsections (b), (c), and (d) of this section.

- Skilled Nursing Facility/Nursing Facility (SNF/NF) – facility certified to participate in both Medicare and Medicaid

Nursing Home Admission Criteria

Medicare:

- To get into a nursing home under a Medicare covered stay, generally:
 - You need skilled nursing care seven days a week or skilled therapy services at least five days a week;
 - You were formally admitted as an inpatient to a hospital for at least three consecutive days. You must enter a Medicare-certified skilled nursing facility within 30 days of leaving the hospital;
 - You have Medicare Part A before you are discharged from the hospital; and
 - You need care that can only be provided in a SNF

Source: <https://www.medicareinteractive.org/get-answers/medicare-covered-services/skilled-nursing-facility-care-part-a/medicare-coverage-of-skilled-nursing-facility-snf-care>.

Medicaid:

- Conditions that are considered when assessing a beneficiary for nursing facility level of care include the following:
 - Need for services that, by physician judgment, require:
 - A registered nurse for a minimum of 8 hours daily, 7 days per week and
 - other personnel working under the supervision of a licensed nurse at all times
 - Need for daily licensed nurse observation and assessment of resident needs...

Source: DMA Clinical Coverage Policy: <https://ncdma.s3.amazonaws.com/s3fs-public/documents/files/2B1.pdf>

Snapshot of NC Nursing Homes

- Certification and Survey Provider Enhanced Reporting (CASPER) System data lists 427 nursing facilities in North Carolina as of 10/31/2017
 - Also 9 Nursing Homes in NC that are licensed but that do not participate in the Medicare or Medicaid programs
- 77.3% multi-facility, 22.7% independent, 4% hospital based
 - Multi-facility is two or more homes under one ownership or operation
- 79.6% for-profit, 17.8% not-for-profit, 2.6% government
- 94.6% Medicare & Medicaid certified, 4.9% Medicare only, .5% Medicaid only
- The average state nursing facility occupancy is 81.8%
- 64.4% of care days are paid by Medicaid, 15.3% are covered by Medicare and 20.3% by other sources (e.g., private pay, commercial insurance, Medicare Advantage)
- North Carolina Nursing Homes serve over 113,000 residents per year

Who Works in NC Nursing Homes

- In North Carolina, there are over 48,000 individuals employed in Nursing Homes, including over 27,000 direct care staff
- Licensed Administrators
- Registered Nurses, Licensed Practical Nurses, Nurse Aide I, Nurse Aide I+4, Nurse Aide II, Medication Aides
- Hospitality Aide**
- Therapists
 - Physical Therapists, Occupational Therapists, Speech Therapists, Recreational Therapists
- Registered Dietitians
- Food Service Managers*
- Dietary Aides**
- Social Workers*
- Business Office personnel**
- Housekeeping**
- Engineering**
- Activities*
- Clergy, counselors, volunteers

*courses required

**no formal preparation required

Medical and Nursing Practice in Nursing Homes

Medical Care

- **Medical Director**
 - Each Nursing Home has a physician Medical Director who is responsible for implementing patient care policies and coordinating medical care in the facility
- **Attending Physicians**
 - Each resident is under the care of a physician while in the Nursing Home and a physician must personally approve in writing a recommendation that an individual be admitted to a facility
 - Attending physician develops and manages the medical orders and the Medical Plan of Care
 - E.g., prescribe all medications and all initial therapies
 - Physician reviews the resident's total program of care, including medications and treatments, at each required visit (at least once every 30 days for the first 90 days after admission, and at least once every 60 thereafter, as well as medically necessary visits as needed) and writes, signs, and dates progress notes at each visit
- **Nursing**
 - Each Nursing Home has an Organized Nursing Department
 - This includes a registered nurse who serves as Director of Nursing on a full time basis *
 - RNs and LPNs practice according to NC Nurse Practice Act
 - Perform assessments on admission and per MDS/RAI requirements, initiate the Resident Care Planning process, conduct ongoing assessment and care according to standards of nursing practice
 - Nursing Homes use the services of a registered nurse for at least 8 consecutive hours a day, 7 days a week
 - A charge nurse is designated on each shift at all times
 - Nurse aides (all levels of practice)
 - Nurse Aides practice according to NC Nurse Practice Act and the Health Care Personnel Registry requirements

