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Navigating Industry Challenges & Opportunities

Thursday May 8th
12:30pm – 1:30pm

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Presenter

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Agenda

- National industry trends
- Demographic Data
- Opportunities
- Appendix
  - I. 5-Star and PBJ benchmarks
  - II. SNF Medicare benchmarks (Iowa & National)
  - III. Iowa SNF Medicaid benchmarks
  - IV. Iowa Home Health Medicare benchmarks
  - V. Iowa Hospice Medicare benchmarks

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National Trends & Medicare Benchmarks

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State of Healthcare Providers

Revenue limitations.
Stagnant reimbursement rates
Threat to Medicare & Medicaid funding
Value-based contracts

Structural cost increases.
Wage pressures
Rising interest rates
Staffing mandates

Access to capital.
Rating companies do not like this type of volatility
Bank consolidation and conservatism is a challenge
Restrictive covenants- it's a lender's market right now

Technology/data.
Aging and changing technology
Cyber risks and dangers
Impact of AI

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State of Healthcare Providers

Environmental changes.

Continued increase in regulations and transparency

New models in value-based arrangements, site-of-care, etc.

Impact of breakthroughs on mortality rates

Caregiver ratio trends

Consolidation.

Significant M&A activity continues

Private equity involvement

Successions.

Experienced executives and team members are tired, and retirement is looking pretty good!

There has not been attention given to developing younger folks for succession (folks have been a little distracted…)

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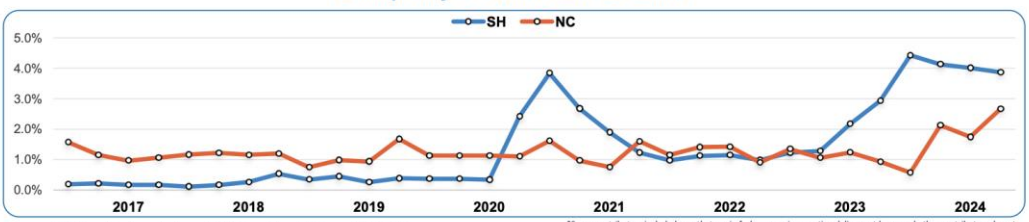
Nursing Home Delinquency

- Overall loan volumes for nursing care rose by nearly 60% in Q2 2024 compared to Q1
- In the same time period, the loan volume increased, there has been a slow recovery of construction lending
- Foreclosures in the first half of 2024 totaled $43.2 million for nursing care, indicating continued pressure facing some borrowers in the nursing home industry, as well as seniors housing with $51.8 million for the same time period
- In the first half of 2024, bank holding companies made up 24% lending types, 18% from investment management firms, 18% of government related sources, 12% of financial services and 6% from commercial real estate and REITs

Delinquency as a Share of Total Loans*



Source: NIC Lending Trends Report, NIC Analytics | data as of 2Q 2024

*Some contributors include loans that are in forbearance in reporting delinquent loans and other contributors do not.

*Note: while there are 17 total contributors this quarter, not all of them lend for nursing care. Hence, nursing care has a lower count.

https://skillednursingnews.com/2024/12/nursing-home-loan-delinquency-rates-rise-in-2024-hit-2-7/?spMailingID=138387&puid=3104470&E=3104470&utm_source=newsletter&utm_medium=email&utm_campaign=138387

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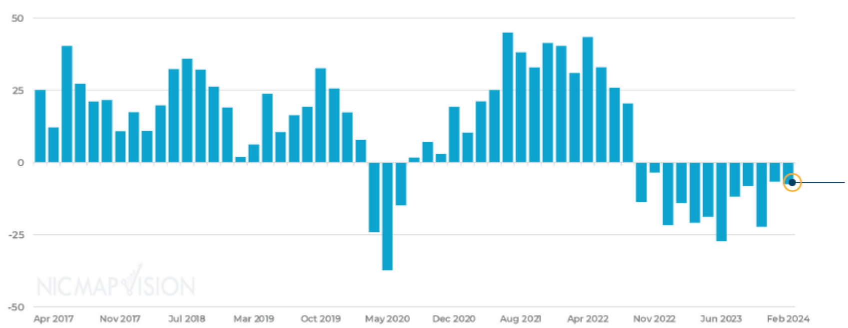
Bank Failures tie back to Commercial Real Estate Lending



Banking Conditions Survey – CRE Loan Volume

Index Calculation: Subtract the percentage reporting a decrease from the percentage reporting an increase banking outlook and their evaluation of general business activity.
Positive Index (>0): More respondents report an increase than a decrease. This suggests the indicator has increased since the last period.
Negative Index (<0): More respondents report a decrease than an increase. This indicates the indicator has decreased since the last period.

Source: Federal Reserve Bank of Dallas; Banking Conditions Survey.

Bank failures led to a significant pullback in commercial real estate lending, including to the senior housing industry.

However, debt markets, though depressed, continue to function. Agency lending continued, and as of June 2024, nearly a quarter of banks report increases in their commercial real estate lending volumes.

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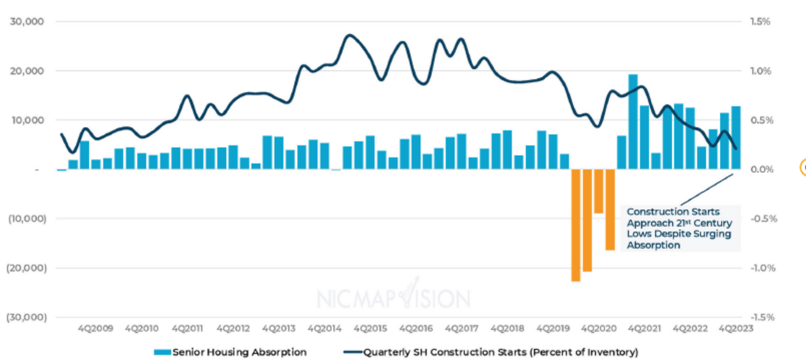
Results in Slowed New Senior Housing Development



Source: NIC MAP® Data, powered by NIC MAP Vision, Primary and Secondary Markets.

Senior housing construction starts are approaching 21st-century lows despite historic absorption rates. The disconnect between surging demand and falling supply growth highlights the impact of the dislocation in the credit markets.

As demand growth accelerates, there is a pressing need for new senior housing development. Sponsors that meet this demand are likely to find themselves in an excellent position.

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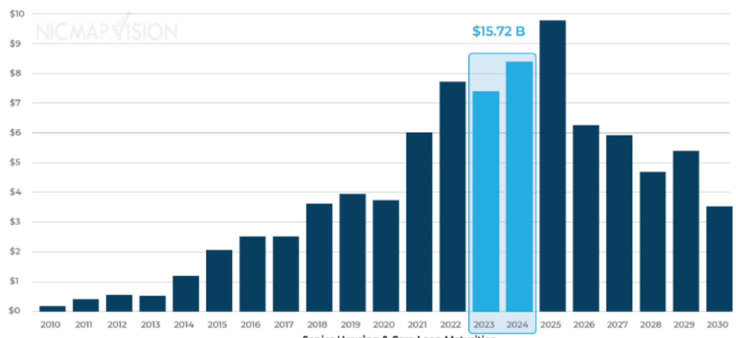
Growing Debt in Senior Housing

The senior housing sector faces growing debt maturities in the near term, creating a pressing need for greater access to both debt and equity capital. These maturities, combined with the dislocated capital markets and surging fundamentals, create material opportunities for investors ready to deploy capital.



Senior Housing & Care Loan Maturities

Source: Cushman & Wakefield, October 2023.

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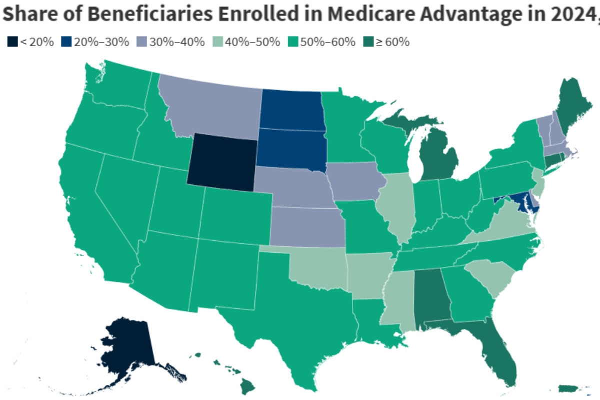
Medicare Advantage Enrollment

- The share of Medicare beneficiaries in Medicare Advantage plans varies across states, ranging from 2% to 63%
- In 7 states, AL, CT, MI, HI, ME, FL, RI (and Puerto Rico), 60% or more of all Medicare beneficiaries are enrolled in Medicare Advantage plans, an increase from 3 states in 2023

Share of Beneficiaries Enrolled in Medicare Advantage in 2024, by State



State	Enrollment
Illinois	42%
Indiana	52%
Iowa	36%
Kentucky	56%
Michigan	63%
Ohio	57%

Note: Includes only Medicare beneficiaries with Part A and B coverage.
Source: KFF analysis of CMS Medicare Advantage Enrollment Files and March Medicare Enrollment Dashboard, 2014 and 2024. • Get the data • Download PNG

KFF

https://www.kff.org/medicare/issue-brief/medicare-advantage-in-2024-enrollment-update-and-key-trends/

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SNF Occupancy data – 3/31/2025

Plante Moran Historical Occupancy Trend by State								
State	**12/31/2019**	**12/31/2020**	**12/31/2021**	**12/31/2022**	**12/31/2023**	**12/31/2024**	**3/31/2025**	**% shortfall**
Alabama	83.30%	72.20%	77.10%	79.00%	81.30%	81.98%	82.16%	-1.14%
California	86.90%	71.20%	78.90%	82.00%	85.10%	86.62%	86.83%	-0.07%
Connecticut	86.70%	71.37%	79.12%	84.55%	85.12%	84.42%	85.14%	-1.56%
Florida	87.30%	74.86%	78.65%	83.24%	85.82%	87.21%	87.97%	0.67%
Georgia	84.50%	70.07%	72.61%	75.99%	79.63%	78.90%	79.57%	-4.93%
Illinois	72.80%	62.10%	66.40%	68.79%	70.77%	71.54%	72.20%	-0.60%
Indiana	75.20%	64.00%	69.20%	71.22%	72.43%	73.47%	73.86%	-1.34%
Iowa	76.70%	66.99%	70.85%	73.13%	75.12%	77.48%	78.49%	1.79%
Kansas	80.80%	70.60%	76.00%	83.02%	80.22%	80.66%	80.52%	-0.28%
Kentucky	85.30%	72.70%	78.70%	79.73%	83.30%	84.11%	84.55%	-0.75%
Massachusetts	85.30%	70.00%	77.60%	81.10%	82.95%	79.52%	80.22%	-5.08%
Michigan	82.10%	67.40%	72.00%	76.14%	78.64%	79.41%	80.62%	-1.48%
Minnesota	84.10%	71.90%	74.00%	76.70%	79.20%	81.18%	81.63%	-2.47%
Missouri	70.30%	60.00%	64.00%	67.50%	69.20%	70.71%	70.66%	0.36%
Nebraska	71.00%	64.48%	68.55%	69.90%	71.93%	71.69%	71.46%	0.46%
New Jersey	82.50%	66.33%	72.41%	76.22%	78.88%	80.44%	80.96%	-1.54%
North Carolina	82.30%	67.85%	73.61%	76.64%	78.96%	80.28%	81.68%	-0.62%
Ohio	81.80%	69.80%	74.00%	76.71%	80.63%	82.12%	82.40%	0.60%
Oklahoma	66.00%	56.00%	59.20%	60.50%	63.50%	62.70%	62.78%	-3.22%
Pennsylvania	86.30%	71.60%	75.70%	77.95%	79.59%	81.23%	81.07%	-5.23%
Tennessee	75.80%	65.10%	68.90%	72.63%	74.43%	72.54%	72.73%	-3.07%
Texas	69.10%	56.40%	59.80%	62.71%	64.54%	65.57%	65.64%	-3.46%

Sources: PBJ for 2019 Occupancy , NHSN for 20-23 Occupancy, CMS PBJ Five-Star Rating System for 24-25 Occupancy

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NH Trends

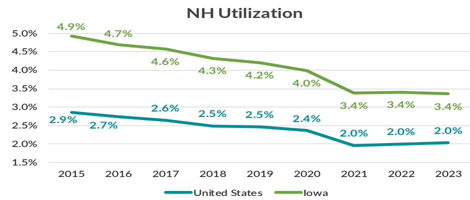
Comparison of Nursing Home Utilization Rates

The table below presents the trend of national and Iowa nursing home data and population 65+ from 2015 to 2024.