Dietary and Rehabilitative Services in Nursing Homes

Other specialized care in Nursing Homes

- Specialized Rehabilitative Services
 - Nursing Homes provide or arrange for the provision of specialized rehabilitative services such as physical therapy, speech- language pathology, occupational therapy, respiratory therapy, and rehabilitative services for mental illness and intellectual disability when appropriate based on the resident's comprehensive plan of care
 - Provided by or under supervision of the appropriate licensed professionals
- Dietary Services
 - Provide hydration and nutrition, including therapeutic diet regimens as ordered by the physician and snack offerings
 - Accommodate preferences unless contraindicated by physician
 - Coordinated by a qualified dietitian or other clinically qualified nutrition professional
 - When a qualified dietitian or other clinically qualified nutrition professional is not employed full-time, the facility designates a person to serve as the director of food and nutrition services who is certified as food service or dietary manager

Pharmacy Services in Nursing Homes

Pharmacy Services in Nursing Homes

- Nursing Homes provide pharmaceutical services (including procedures that assure the accurate acquiring, receiving, dispensing, and administering of all drugs and biologicals) to meet the needs of each resident
 - The drug regimen of each resident is reviewed at least once a month by a licensed pharmacist, including a review of the resident's medical chart
 - Each resident's drug regimen is free from unnecessary drugs, such as drugs used in excessive dose (including duplicate drug therapy), for excessive duration, without adequate monitoring, without adequate indications for its use, or in the presence of adverse consequences which indicate the dose should be reduced or discontinued
 - The pharmacist reports any irregularities to the resident's attending physician, the facility's medical director, and the facility's director of nursing
 - The reports are acted on, and the attending physician documents in the medical record that the review occurred and what action is taken and if appropriate the physician's rationale therefor
- Controlled Substances in Nursing Homes
 - Records of personnel access, usage, and disposition of all controlled medications with sufficient detail to allow reconciliation (e.g., the Medication Administration Record, proof-of-use sheets, or declining inventory sheets) are completed at the beginning and end of each shift by two licensed nursing staff who are the only personnel allowed to access locked controlled substances
 - Destruction, wastage, return to the pharmacy/manufacturer, or disposal is done in accordance with applicable State requirements

Activities Programs and Social Services in Nursing Homes

Activities Program

- Nursing Homes provide, based on the comprehensive assessment and care plan and the preferences of each resident, an ongoing program to support residents in their choice of activities, both facility-sponsored group and individual activities and independent activities, designed to meet the interests of and support the physical, mental, and psychosocial well-being of each resident, encouraging both independence and interaction in the community
 - The activities program is directed by a qualified professional who is a qualified therapeutic recreation specialist or an activities professional

Medically Related Social Services

- Nursing Homes provide medically-related social services to attain or maintain the highest practicable physical, mental and psychosocial well-being of each resident