National & State Historical Utilization Rates

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	% Change from 2015 to 2024
United States											
Nursing Home Beds	1,667,741	1,666,816	1,657,872	1,654,914	1,642,705	1,646,188	1,639,261	1,607,936	1,605,680	1,592,323	-5%
Nursing Home Occupancy	82%	81%	81%	79%	81%	80%	67%	72%	75%	77%	-6%
Nursing Home Residents (A)	1,367,548	1,350,121	1,342,876	1,307,382	1,330,591	1,316,950	1,098,305	1,157,714	1,204,260	1,226,089	-10%
Population 65+ (B)	47,732,480	49,215,165	50,815,712	52,423,114	54,074,028	55,792,501	55,892,014	57,822,315	59,307,056	62,669,238	31%
Utilization Rate (A/B)	2.9%	2.7%	2.6%	2.5%	2.5%	2.4%	2.0%	2.0%	2.0%	2.0%	-32%
Nursing Home Beds per 10k Pop 65+	349	339	326	316	304	295	293	278	271	254	-27%
Iowa											
Nursing Home Beds	31,318	30,971	31,153	31,035	30,630	29,797	29,618	29,525	28,158	27,385	-13%
Nursing Home Occupancy	79%	78%	77%	75%	76%	77%	65%	68%	71%	73%	-8%
Nursing Home Residents (C)	24,741	24,157	23,988	23,276	23,279	22,944	19,252	20,077	19,992	19,991	-19%
Population 65+ (D)	501,152	513,742	524,624	537,818	553,575	574,453	567,581	588,879	594,888	602,917	20%
Utilization Rate (C/D)	4.9%	4.7%	4.6%	4.3%	4.2%	4.0%	3.4%	3.4%	3.4%	3.3%	-33%
Nursing Home Beds per 10k Pop 65+	625	603	594	577							

Sources:
KFF analysis of Nursing Home Compare.
Census, American Community Survey DP05 1-Year Estimates, Claritas



Iowa is a higher utilizer of NH beds than the nation.

From 2015 to 2024:

- Total NH residents have decreased at a higher rate in Iowa (19% decrease) compared to the US (10% decrease).
- Population 65+ has increased 20% in Iowa compared to 31% in the US.
- The NH Utilization Rate has decreased 33% in Iowa compared to a 32% decrease in the US.
- From 2021-2024, the utilization rates have remained consistent for the US at 2.0% while Iowa's has slightly decreased over this time period from 3.4% to 3.3%.

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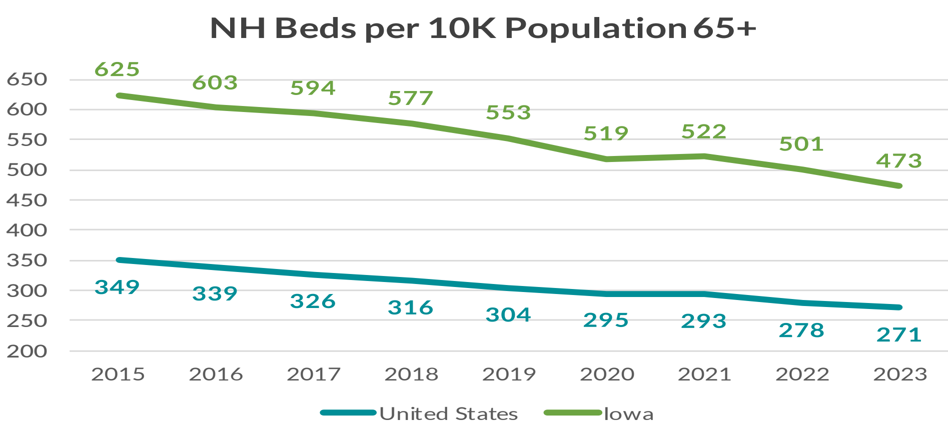
NH Trends

Comparison of Nursing Home Beds per Population 65+

Iowa has 75% more NH beds per its 65+ population compared to the US.



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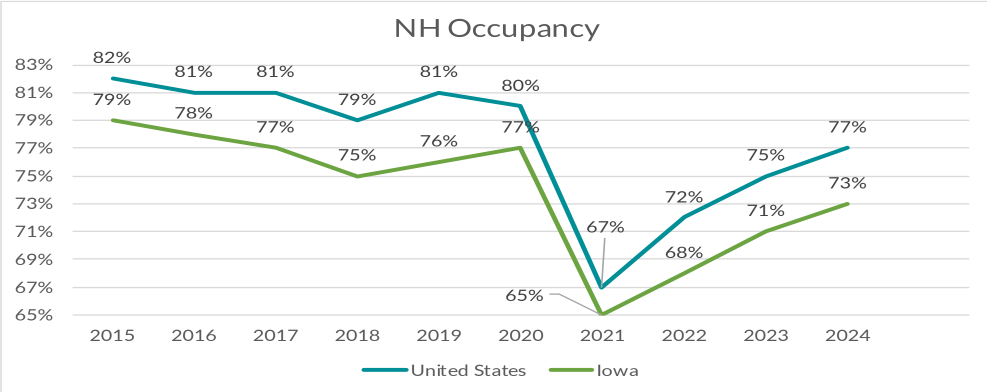
NH Trends

Comparison of Nursing Home Occupancy

The US NH occupancy has exceeded Iowa's every year from 2015 – 2024.



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Demographics

Comparison of 65+ Population

Demographics					
	2010	2020	2025 (estimate)	2030 (projection)	% Change from 2025 to 2030 (Next 5 years)
United States					
Population 65+	40,268,058	55,792,501	62,676,057	71,606,730	78%
Total Population	308,745,377	331,449,281	337,643,652	345,735,705	12%
65+ Population as % of Total Population	13%	17%	19%	21%	59%
Iowa					
Population 65+ (D)	452,964	574,453	626,894	699,511	54%
Total Population	3,046,360	3,190,369	3,221,776	3,282,668	8%
65+ Population as % of Total Population	15%	18%	19%	21%	43%

Source: Claritas

- In the US and Iowa, the 65+ population is projected to grow at a higher rate than the total population from 2025 to 2030.
- By 2030, the 65+ population will represent 21% of the total population in the US and in Iowa.

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Des Moines Metro

	Seniors Housing		Majority NC	
	Metro	Secondary Markets	Metro	Secondary Markets
Stabilized Occupancy	86.1%	89.7%	83.4%	84.9%
YoY Rent Growth	5.0%	4.5%	8.8%	4.8%
Quarterly Absorption	167	3,493	-24	1,339
Quarterly Inventory Growth	169	1,061	-19	222
Construction Units/Beds	126	9,597	0	731
Construction vs. Inventory	2.4%	2.5%	0.0%	.3%
Inventory	5,353	377,492	3,181	286,196
Penetration	17.9%	11.8%	10.6%	9.0%

The table above compares data between the Des Moines Metro (defined as the 5-county area of Dallas, Guthrie, Madison, Polk, and Warren Counties) to the average of the US Secondary Markets (defined as the 68 large core-based statistical areas (CBSAs) in the United States that are not included in the NIC MAP 31 Primary Markets).

Seniors Housing is defined as independent living, assisted living, and memory care units.

Majority NC is defined as properties where nursing care beds comprise the largest share of inventory.

- Occupancy in the Des Moines Metro falls below the US Secondary markets for both Seniors Housing and Majority NC.
- Construction vs. Inventory in the Des Moines Metro falls below the US Secondary markets for both Seniors Housing and Majority NC.
- Seniors Housing Penetration and Majority NC Penetration (inventory divided by the number of households age 75+) in the Des Moines Metro fall above the US Secondary Markets.

Source: *© 2025 National Investment Center for Seniors Housing & Care (NIC) data for 4Q2024.*

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Demographic Trends

- Nearly 28.6 million boomers retired from the U.S. workforce in the 4th qtr. of 2020---3.2 million more than during the same period in 2019.
- **Consumer Preferences:**
  - Need to market an individualized experience
  - They need to embrace you, not dread you
  - Next chapter; Second act
  - Choice, flexibility
  - Sustainability and activism (social, environmental)
  - Middle-market needs
  - Long-term impacts of isolation and pandemic- related influences

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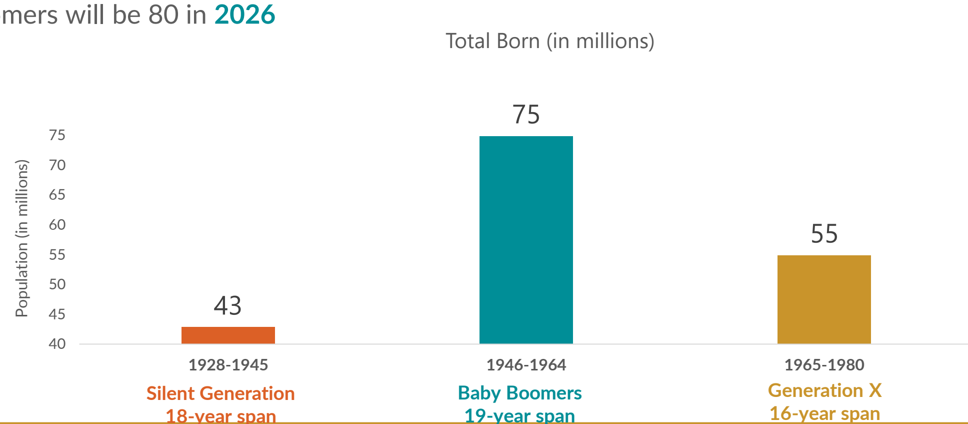
Evolution of Senior Living

The Baby Boomers will be the Seniors Housing future occupants: First Baby Boomers will be 80 in **2026**



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Senior Living Market Dynamics

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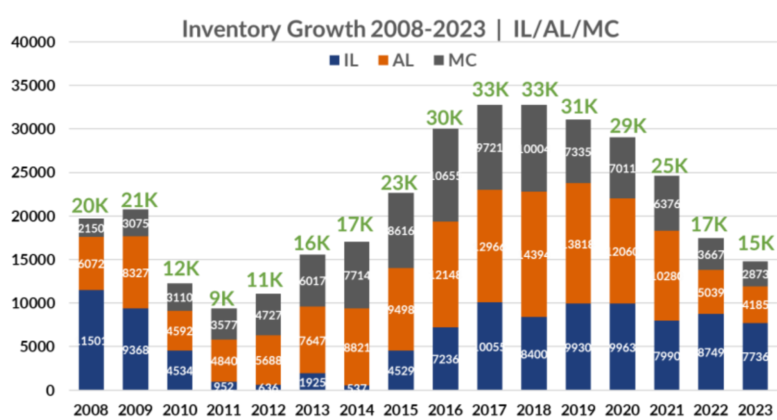
Construction Boom

17% of senior living product added over the last 16 years has been developed in the last three years.



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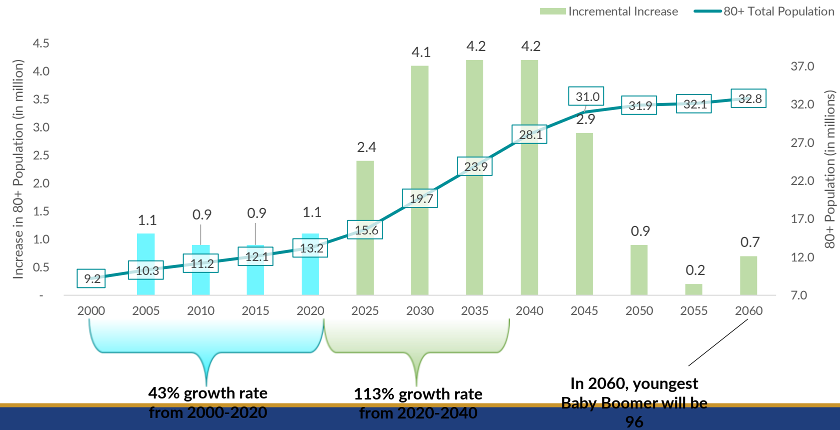
Senior Living Market Dynamics

- Tremendous growth in the 80+ population over the next 40 years; with the most growth occurring over the next 20 years; beginning in **2026**.

80+ population is expected to grow at more than double the growth rate from 2020-2040 than 2000-2020,

80+ population grew 4M from 2000 to 2020; it will grow 15M from 2020 to 2040.

80+ population will grow by 113% from 2020 to 2040 compared to an 8% for the rest of the population.