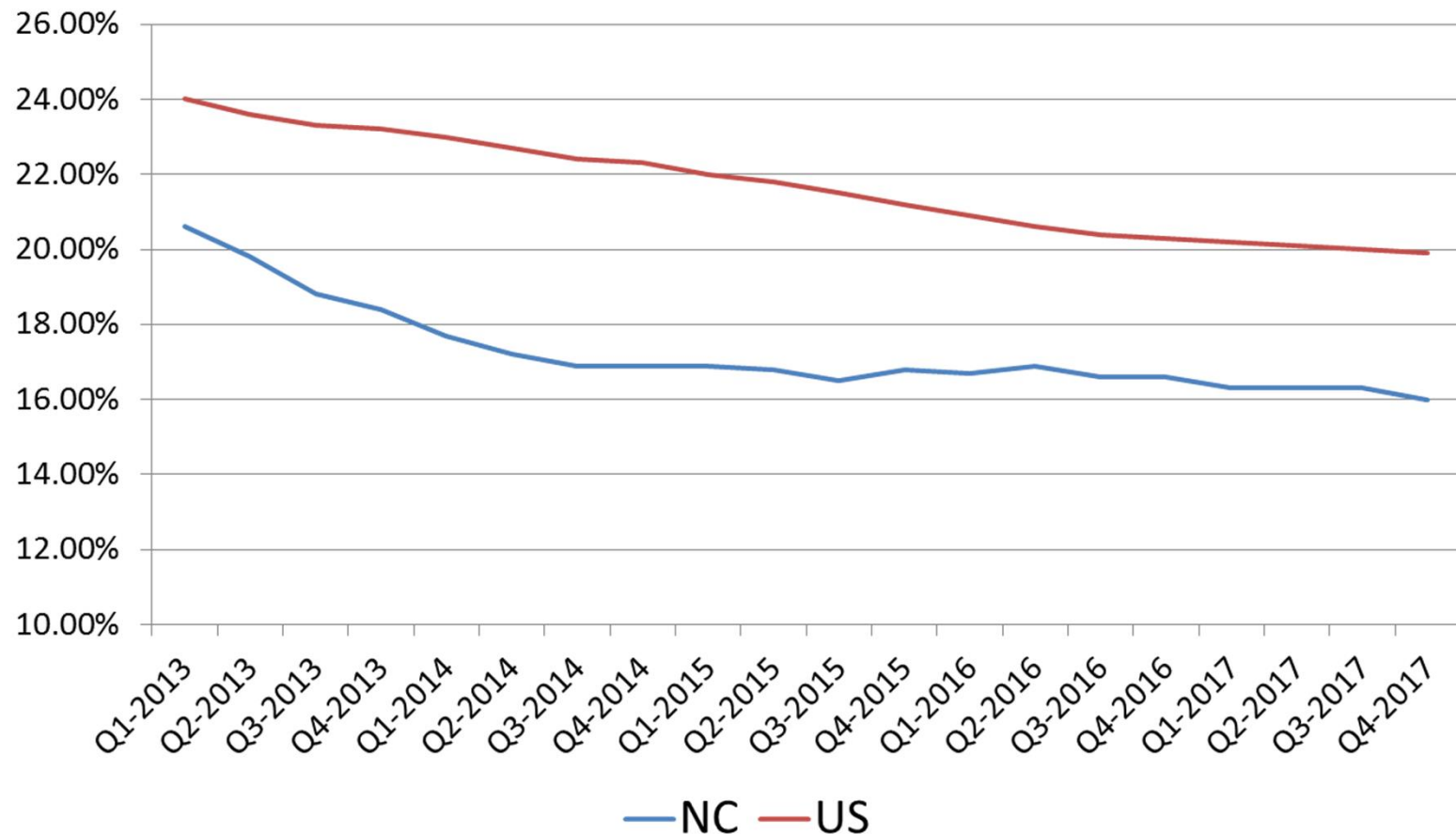
Key Takeaways

- Successes
 - Quality Facilities
 - CON has ensured appropriate access to care throughout the state
 - Nursing Homes in rural and urban areas
 - NC has an appropriate number of beds
- Challenges
 - Rising costs outpacing reimbursements
 - Workforce