Source: US Census Bureau

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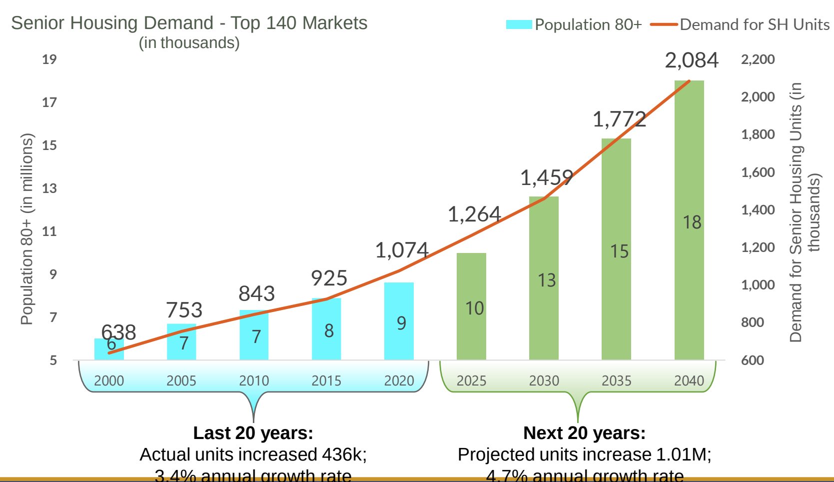
Senior Living Market Dynamics



Demographic Tailwinds: The Baby Boomers will be the Seniors Housing occupants; First Baby Boomers will be 80 in **2026**

Source: US Census Bureau and ESRI; Top 140 markets are 65% of the total US population Historical units are based on NIC MAP® Data Service assumptions; 2025-2040 projected units are calculated as: (population 80+) x (11% penetration rate) / (95% occupancy)

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Senior Living Market Dynamics

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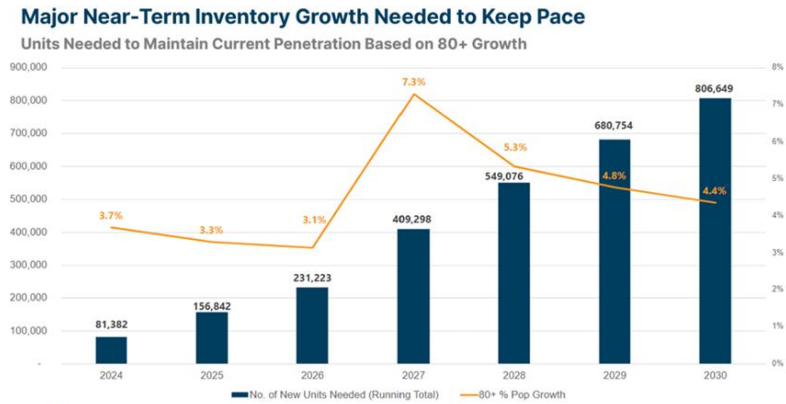
- Simply 'maintaining' the current market penetration rates in **may not be enough.**
- Keeping up with the current penetration rates as developers plan to meet future needs is only a conservative estimate as the percentage of the senior population (age 80+) to the adult child or caregiver population (age 45-64) is expected to continue to narrow.



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Senior Living Market Dynamics

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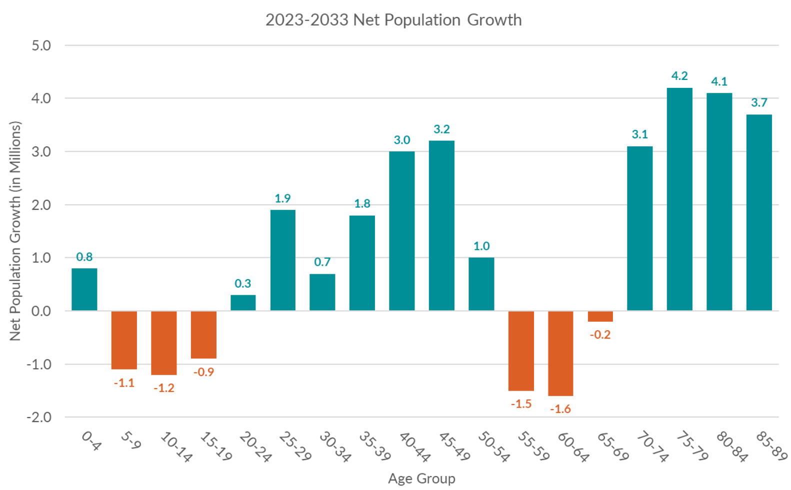
- Over the next decade, U.S. population aged 25-54 will grow by 12 million.
- The 70+ population will increase 15 million.



Sources: pwc 2025 Emerging Trends in Real Estate

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Senior Living Market Dynamics

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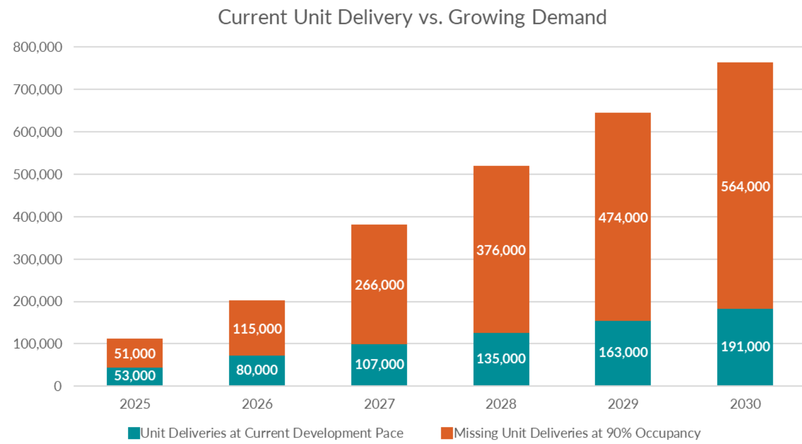
Unit delivery (new construction) will need to **increase by ~5x the next 5 years** to keep up with demand



Sources: NAIOP Commercial Real Estate Development Association Winter 2024/2025 Issue

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- According to Marcus & Millichap, the dramatic increase in construction costs have inhibited construction over the last three years.

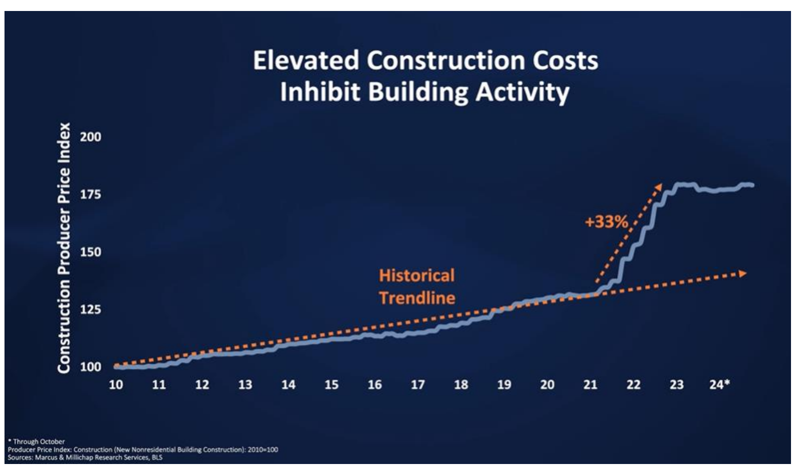
<u>*Less*</u> Construction

+

<u>*More*</u> Baby Boomer Demand

=

<u>**Not Enough Supply in the Market**</u>



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- Strategic Planning process
- New development (IL, AL, SNF) market study
- Home Community Based Services
  - Comprehensive industry overview
  - Market and competitor data
  - Financial analysis
- I-SNP or IE-SNP

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Institutional SNPs
Nursing Home or Nursing Home Eligible

Institutional Special Needs Plans (I-SNPs)

SNPs that restrict enrollment to MA eligible individuals who, for 90 days or longer, have had or are expected to need the level of services provided in a long-term care (LTC) skilled nursing facility (SNF), a LTC nursing facility (NF), a SNF/NF, an intermediate care facility for individuals with intellectual disabilities (ICF/IDD), or an inpatient psychiatric facility. A complete list of acceptable types of institutions can be found in the Medicare Advantage Enrollment and Disenrollment Guidance, which is located at the link below.

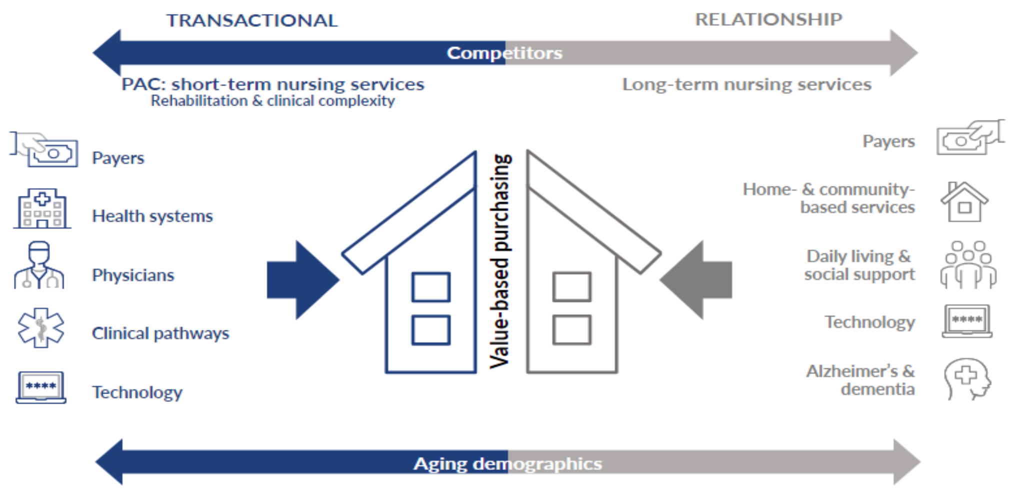
CMS may allow an I-SNP that operates either single or multiple facilities to establish a county-based service area as long as it has at least one long-term care facility that can accept enrollment and is accessible to the county residents. As with all MA plans, CMS will monitor the plan's marketing/enrollment practices and long-term care facility contracts to confirm that there is no discriminatory impact.

Institutional Equivalent SNPs (IE-SNPs)

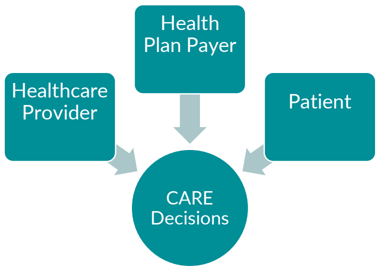
For an IE-SNP to enroll MA eligible individuals living in the community, but requiring an institutional level of care (LOC), the following two conditions must be met:

- A determination of institutional LOC that is based on the use of a state assessment tool. The assessment tool used for persons living in the community must be the same as that used for individuals residing in an institution.
- The IE-SNP must arrange to have the LOC assessment administered by an independent, impartial party (i.e., an entity other than the respective I-SNP) with the requisite professional knowledge to identify accurately the institutional LOC needs. Importantly, the I-SNP cannot own or control the entity.

New Market: LTC Residents in Great Demand



Benefits of Special Needs Plans



Care Coordination
Case Management
Additional (targeted) benefits
Primary Care
Reduced hospitalizations
Relationships

Funding for Care Management
Flexibility
Waive 3 day stay
Bypass Hospital- Skill in place
Reduce Administrative Costs

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How ISNPs work with Medicaid

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Medicaid Benefit

The patient's long term SLF or AL stay continues to be paid by Medicaid or Private Funds

Medicare Benefit (Medicare Advantage ISNP)

NEW ISNP Insurance now covers the beneficiary for all Part A, B and D services.

The Medicare Advantage opportunity is improved when the Medicaid per diem is good and when the SN/AL can manage and control hospital admissions and other covered Medicare services through effective case management and clinical capabilities

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Collaboration and Teamwork are Keys to Success

Model of Care and Common Goals

ISNP members report high level of satisfaction with the plans

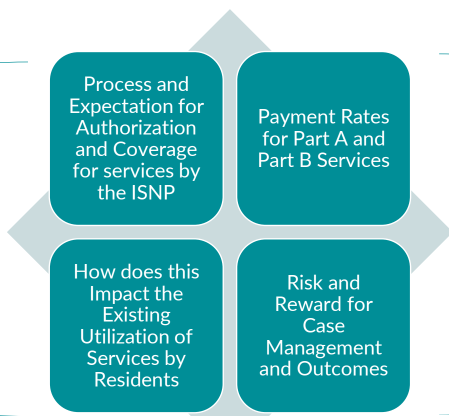
DON and Nursing Home Staff care for health plan members in the nursing home and work with health plan on cost effective utilization of Members Medicare benefits

Health Plan Nurse Practitioner and Case Manager visit Members frequently and work with Nursing Home staff on cost effective utilization of Members Medicare benefits

Should I Consider ISNPs?