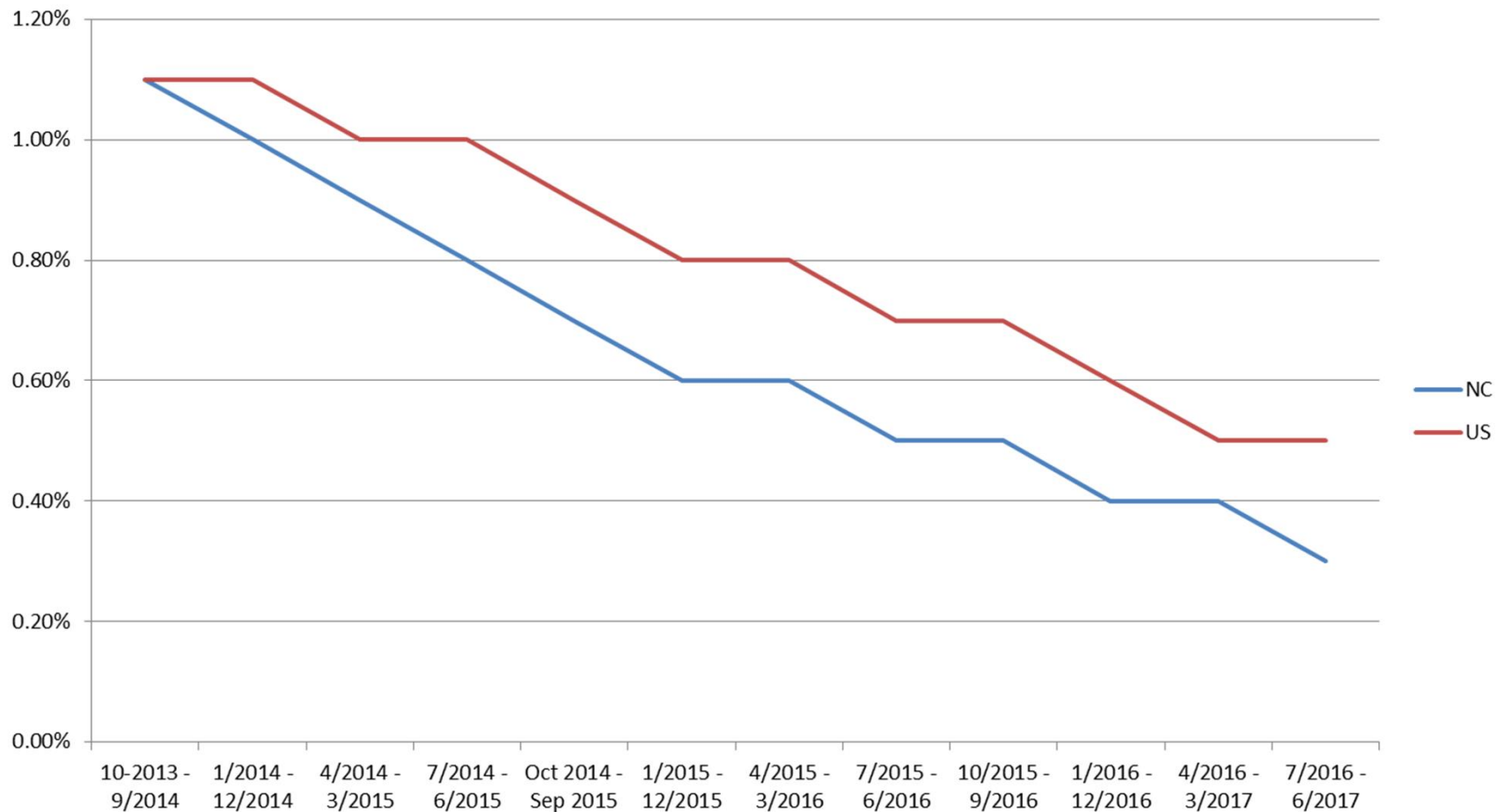
Successes

- Quality
- Appropriate access

Quality Facilities – Reductions in Antipsychotic Medications



Quality Facilities – Physical Restraint Reduction

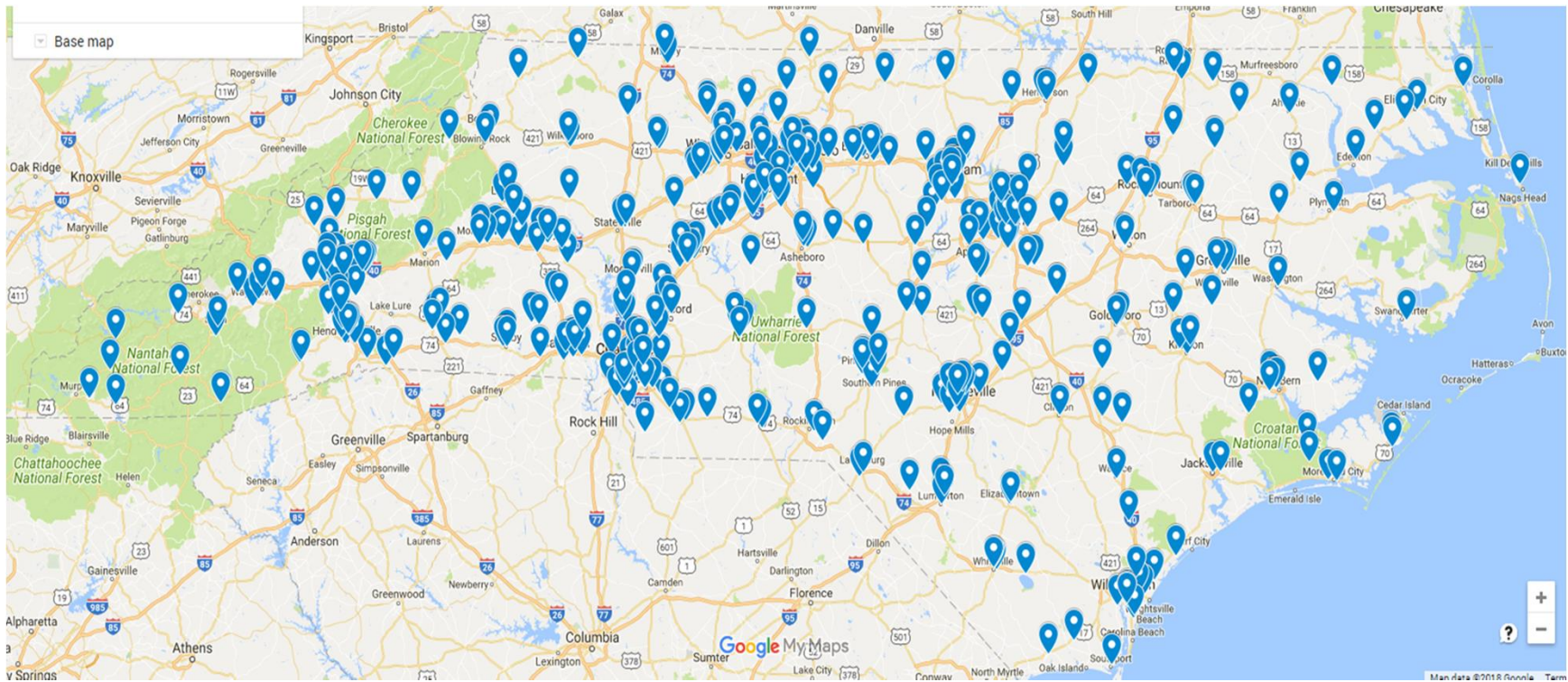


Quality Facilities - Residents in NC Nursing Homes

Activities of Daily Living (ADLs)

	US	NC
Dependence in Bathing	96.4%	97.1%
Dependence in Dressing	92.3%	95.6%
Dependence in Transferring	86.5%	92.9%
Dependence in Toileting	89.1%	94.2%
Dependence in Eating	59.5%	66.8%