DOES NOT AFFECT Post-Acute Programs

Need to understand how existing *long-stay residents* utilize their Medicare benefits and if a transition to an ISNP Medicare A plan will impact the facility

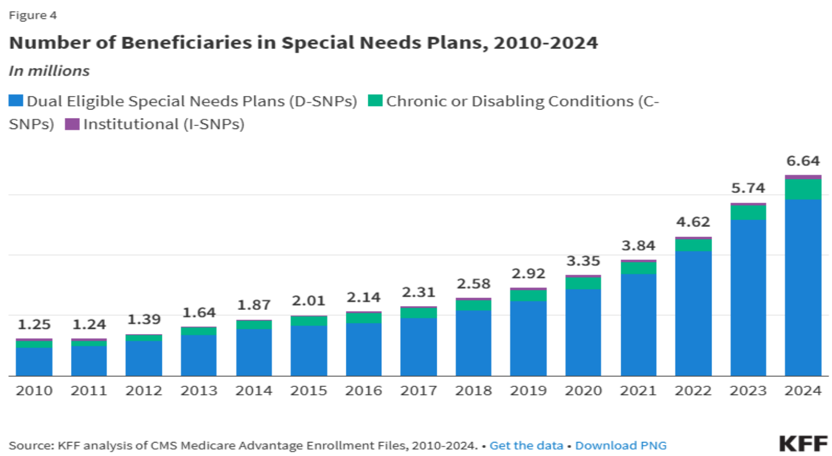


Operational 

Financial 

The SNF typically receives a capitated rate for Part A and Part B services that may be less than the fee for service Medicare payment rates
BUT
The facility has the ability to earn incentive payments for effective case management and cost control

Special Needs Plans enrollment



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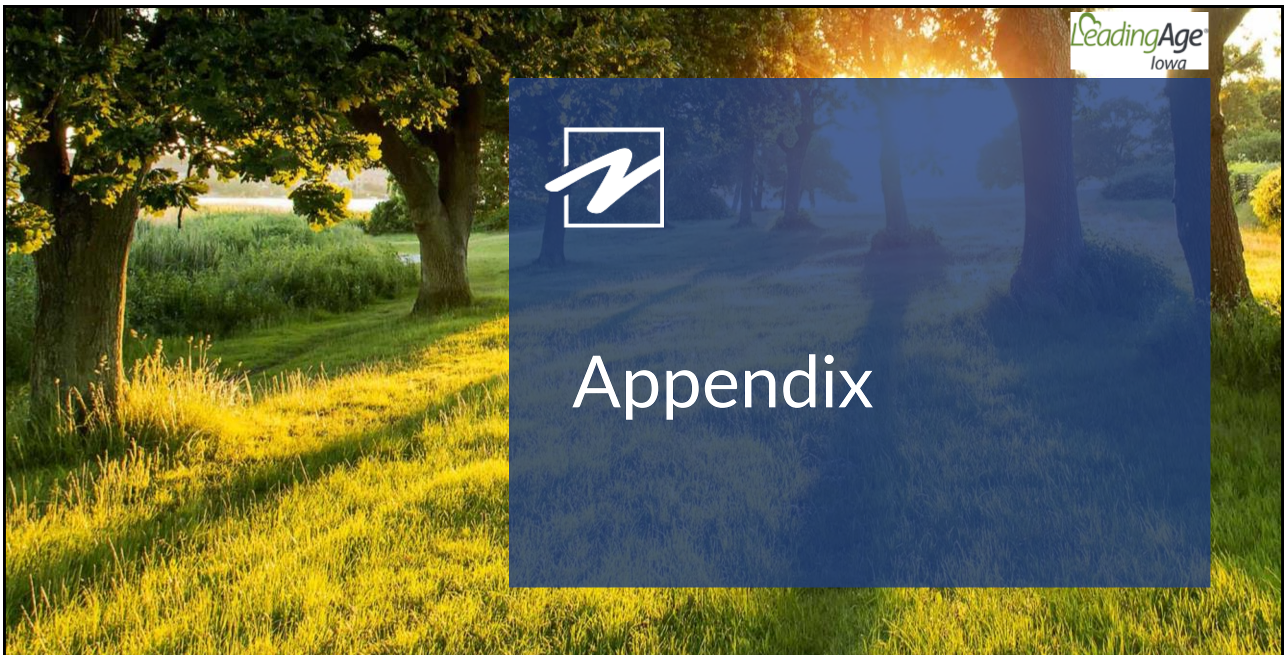

Appendix

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Content

- PBJ benchmarks
- Iowa SNF Medicare benchmarks
- Iowa SNF Medicaid benchmark data
- Iowa Home Health benchmark data
- Iowa Hospice benchmark data

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Payroll based journal trends

October 2024 refresh: Representing second quarter of 2024

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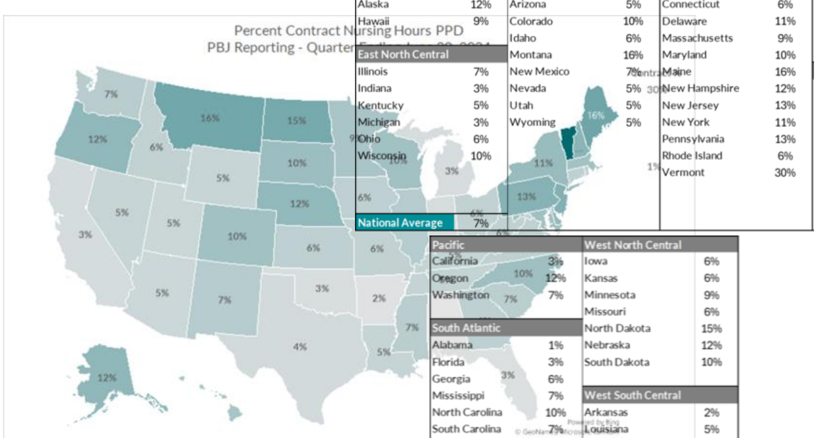

Alaska & Hawaii	
Alaska	12%
Hawaii	9%

East North Central	
Illinois	7%
Indiana	3%
Kentucky	5%
Michigan	3%
Ohio	6%
Wisconsin	10%
National Average	7%

Mountain	
Arizona	5%
Colorado	10%
Idaho	6%
Montana	16%
New Mexico	7%
Nevada	5%
Utah	5%
Wyoming	5%

North Atlantic	
Connecticut	6%
Delaware	11%
Massachusetts	9%
Maryland	10%
Maine	16%
New Hampshire	12%
New Jersey	13%
New York	11%
Pennsylvania	13%
Rhode Island	6%
Vermont	30%

Pacific	
California	3%
Oregon	12%
Washington	7%

South Atlantic	
Alabama	1%
Florida	3%
Georgia	6%
Mississippi	7%
North Carolina	10%
South Carolina	7%
Tennessee	5%
Virginia	6%
West Virginia	6%

West North Central	
Iowa	6%
Kansas	6%
Minnesota	9%
Missouri	6%
North Dakota	15%
Nebraska	12%
South Dakota	10%

West South Central	
Arkansas	2%
Louisiana	5%
Oklahoma	3%
Texas	4%

Iowa 5 Star Ratings

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Skilled Nursing Competitor Analysis (Q3 2024) - January 2025 Data Refresh

	IA-All	IA - FP	IA-NFP	National
Occupancy	76%	74%	77%	78%
Overall Rating (average)	3.0	2.8	3.2	2.9
Health Inspection Rating	2.8	2.7	2.9	2.8
Quality Metrics Rating	3.3	3.2	3.3	3.4
Staffing Rating	3.4	3.2	3.7	2.8
Number of beds (average)	67	63	72	108

Staffing Rating: Utilization Analysis	Staffing Star Rating Distribution			
★★★★★	18%	10%	29%	10%
★★★★	36%	37%	35%	21%
★★★	26%	28%	23%	25%
★★	11%	13%	8%	23%
★	10%	13%	5%	21%

Skilled Nursing Competitor Analysis (Q3 2024) - January 2025 Data Refresh

	IA-All	IA - FP	IA-NFP	National
Health Inspection Rating (per overall rating)	Average Health Inspection Rating			
★★★★★	4.3	4.5	4.2	4.5
★★★★	3.7	3.8	3.6	3.8
★★★	2.9	3.0	2.8	2.9
★★	2.0	2.0	2.0	2.1
★	1.2	1.2	1.3	1.3
All	**2.8**	**2.7**	**2.9**	**2.8**
Quality Metrics Rating (per overall rating)	Average Quality Metrics Rating			
★★★★★	4.1	4.0	4.2	4.3
★★★★	3.5	3.5	3.6	3.6
★★★	3.1	3.0	3.3	3.4
★★	3.0	3.1	2.9	3.3
★	2.5	2.7	2.0	2.5
All	**3.3**	**3.2**	**3.3**	**3.4**

Iowa PBJ Staffing

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Skilled Nursing Competitor Analysis (Q3 2024) - January 2025 Data Refresh

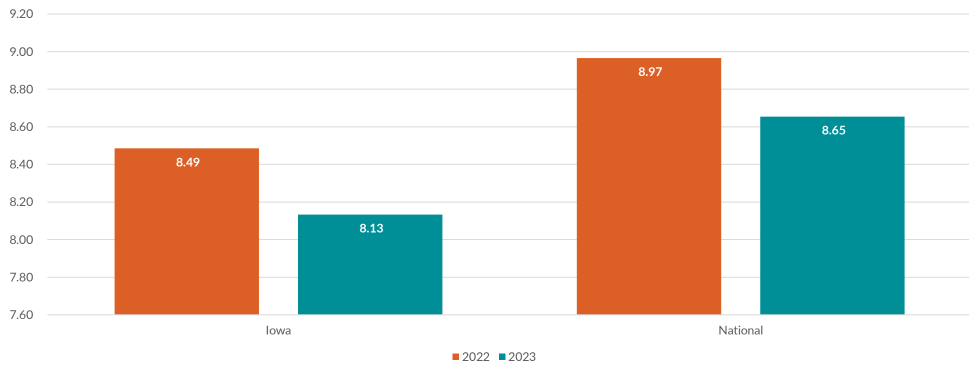
	IA-All	IA - FP	IA-NFP	National
Adjusted RN Staffing HPPD (per staffing star rating)	Median Adjusted RN Staffing HPPD			
★★★★★	1.07	1.08	1.07	1.19
★★★★	0.86	0.78	0.91	0.79
★★★	0.67	0.63	0.69	0.59
★★	0.55	0.55	0.56	0.47
★	0.35	0.39	0.00	0.33
All	0.77	0.68	0.86	0.56
Adjusted Total Staffing HPPD (per staffing star rating)	Median Adjusted Total Staffing HPPD			
★★★★★	5.04	4.81	5.20	5.22
★★★★	4.28	4.23	4.33	4.29
★★★	3.88	3.75	4.05	3.82
★★	3.52	3.55	3.44	3.43
★	2.84	3.12	0.00	3.02

Skilled Nursing Competitor Analysis (Q3 2024) - January 2025 Data Refresh

	IA-All	IA - FP	IA-NFP	National
Adjusted Total Staffing HPPD (per staffing star rating)	Adjusted LPN Utilization % vs Aide Staffing based on RN Staff Level			
★★★★★	14.7%	8.0%	14.8%	18.1%
★★★★	16.2%	16.1%	17.7%	21.9%
★★★	17.0%	17.5%	17.9%	25.6%
★★	23.3%	23.0%	21.6%	27.9%
★	20.7%	20.2%	N/A	29.9%
All	16.9%	16.9%	16.2%	24.4%
Total Nurse Turnover Percentage	Average Total Nurse Turnover Percentage			
★★★★★	39%	38%	39%	40%
★★★★	43%	44%	41%	45%
★★★	45%	41%	49%	48%
★★	51%	50%	52%	51%
★	61%	60%	61%	56%
All	**48%**	**48%**	**47%**	**49%**
RN Nurse Turnover Percentage	Average Registered Nurse Turnover Percentage			
★★★★★	28%	27%	28%	33%
★★★★	38%	36%	42%	40%
★★★	43%	42%	44%	44%
★★	46%	44%	49%	49%
★	63%	64%	61%	57%
All	**44%**	**45%**	**43%**	**46%**

Average Hospital LOS for Discharges to SNF

Iowa average hospital length of stay for discharges to SNF decreased from 8.49 in 2022 to 8.13 in 2023. The national average decreased from 8.97 to 8.65.