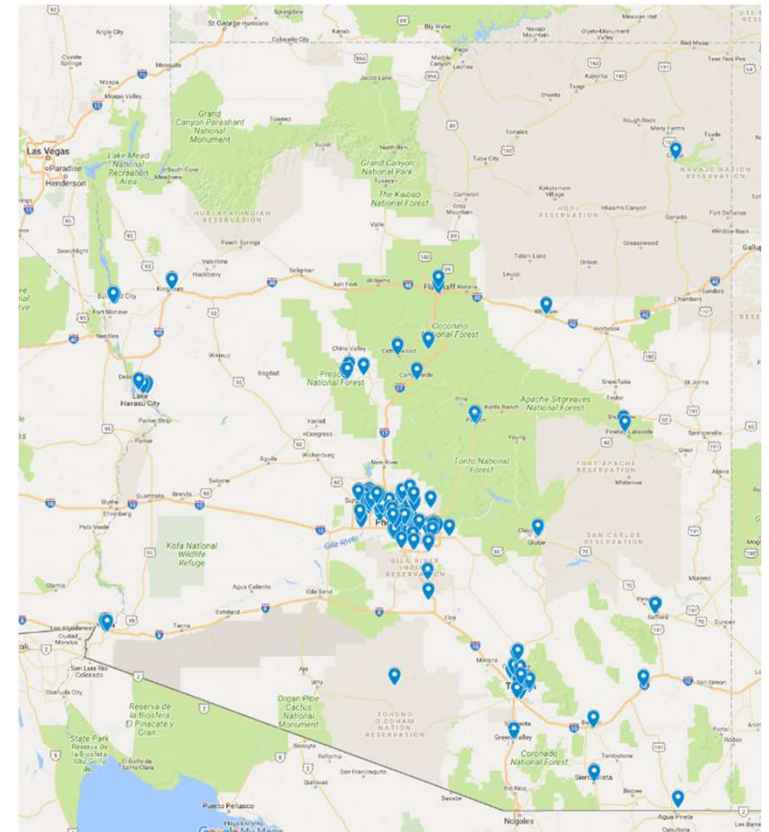
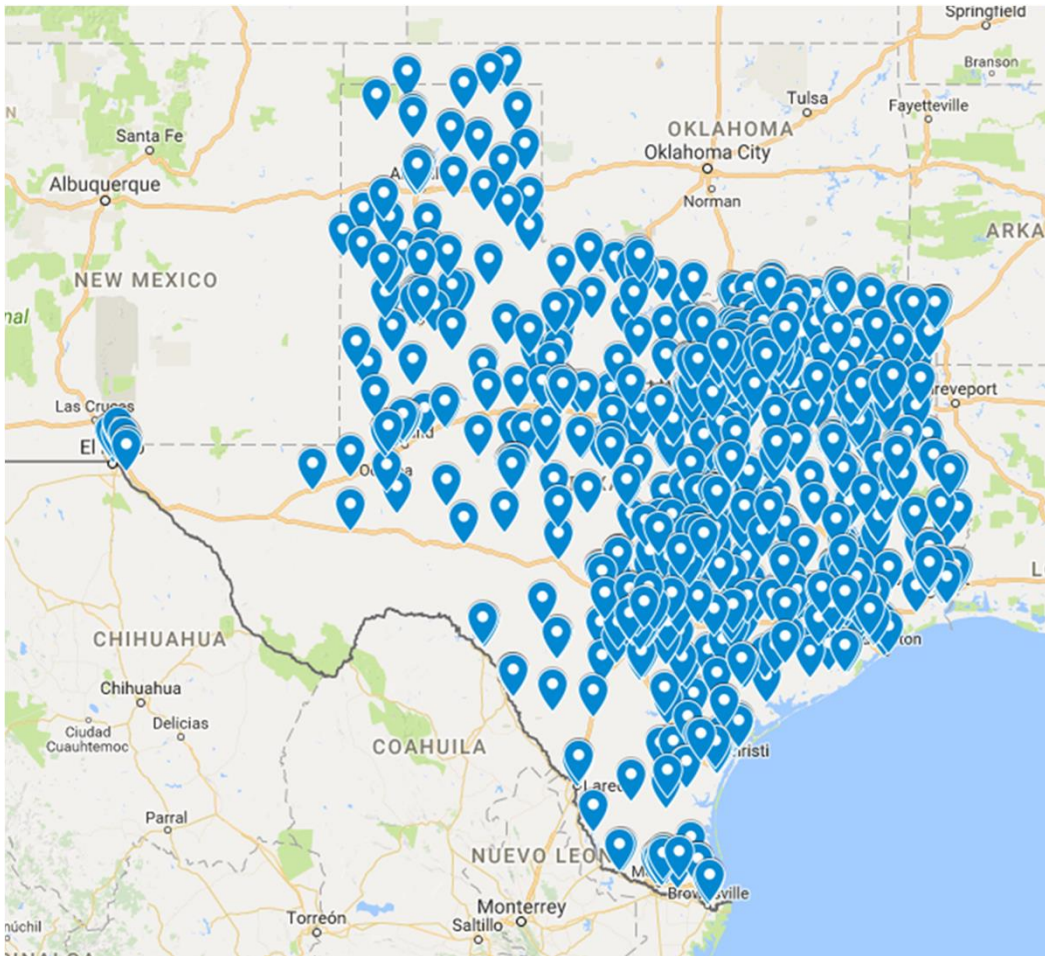
Geographic Distribution and Access to Care in Rural Areas – Certificate of Need Law Appropriately Manages Growth