Source: American Hospital Directory

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Utilization of PAC Services by Medicare Beneficiaries in 2023

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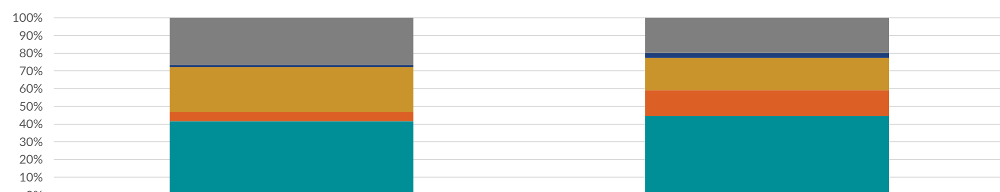
The utilization of post-acute (PAC) services by Medicare beneficiaries varies widely across regions. The Iowa average discharge to SNF was 25%. The national discharge to SNF was 18%.

Hospital Discharge Destinations
Medicare Part A Beneficiaries

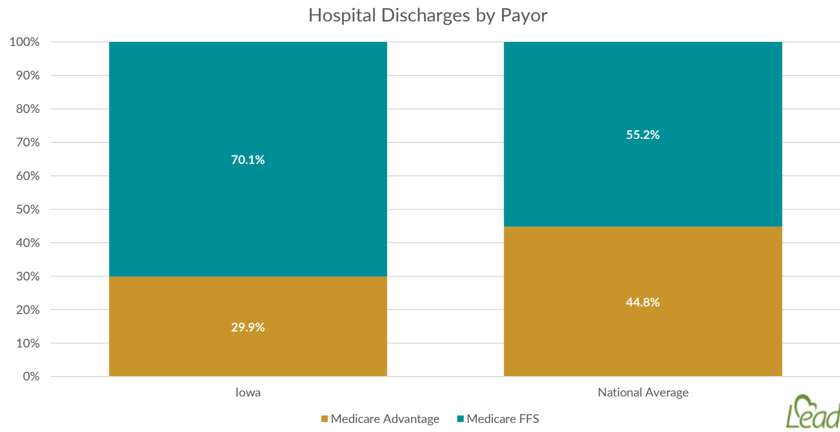


	Iowa	National Average
Other Discharges	26%	20%
Discharges to LTAC	0%	0%
Discharges to IRF	1%	3%
Discharges to SNF	25%	18%
Discharges to HHA	6%	15%
Discharges to Home	42%	44%

Source: American Hospital Directory

MA Hospital Discharges as a Percentage of Total Medicare Eligible

In 2023, the Iowa average for MA discharges as a percent of total Medicare eligible was 29.9% while nationally it was 44.8%.



Data source: American Hospital Directory

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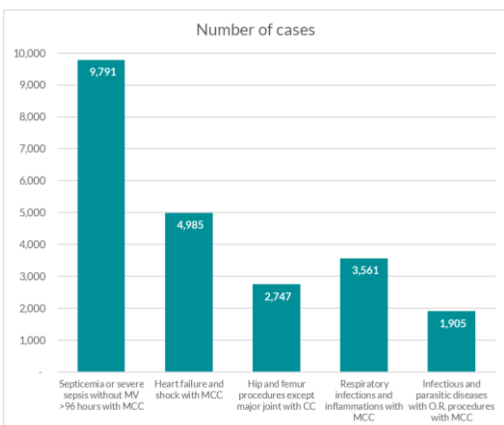
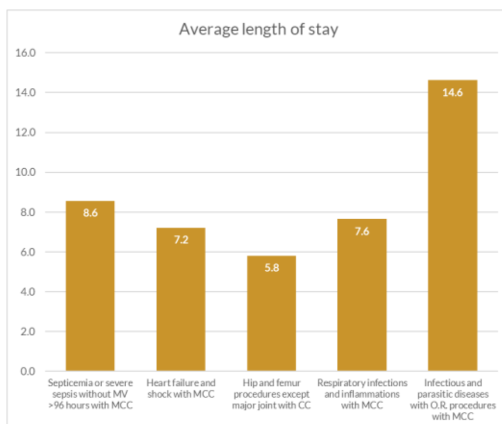
Top Five DRGs Discharged to SNF and Average Length of Stay in Hospitals





Data source: American Hospital Directory

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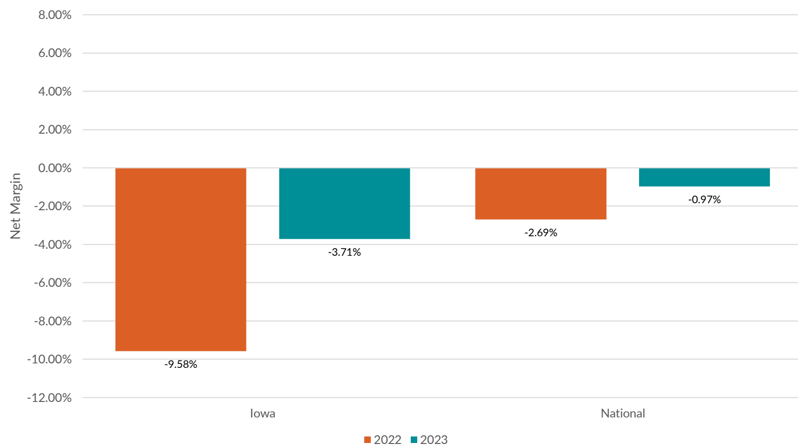
Overall SNF Profitability: Net Margin

The net margin measures the overall profitability of a SNF by computing net income as a percentage of all revenue sources. This calculation includes COVID-19 Public Health Emergency Provider Relief Funds recognized as revenue as reported by providers on their Medicare cost reports. The Iowa average net margin for 2023 was -3.71%, a 5.87% increase from 2022. -9.58%. These numbers are reflective of the continued financial distress the industry is experiencing.

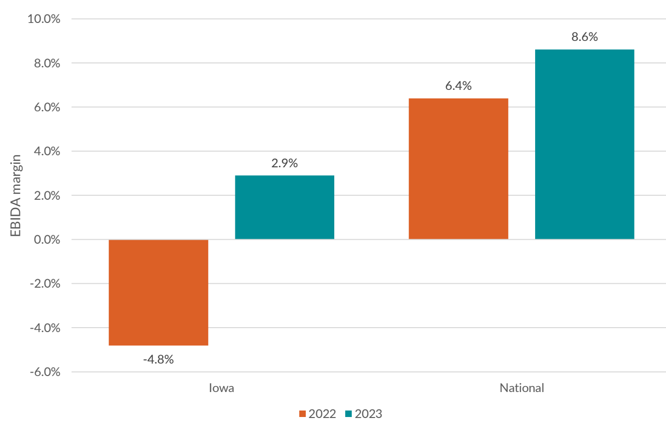


Overall SNF EBIDA Margin

Earnings before interest, depreciation, and amortization (EBIDA) is a commonly used profitability measure that's an important driver of facility values. This calculation includes other income, including COVID-19 PHE funding as reported on Worksheet G-3 Line 24.5 on the Medicare cost reports. EBIDA margin is calculated as EBIDA divided by total revenue. Calculations presented below are averages.

There was a recovery of EBIDA in 2023 as compared to 2022. Importantly, the distribution of provider relief funding was reduced in 2022, while providers still experienced the hardships from the pandemic like inflation and staffing costs.

Low EBIDA margins are contributing to a lack of investment in physical plant. The age of plant is often measured by dividing accumulated depreciation by annual depreciation expense. A growing number of SNFs are owned by REITs or PEGs and operated by tenants that don't own the real estate. Therefore, they report rent expense, rather than depreciation on the annual cost report.



Occupancy Percentage

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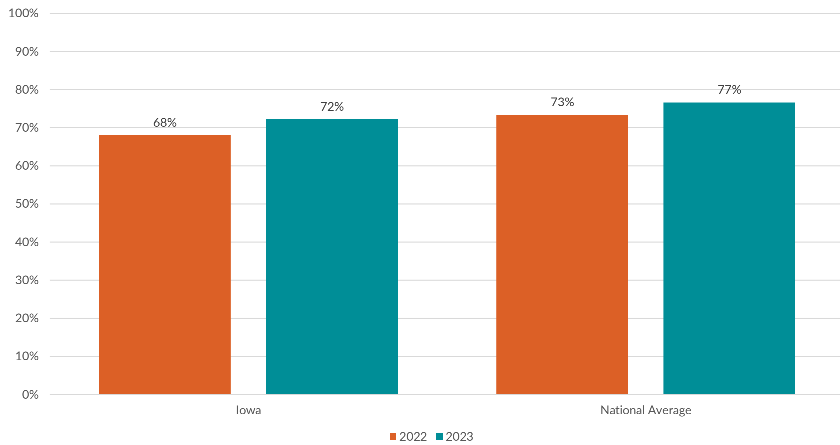
Occupancy percentages from 2022 through 2023 are shown as reported on the Medicare cost reports. The Iowa average increased by 4% in 2023. As of June 2024, national average occupancy remains at 77% based on PBJ submission files for the second quarter of 2024.



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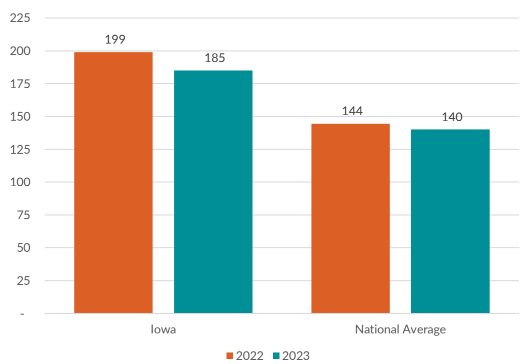
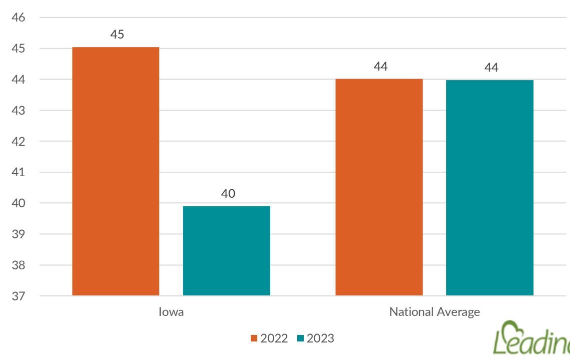
Overall SNF and Medicare Average Length of Stay

Defined as all SNF days over all SNF discharges as reported on the Medicare cost report.



Defined as Medicare resident days over Medicare discharges as reported on the Medicare cost report. The Medicare average length of stay as reported on SNF Medicare cost reports decreased from 45 to 40 days.



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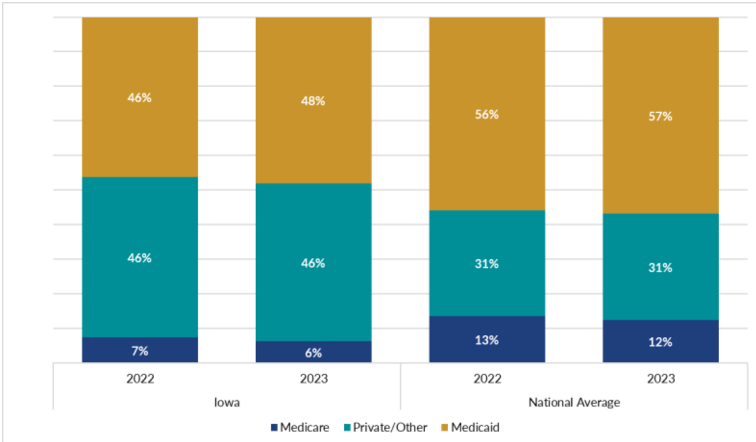
SNF Payor Mix



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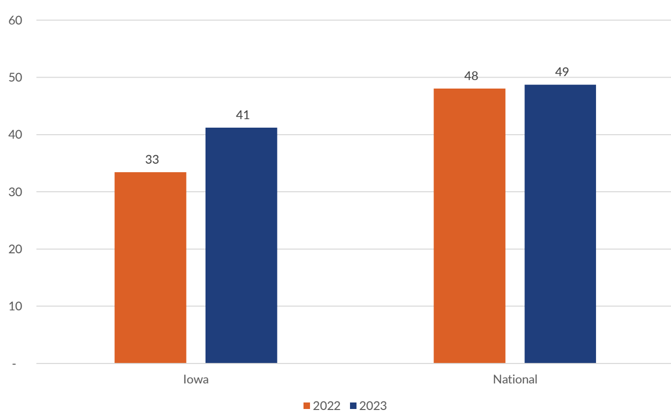
Days Revenue in Accounts Receivable (A/R)

Days revenue in accounts receivable (A/R) is calculated as (accounts receivable net of allowance/net patient revenues) x 365 days. This calculation is subject to the balance sheet reported on the Medicare cost report.
We saw an increase in Days in A/R, from 2022 to 2023 in Iowa and a slight increase nationally.