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Geographic Distribution Non-CON States



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Nursing Facility Beds per 1,000 Population for the 10 Most Populous States

Geographic Area	Population	Population 18+	Nursing Facility Bed Count	NF Beds per 1,000 Population	NF Beds per 1,000 Population 18+
California	39,536,653	30,476,517	119,059	3.01	3.91
Texas	28,304,596	20,938,557	138,502	4.89	6.61
Florida	20,984,400	16,782,417	83,853	4.00	5.00
New York	19,849,399	15,694,902	115,418	5.81	7.35
Pennsylvania	12,805,537	10,141,022	88,239	6.89	8.70
Illinois	12,802,023	9,904,838	95,337	7.45	9.63
Ohio	11,658,609	9,053,374	90,366	7.75	9.98
Georgia	10,429,379	7,914,681	40,549	3.89	5.12
North Carolina	10,273,419	7,971,073	45,622	4.44	5.72
Michigan	9,962,311	7,785,662	47,581	4.78	6.11
Average	176,606,326	136,663,043	864,526	4.90	6.33

Sources: United States Census Bureau, July 1, 2017 population estimates (<https://www2.census.gov/programs-surveys/popest/tables/2010-2017/state/detail/SCPRC-EST2017-18+POP-RES.xlsx>) and CASPER data, July 31, 2017.

Challenges

- Reimbursement
- Workforce

Current Trends – Medicaid (w/o assessment)

State	Medicaid Rates - Current	Provider Assessment Pass Through	Rate w/o Provider Assessment
Florida	\$ 227.65	\$ 17.27	\$ 210.38
Alabama	\$ 196.35	\$ 5.92	\$ 190.43
Tennessee	\$ 203.00	\$ 13.00	\$ 190.00
Mississippi	\$ 202.84	\$ 14.08	\$ 188.76
Virginia	\$ 181.91	\$ -	\$ 181.91
South Carolina	\$ 176.29	\$ -	\$ 176.29
Kentucky	\$ 187.04	\$ 12.85	\$ 174.19
North Carolina	\$ 178.38	\$ 13.68	\$ 164.70
Georgia	\$ 178.69	\$ 17.10	\$ 161.59



Current Trends – NC Medicaid

- For FFY ended 9/30/17, the average cost of providing care for a resident on a Medicaid stay in a NC Nursing Home was \$17.10 more per day than the average daily Medicaid reimbursement rate for that care

Nurse Aide Numbers in North Carolina

Fiscal Year	# Aides added	Total Active Aides
2014-15	13,997	119,586
2015-16	13,705	116,532
2016-17	11,767	112,822
2017-18* (6 mo.data)	5232*	110,691* thru 11/17

Source: DHSR/Nurse Aide Registry Database

Nurse Aide I

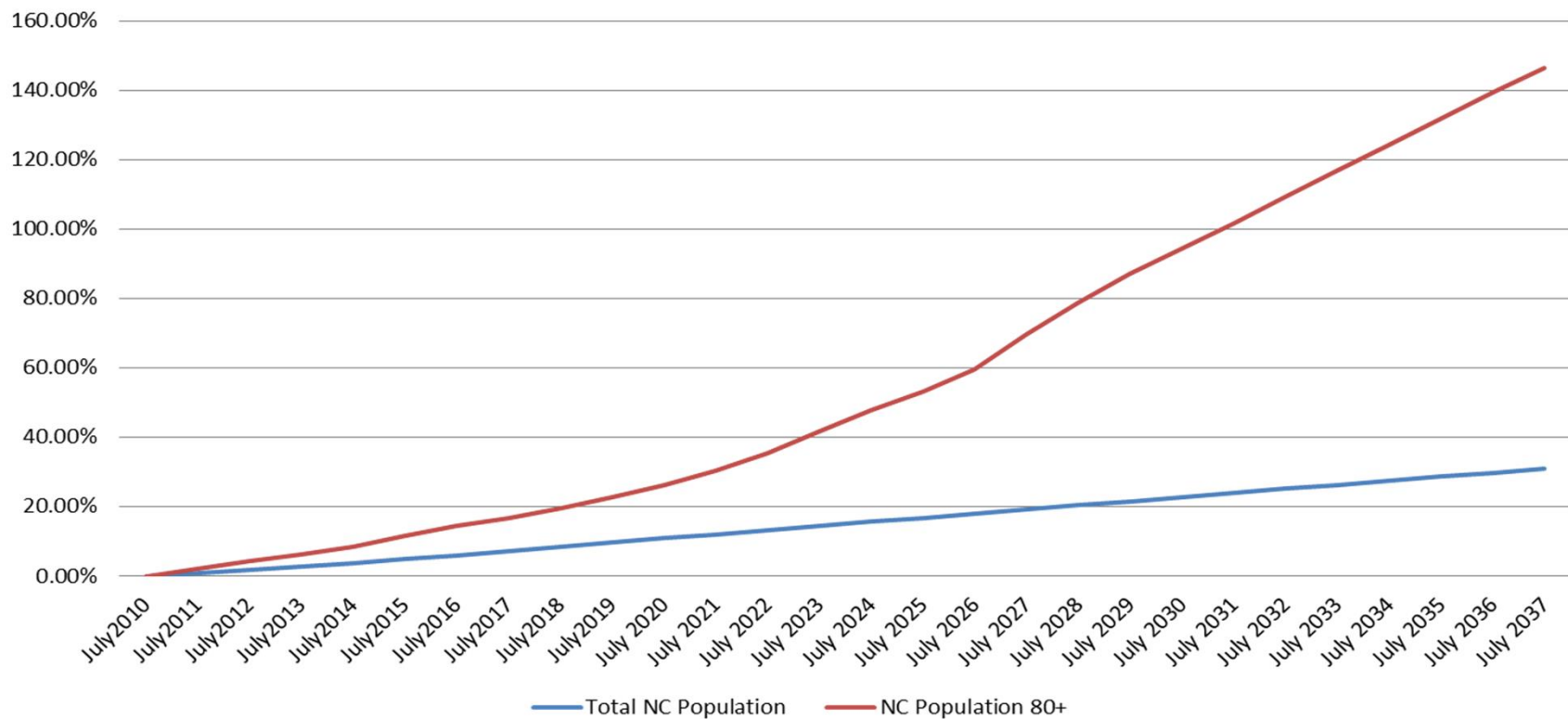
Class Enrollment through Continuing Education and Curriculum

Nurse Aide courses are available at all the community colleges.

- In 2009-2010-----16,357 students enrolled in NA I classes
- In 2010-2011-----14,436 students enrolled in NA I classes
- In 2011-2012-----13,872 students enrolled in NA I classes
- In 2012-2013-----13,062 students enrolled in NA I classes
- In 2012-2013-----12,022 students enrolled in NA I classes
- In 2014-2015-----10,862 students enrolled in NA I classes
- In 2015-2016-----10,242 students enrolled in NA I classes

NC Population Projections

Age Tables



Source: OSBM County/State Population Projections, State Single Ages 2010-2037, available at: <https://www.osbm.nc.gov/demog/county-projections>. Last visited Nov. 3, 2017.