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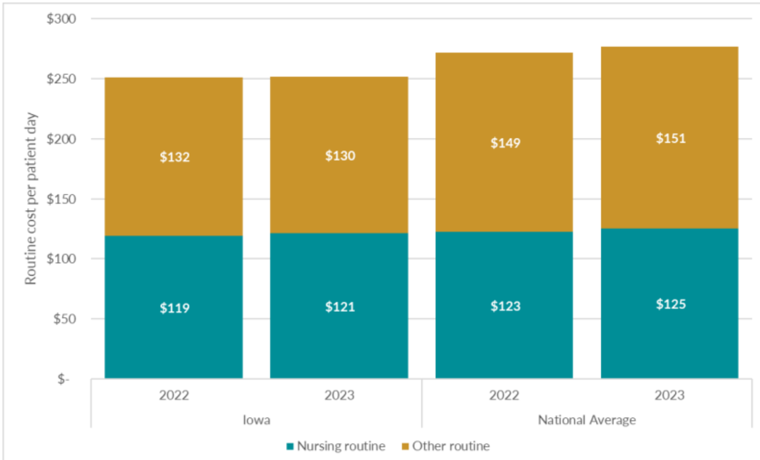
Routine Cost per Patient Day



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Routine & Capital Cost (PPD)

Routine costs per day	Iowa	2023 National Average	2022 National Average
Nursing	$121	$125	$123
Employee Benefits	$10	$16	$15
Administrative & General	$25	$32	$31
Plant Operations	$13	$14	$15
Laundry	$5	$5	$5
Housekeeping	$8	$9	$9
Dietary	$38	$38	$37
Nursing Administration	$19	$19	$19
Central Supply	$1	$3	$3
Pharmacy	$0	$0	$0
Medical Records	$1	$2	$2
Social Service	$5	$8	$8
Activities	$6	$4	$4
Total Routine	$252	$277	$272

Routine and Capital	Iowa	2023 National Average	2022 National Average
Routine	$252	$277	$272
Capital	$18	$31	$29
Routine and Capital	$269	$308	$301

Average	Iowa	2023 National Average	2022 National Average
Nursing routine	$ 121.18	$ 125.15	$ 122.80
Other routine	$ 130.46	$ 151.40	$ 148.90

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Medicare Therapy Cost per Patient Day

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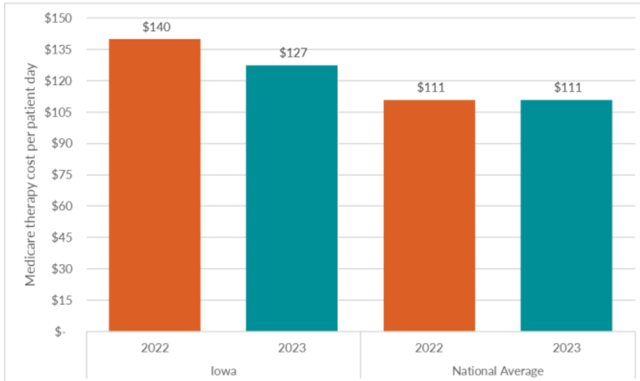
The Medicare cost report calculates Medicare Part A ancillary expense by imputing costs by using cost to charge ratio. Therefore, these costs are based on the Medicare Part A therapy charges that are reported on the Medicare cost reports.

With the transition to PDPM on Oct. 1, 2019, the national average Medicare therapy cost per patient day has declined from $139 in 2019 to $111 in 2023.

Iowa saw a decrease of $13 from 2022 to 2023, while the national average remained at $111.



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Medicare Ancillary Cost per Patient Day

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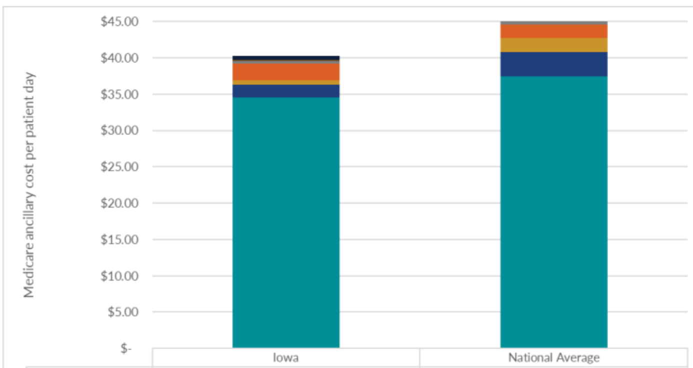
The Medicare cost report calculates Medicare Part A ancillary expense by imputing cost by cost-to-charge ratio. If providers don't include these ancillary charges on their Medicare Part A claims, then Medicare assumes no Medicare expense for that service. Providers are likely not including these costs on their claims, which drives down the ancillary costs on the cost report data.



	Iowa	National Average
Other	$0.52	$0.37
Intravenous Therapy	$0.19	$0.71
Oxygen Therapy	$0.33	$0.88
Medical Supplies	$2.27	$1.83
Radiology	$0.65	$1.96
Laboratory	$1.74	$3.32
Pharmacy	$34.55	$37.47

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Medicare Total Cost per Patient Day

	Iowa 2022	Iowa 2023	National Average 2022	National Average 2023
Other Ancillary Costs	$11	$6	$9	$9
Pharmacy Costs	$34	$35	$36	$37
Therapy Costs	$140	$127	$111	$111
Capital Costs	$18	$18	$29	$31
Routine Costs	$251	$252	$272	$277

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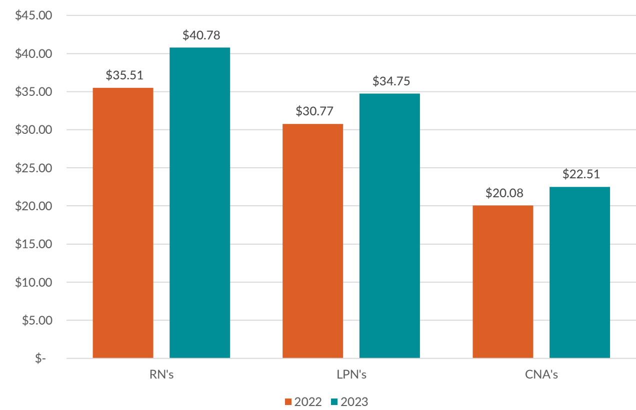
Wage Rate Trends

Iowa median nursing wage rates as reported on Medicare cost reports.



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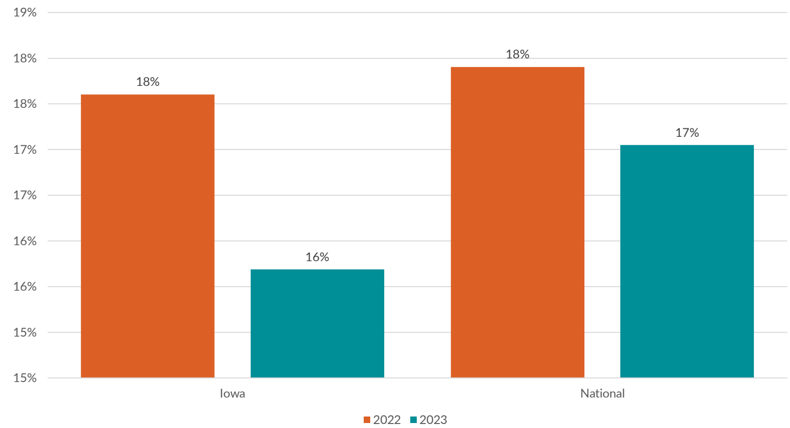
Benefits as a Percentage of Wages

Benefits includes payroll taxes, worker's compensation and fringe benefit expenses.



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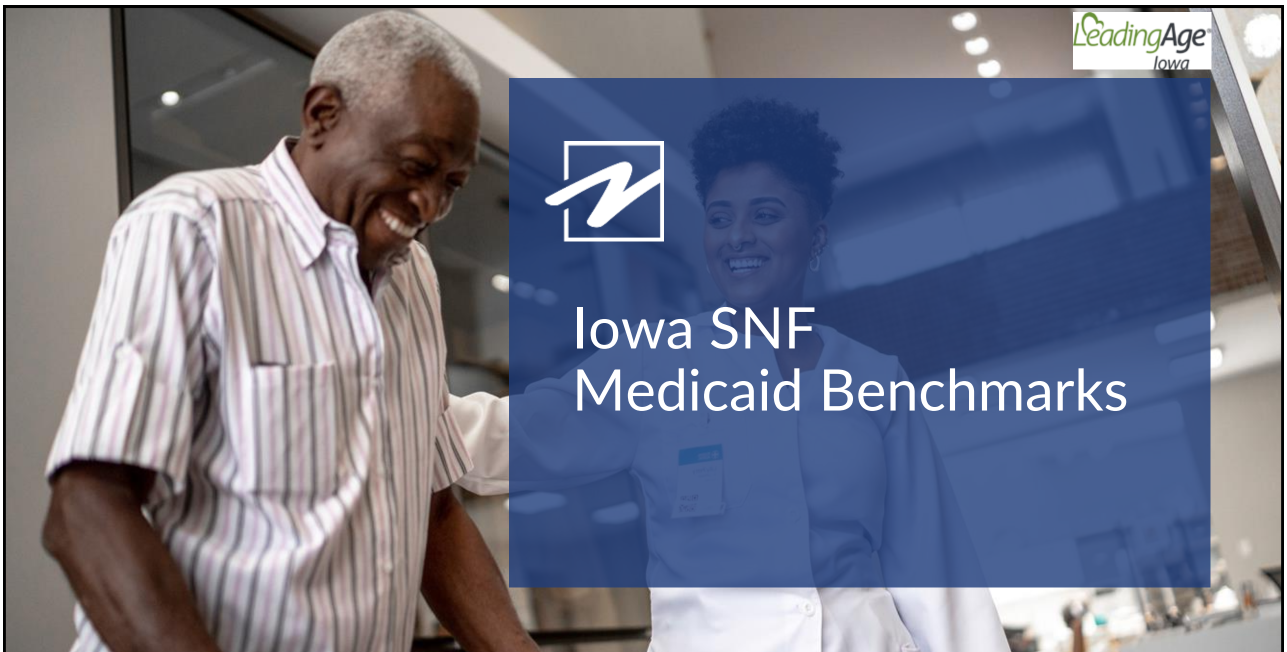

2023 Iowa Medicaid Benchmarking Report
Cost Per Patient Day Analysis

Line No.	Cost Per Day	Statewide	For-Profit	Not-For-Profit
	Administrative Costs			
1	Administrator wages	6.30	6.69	5.99
2	Business office wages	6.12	5.66	6.79
3	Advertising & marketing wages	0.03	0.03	0.03
4	Employer's taxes (Admin)	1.02	0.93	1.15
5	Group / Life & Retirement Benefits (Admin)	1.10	0.84	1.41
6	Worker's comp. insurance (Admin.)	0.18	0.20	0.16
7	Employment Advertising & Recruit (Admin.)	0.19	0.14	0.27
8	Criminal record checks (Admin.)	0.09	0.15	0.02
9	Education & training (Admin.)	0.31	0.13	0.54
10	Supplies (Admin.)	1.03	0.75	1.29
11	Telephone	0.70	0.72	0.71
12	Equipment rental (Admin.)	0.25	0.36	0.13
13	Home office costs	9.63	9.58	10.19
14	Management fees	1.37	1.86	0.82
15	Accounting	2.41	2.49	2.24
16	Professional organization dues	0.57	0.66	0.48
17	Licensing fees	0.11	0.13	0.10
18	Information technology	3.08	2.73	3.59
19	Legal fees - direct patient care related	0.09	0.08	0.11
20	Legal fees - other	0.22	0.33	0.11
21	Working capital interest	0.31	0.51	0.09
22	General liability insurance	2.28	2.44	2.18
23	Travel, entertainment, & auto	1.24	1.31	1.21
24	Advertising & public relations	0.31	0.31	0.33
25	Other-Administrative	3.09	1.80	3.70
26	**Total Administrative Costs**	**42.04**	**40.83**	**43.63**

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2023 Iowa Medicaid Benchmarking Report
Cost Per Patient Day Analysis

Line No.	Cost Per Day	Statewide	For-Profit	Not-For-Profit
	Environmental Costs			
27	Laundry wages	1.93	2.04	1.80
28	Housekeeping wages	5.90	5.85	5.91
29	Maintenance wages	4.04	3.66	4.54
30	Environmental Universal Worker	0.21	0.15	0.29
31	Employer's taxes (Enviro.)	0.98	0.97	0.95
32	Group / Life & Retirement Benefits (Enviro.)	0.96	0.62	1.30
33	Worker's comp. insurance (Enviro.)	0.18	0.18	0.18
34	Employment Advertising & Recruit (Enviro.)	0.02	0.01	0.02
35	Criminal record checks (Enviro.)	0.00	0.00	0.00
36	Education & training (Enviro.)	0.01	0.01	0.01
37	Supplies - laundry	0.56	0.60	0.51
38	Supplies - housekeeping	1.04	0.93	1.13
39	Supplies - maintenance	1.00	0.97	1.03
40	Utilities	6.88	6.29	7.60
41	Purchased services - laundry	0.58	0.52	0.66
42	Purchased services - housekeeping	1.06	0.88	1.35
43	Purchased services - maintenance	1.82	1.39	2.40
44	Equipment repairs	0.86	0.97	0.73
45	Equipment rental (Enviro.)	0.08	0.08	0.07
46	Other-Environmental	0.68	0.04	1.09
47	**Total Environmental Costs**	**28.79**	**26.17**	**31.59**
	Property Costs			
48	Depreciation	8.69	3.70	14.33
49	Amortization	0.05	0.04	0.06
50	Real estate taxes	1.64	2.44	0.76
51	Facility lease	3.89	7.14	0.18
52	Property interest	2.73	1.07	4.83
53	Property & casualty insurance	1.37	1.22	1.60
54	Building & grounds repairs	1.21	0.92	1.54
55	Other-Property	0.15	0.01	0.06
56	**Total Property Costs**	**19.73**	**16.54**	**23.36**
57	**Total Administrative, Environmental & Property Costs**	**90.57**	**83.53**	**98.58**

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2023 Iowa Medicaid Benchmarking Report
Cost Per Patient Day Analysis

Line No.	Cost Per Day	Statewide	For-Profit	Not-For-Profit
	Support Care Costs			
58	Director of nursing wages	6.63	6.92	6.23
59	Administrative nursing wages	6.61	5.81	7.82
60	Medical record wages	0.87	0.60	1.23
61	Medical Director	0.79	0.79	0.83
62	Activities wages	3.85	3.41	4.23
63	Social service wages	2.60	2.40	2.88
64	Dietary service wages	15.25	14.23	16.44
65	Support Universal Worker	0.05	0.01	0.09
66	Employer's taxes (Support)	2.51	2.49	2.39
67	Group / Life & Retirement Benefits (Support)	2.21	1.50	2.88
68	Worker's comp. insurance (Support)	0.48	0.43	0.56
69	Employment Advertising & Recruit (Support)	0.08	0.06	0.11
70	Criminal record checks (Support)	0.01	0.01	0.01
71	Education & training (Support)	0.09	0.09	0.08
72	Routine supplies - patient care services	5.27	5.12	5.54
73	Non-routine supplies - patient care services	0.52	0.60	0.45
74	Non-routine supplies - DME	0.06	0.08	0.03
75	Supplies - dietary services	1.95	1.26	2.51
76	Supplies - activities	0.55	0.51	0.62
77	Supplies - social services	0.02	0.01	0.03
78	Supplies - therapies	0.07	0.06	0.08
79	Food & nutritional supplements	9.45	9.61	9.35
80	Pharmacy - OTC	0.52	0.34	0.75
81	Pharmacy - consulting	0.40	0.40	0.42
82	X-ray services - in-house	0.00	0.00	0.00
83	Laboratory - in-house	0.01	0.01	0.00
84	Contracted professional social services	0.21	0.36	0.05
85	Professional support services	1.73	2.42	0.97
86	Equipment rental (Support)	0.30	0.36	0.23
87	Other-Support	1.19	0.09	1.67
88	**Total Support Care Costs**	**64.26**	**59.81**	**68.46**
89	**Total Non-Direct Care Costs**	**154.83**	**143.34**	**167.04**

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2023 Iowa Medicaid Benchmarking Report
Cost Per Patient Day Analysis

Line No.	Cost Per Day	Statewide	For-Profit	Not-For-Profit
	Direct Patient Care Costs			
90	RN wages	20.34	18.52	22.08
91	LPN wages	18.03	18.28	17.81
92	Certified aides - CNA, CMA, etc wages	52.97	51.65	54.28
93	Direct Care Universal Worker	0.26	0.31	0.17
94	Therapy salaries - inpatient residents	1.28	1.47	1.12
95	Therapy salaries - outpatient care	0.00	0.00	0.00
96	Direct support professionals	0.11	0.17	0.04
97	Other direct care wages	0.03	0.04	0.01
98	Employer's taxes (Direct)	7.97	7.72	7.63
99	Group / Life & Retirement Benefits (Direct)	6.00	3.71	8.36
100	Worker's comp. insurance (Direct)	1.30	1.28	1.36
101	Employment Advertising & Recruit (Direct)	0.21	0.20	0.22
102	Criminal record checks (Direct)	0.03	0.04	0.01
103	Education & training (Direct)	0.21	0.18	0.26
104	Certified nursing aide training	0.05	0.03	0.08
105	Professional support - nurse consulting	0.90	0.67	1.24
106	Contracted nursing services - RN, LPN	8.46	7.38	9.44
107	Contracted nursing services - aides	10.28	8.29	12.29
108	Therapy services - inpatient residents	7.06	7.23	7.21
109	Therapy services - outpatient care	0.08	0.01	0.18
110	Other-Direct	0.50	0.38	0.59
111	**Total Direct Patient Care Costs**	**136.07**	**127.55**	**144.38**

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2023 Iowa Medicaid Benchmarking Report Hours Per Patient Day Analysis				
Sch D Line No.	Occupation or Employment Category	Statewide	For-Profit	Not-For-Profit
	Administrative			
1	Administrator	0.13	0.14	0.11
2	Business Office	0.24	0.23	0.25
3	Advertising and Marketing	0.00	0.00	0.00
	Total Administrative	0.36	0.37	0.36
	Environmental			
27	Laundry	0.12	0.13	0.11
28	Housekeeping	0.36	0.37	0.35
29	Maintenance	0.17	0.16	0.19
30	Environmental Universal Worker	0.01	0.01	0.01
	Total Environmental Services	0.67	0.66	0.67
	Support Care			
58	Director of nursing	0.14	0.15	0.12
59	Administrative nursing (ADON, MDS, etc)	0.17	0.15	0.20
60	Medical Records Services	0.04	0.02	0.05
61	Medical Director	0.00	0.00	0.00
62	Activities	0.20	0.18	0.22
63	Social Services	0.10	0.10	0.11
64	Dietary Service	0.86	0.80	0.93
65	Support Universal Worker	0.00	0.00	0.01
81	Pharmacy consulting	0.00	0.00	0.00
84	Contracted professional support services	0.00	0.00	0.00
85	Professional support services	0.03	0.05	0.02
	Total Support Care	1.54	1.45	1.66
	Direct Patient Care			
90	RN	0.52	0.47	0.56
91	LPN	0.53	0.53	0.53
92	Certified aides - CNA, CMA, etc	2.36	2.28	2.45
93	Direct Care Universal Worker	0.02	0.02	0.01
94	Therapy salaries - inpatient residents	0.04	0.05	0.03
95	Therapy salaries - outpatient care	0.00	0.00	0.00
96	Direct support professionals	0.00	0.00	0.00
97	Other direct care	0.00	0.00	0.00
105	Professional support - nurse consulting	0.01	0.00	0.01
106	Contracted nursing services - RN, LPN	0.12	0.11	0.13
107	Contracted nursing services - aides	0.23	0.19	0.27
	Total Direct Patient Care	3.82	3.66	4.00
	Total HPPD	6.39	6.13	6.69

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2023 Iowa Medicaid Benchmarking Report FTE Analysis				
Sch D Line No.	Occupation or Employment Category	Statewide	For-Profit	Not-For-Profit
	Administrative			
1	Administrator	0.93	0.98	0.88
2	Business Office	2.05	1.83	2.36
3	Advertising and Marketing	0.01	0.01	0.01
	Total Administrative	2.99	2.82	3.25
	Environmental			
27	Laundry	0.99	0.99	1.00
28	Housekeeping	2.99	2.79	3.21
29	Maintenance	1.45	1.20	1.78
30	Environmental Universal Worker	0.10	0.07	0.14
	Total Environmental Services	5.52	5.04	6.13
	Support Care			
58	Director of nursing	1.01	1.05	0.95
59	Administrative nursing (ADON, MDS, etc)	1.54	1.20	2.00
60	Medical Records Services	0.36	0.23	0.53
61	Medical Director	0.01	0.01	0.02
62	Activities	1.65	1.35	1.94
63	Social Services	0.88	0.76	1.06
64	Dietary Service	7.11	6.21	8.29
65	Support Universal Worker	0.03	0.01	0.06
81	Pharmacy consulting	0.02	0.03	0.01
84	Contracted professional support services	0.00	0.01	0.00
85	Professional support services	0.21	0.29	0.13
	Total Support Care	12.83	11.15	14.99
	Direct Patient Care			
90	RN	4.32	3.62	5.14
91	LPN	4.45	4.13	4.89
92	Certified aides - CNA, CMA, etc	20.45	18.28	23.26
93	Direct Care Universal Worker	0.13	0.14	0.11
94	Therapy salaries - inpatient residents	0.42	0.51	0.33
95	Therapy salaries - outpatient care	0.00	0.00	0.00
96	Direct support professionals	0.02	0.04	0.01
97	Other direct care	0.01	0.01	0.01
105	Professional support - nurse consulting	0.07	0.04	0.10
106	Contracted nursing services - RN, LPN	0.97	0.78	1.16
107	Contracted nursing services - aides	1.96	1.49	2.47
	Total Direct Patient Care	32.80	29.04	37.48
	Total HPPD	54.14	48.06	61.85

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2023 Iowa Medicaid Benchmarking Report
Wage Per Hour Analysis

Sch D Line No.	Occupation or Employment Category	Statewide	For-Profit	Not-For-Profit
	Administrative			
1	Administrator	53.46	49.75	58.23
2	Business Office	26.13	25.18	27.42
3	Advertising and Marketing	28.33	27.40	29.82
	Environmental			
27	Laundry	16.21	16.27	16.11
28	Housekeeping	16.99	16.41	17.66
29	Maintenance	23.78	23.69	23.85
30	Environmental Universal Worker	18.59	14.75	21.16
	Support Care			
58	Director of nursing	50.35	48.96	52.28
59	Administrative nursing (ADON, MDS, etc)	41.35	42.80	39.85
60	Medical Records Services	24.09	24.78	23.47
61	Medical Director	239.75	303.57	167.08
62	Activities	19.98	20.08	19.69
63	Social Services	25.93	25.47	26.25
64	Dietary Service	17.91	17.85	17.75
65	Support Universal Worker	16.45	15.85	16.41
81	Pharmacy consulting	56.43	45.04	70.24
84	Contracted professional support services	58.71	73.63	41.67
85	Professional support services	92.32	96.18	87.79
	Direct Patient Care			
90	RN	40.80	41.53	39.97
91	LPN	34.67	35.01	34.27
92	Certified aides - CNA, CMA, etc	22.48	22.69	22.18
93	Direct Care Universal Worker	18.36	18.11	19.15
94	Therapy salaries - inpatient residents	35.85	35.85	35.86
95	Therapy salaries - outpatient care			
96	Direct support professionals	34.88	34.70	37.86
97	Other direct care	22.84	26.58	17.48
105	Professional support - nurse consulting	138.33	124.86	154.19
106	Contracted nursing services - RN, LPN	70.90	69.77	72.04
107	Contracted nursing services - aides	42.68	43.10	41.97

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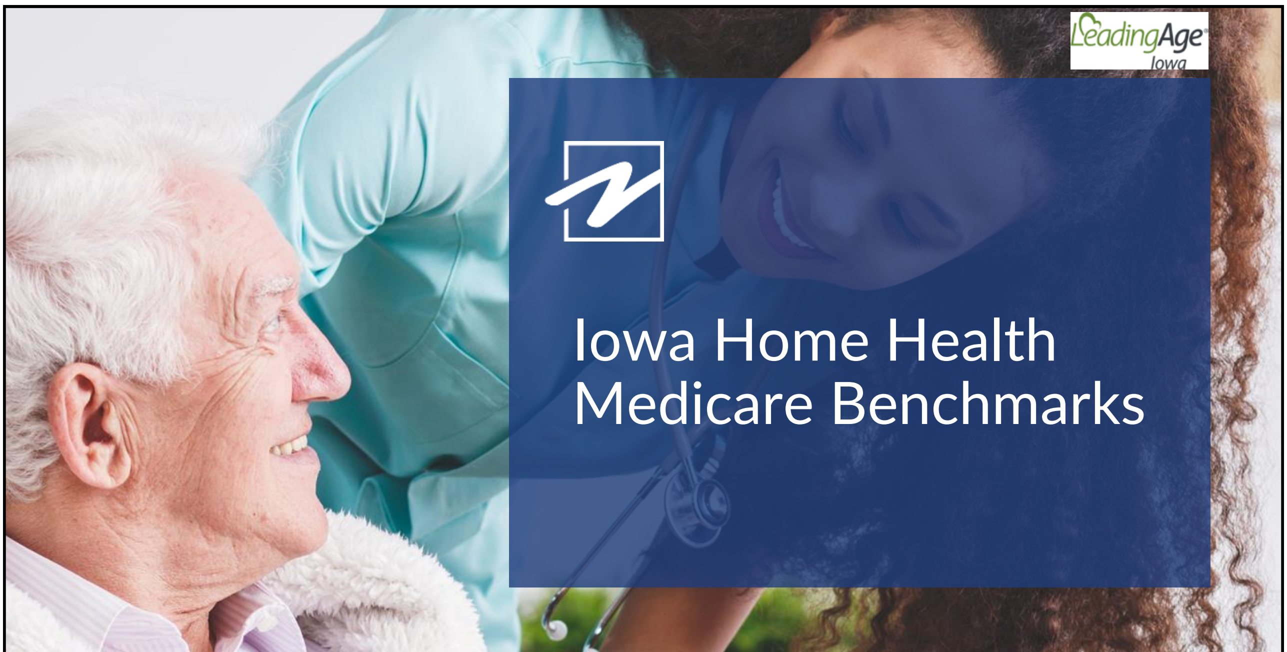

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Iowa Home Health Medicare Benchmarks

State of Iowa Home Health Benchmarks
Plante Moran EDGE® Report

Key Performance Indicators (KPIs)	IA SWA(A) 66
UTILIZATION STATISTICS (Paid Claims-PS&R)	
FYE	12/31/2023
Number of Paid Medicare Periods	
Total Periods	568
Full Periods without Outliers	78.89%
Full Periods with Outliers	12.91%
LUPA Periods	6.89%
PEP Only Periods	1.32%
Total	100.00%
Medicare Visits (All Periods)	
Skilled Nursing Care (RN & LPN)	1,798
Physical Therapy & PT Assistant	1,588
Occupational Therapy & OT Assistant	729
Speech Therapy	80
Medical Social Services	19
Home Health Aide	626
Total Medicare Visits	4,839
Therapy Visits to Total Visits	*49.52%*
Utilization per Period (Pd Visits / Period)	
Skilled Nursing Care (RN & LPN)	3.47
Physical Therapy & PT Assistant	3.04
Occupational Therapy & OT Assistant	1.46
Speech Therapy	0.15
Total Therapy Visits / Period	4.64
Medical Social Services	0.02
Home Health Aide	1.85
Total Medicare Visits	9.98
Average Visit per Patient	*22.44*
Average Period per Patient	*2.01*

(A) Benchmark data derived from 2023 CMS cost report database

State of Iowa Home Health Benchmarks
Plante Moran EDGE® Report

Key Performance Indicators (KPIs)	IA SWA(A) 66
UTILIZATION STATISTICS (all payors & services)	
FYE	12/31/2023
Total Agency Visits	
Skilled Nursing Care RN	4,997
Skilled Nursing Care LPN	573
Physical Therapy	2,081
Physical Therapy Assistant	540
Occupational Therapy	1,130
Occupational Therapy Assistant	130
Speech Therapy	147
Medical Social Services	67
Home Health Aide	4,351
All Other Services	694
Total Agency Visits	14,710
Total Agency Visits by Payor	
Number of Medicare Visits	4,705
Number of Medicaid Visits	2,875
Number of Other Medicare-Like Visits	5,752
Number of Other Non-Medicare-Like Visits	694
Number of Medicare Patients	758
Number of Medicaid Patients	118
Number of Other Medicare-Like Patients	667
Number of Other Non-Medicare-Like Patients	18
Medicare Unduplicated Census Count	208
Medicaid Unduplicated Census Count	46
Other Unduplicated Census Count	285
Medicare Estimated Recertifications	3.3
Medicaid Estimated Recertifications	1.4
Other Estimated Recertifications	2.2

(A) Benchmark data derived from 2023 CMS cost report database

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State of Iowa Home Health Benchmarks
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Key Performance Indicators (KPIs)	IA SWA(A) 66
PROFITABILITY STATISTICS	
FYE	12/31/2023
Medicare Reimb. per Period	
Total Periods	$ 1,750.08
Full Periods without Outliers	1,793.21
Full Periods with Outliers	2,250.43
LUPA Periods	242.22
PEP Only Periods	1,087.20
Medicare Cost per Period	
Total Periods	$ 1,706.25
Full Periods without Outliers	1,655.55
Full Periods with Outliers	3,220.46
LUPA Periods	308.85
PEP Only Periods	1,313.09
Cost of Supplies per Period	
Total Periods	$ 21.67
Full Periods without Outliers	20.42
Full Periods with Outliers	24.64
LUPA Periods	6.53
PEP Only Periods	34.65
Medicare Gain (Loss) per Period	
Total Periods	$ 22.16
Full Periods without Outliers	117.25
Full Periods with Outliers	(994.68)
LUPA Periods	(73.15)
PEP Only Periods	(260.54)
Medicare Profit (Loss) Margin (Excludes Non Allow)	*1.27%*
Total Agency Profit (Loss) Margin	*8.77%*

(A) Benchmark data derived from 2023 CMS cost report database

State of Iowa Home Health Benchmarks
Plante Moran EDGE® Report

Key Performance Indicators (KPIs)	IA SWA(A) 66
OPERATIONAL STATISTICS	
FYE	12/31/2023
Payor Mix	
Medicare	30.17%
Medicaid	19.38%
Other	50.45%
Total	100.00%
Avg. Net Patient Revenue Per Visit by Payor	
Medicare	$ 200.19
Medicaid	112.04
Other	120.06
Total	137.05
Medicare Reimbursement Vitals	
Payment Per Period	$ 1,750
Estimated Case-Mix Weight	N/A
Cost per Visit (All Periods)- MCR & MCR-Like	
Skilled Nursing - RN	$ 220.55
Skilled Nursing - LPN	162.65
Physical Therapy	185.26
Physical Therapy Assistant	144.41
Occupational Therapy	178.00
Certified Occupational Therapy Assistant	153.48
Speech Therapy	190.41
Medical Social Services	270.21
Home Health Aide	70.27
Charge per Visit (All Periods)- MCR Only	
Skilled Nursing Care (RN & LPN)	$ 196.05
Physical Therapy & PT Assistant	200.89
Occupational Therapy & OT Assistant	199.98
Speech Therapy	208.88
Medical Social Services	305.10
Home Health Aide	91.24

(A) Benchmark data derived from 2023 CMS cost report database

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State of Iowa Home Health Benchmarks
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Key Performance Indicators (KPIs)	Measured
OPERATIONAL STATISTICS	
FYE	12/31/2024
Productivity	IA SWA 12-31-2023
A&G hours per visit	1.1
Total Hours per Visit	2.8
Skilled Nursing Hours per Visit (Nurse Only)	2.5
Home Health Aide Hours per Visit (Aide Only)	1.8
Physical Therapy Hours per visit	1.6
Occupational Therapy Hours per visit	1.6
Speech Therapy Hours per visit	1.8
Medical Social Services Hours per visit	1.9
Expenses as % of Total Expense	IA SWA 12-31-2023
Salaries	*52.9%*
Benefits as a % of Total Salaries	*25.7%*
Purchased Services	*9.6%*
Total Labor (Wages, Benefits & Purchased)	*75.7%*
Direct Labor (Salaries only)	*38.2%*
Indirect Labor (Salaries only)	*17.4%*
Transportation	*3.4%*
Administrative & General (Wages, Benefits, & Purchased)	*35.9%*
Capital & Plant	*3.3%*
Advertising (Wages, Benefits, & Purchased)	*0.7%*

(A) Benchmark data derived from 2023 CMS cost report database

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State of Iowa Home Health Benchmarks
Plante Moran EDGE® Report

Key Performance Indicators (KPIs)	IA SWA(A) 66
OPERATIONAL STATISTICS	
FYE	12/31/2023
Key Balance Sheet Ratios	
Days in Accounts Receivable	58.93
Current Ratio	1.49
Quick Ratio	1.35
Return on Equity	9.2%
Return on Assets	-3.0%
Bad Debt % of Net Revenue	2.0%[(B)]
Operating Margin per Medicare Cost Report	
Operating Margin	8.77%
Per Visit Statistics (All visits and payors)	
Total Operating Revenue per Visit	$ 226.54
Total Average Cost Per Visit	$ 219.72
Total Profit/(Loss) Per Visit	$ 6.82

(A) Benchmark data derived from 2023 CMS cost report database (B) Industry standard

State of Iowa Home Health Benchmarks
Plante Moran EDGE® Report

Key Performance Indicators (KPIs)	IA SWA(A) 66
STAFFING AND WAGE STATISTICS	
FYE	12/31/2023
FTE Analysis	
Number of Staff FTEs (Excludes Non Allow.)	21.15
Number of Contract FTEs (Excludes Non Allow.)	2.01
Total Agency FTEs (Excludes Non Allow.)	23.16
Average Hourly Wage (Salary)	
Nursing Supervisor	$ 49.77
Registered Nurses	$ 44.96
Licensed Practical Nurses	$ 32.22
Physical Therapists	$ 57.50
Physical Therapy Assistants	$ 31.07
Occupational Therapists	$ 51.55
Occupational Therapy Assistants	$ 34.04
Speech-Language Pathologists	$ 55.26
Other Medical Staff	$ 24.67
Average Hourly Wage (Contract)	
Physical Therapists	$ 73.75
Physical Therapy Assistants	$ 63.07
Occupational Therapists	$ 70.42
Occupational Therapy Assistants	$ 57.52
Speech-Language Pathologists	$ 70.26
Other Medical Staff	$ 21.00

(A) Benchmark data derived from 2023 CMS cost report database

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Iowa Hospice Medicare Benchmarks

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State of Iowa 2023 Hospice Benchmarks
Plante Moran EDGE(R) Report

Cost Per Day Per Cost Report	Iowa 2023 Avg Total PPD
Cost Allocation Analysis	
Inpatient Care - Contracted	2.54
Physician Services	1.91
Nurse Practitioner	3.05
Registered Nurse	30.43
LPN / LVN	2.54
Physical Therapy	0.21
Occupational Therapy	0.11
Speech/Language Pathology	0.01
Medical Social Services	7.55
Spiritual Counseling	4.46
Dietary Counseling	0.09
Counseling - Other	0.00
Hospice Aide and Homemaker Services	12.10
DME / Oxygen	6.55
Patient Transportation	0.69
Imaging Services	0.07
Labs and Diagnostics	0.98
Medical Supplies - Non Routine	1.44
Drugs Charged to Patient	1.38
Outpatient Services	0.34
Palliative Radiation Services	0.01
Palliative Chemotherapy	-
Other Patient Care Services	3.03
Total Direct Patient Care Service	79.49

State of Iowa 2023 Hospice Benchmarks
Plante Moran EDGE(R) Report

Cost Per Day Per Cost Report	Iowa 2023 Avg Total PPD
Cost Allocation Analysis	
Capital - Building & Fixture	0.07
Capital - Moveable Equipment	0.03
Employee Benefits	8.61
Administrative & General	46.09
Plant Operations & Maintenance	0.15
Laundry & Linen	0.00
Housekeeping	0.01
Dietary	0.01
Nursing Administration	15.66
Routine Medical Supplies	1.64
Medical Records	0.17
Staff Transportation	8.51
Volunteer Services Coordinator	2.10
Pharmacy	8.78
Physician Administration Services	7.37
Other General Services	0.00
Patient/Residential Care Services	1.46
Total General Service Cost Centers	100.64
Total Reimbursable Cost per Day (Sch C)	$ 180.14
Iowa Avg 2023 Fringe Benefits % of Salaries	19.50%
Iowa Avg 2023 Labor & Benefits % of Revenue	43.81%

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