

RURAL - URBAN DIFFERENCES IN NURSING HOME AND SKILLED NURSING SUPPLY

Kathleen Dalton, Ph.D., Rebecca Slifkin, Ph.D., Joan Walsh, Ph.D.

North Carolina Rural Health Research and Policy Analysis Center
Cecil G. Sheps Center for Health Services Research, UNC-Chapel Hill

At the beginning of 2001, 16,848 nursing homes with just over 1.7 million extended-care beds were certified to provide care to Medicaid and/or Medicare beneficiaries in the United States. Approximately 5,900 certified nursing facilities, or 35% of the total, were located in non-metropolitan (rural) counties across the nation. Rural facilities operated nearly 500,000 certified beds, or about 29% of the nation's total.

Table 1: Distribution of Nursing Facilities and Beds Across Urban Influence Groups¹

All Nursing Homes:	Number of Facilities	% total	Number of Beds	% total	% population > 65
Metropolitan	10,907	65	1,223,678	71	77
Nonmetropolitan:					
Adjacent > 10,000	1,241	7	115,804	7	6
Adjacent < 10,000	1,793	11	152,445	9	7
Not adjacent, > 2, 500	2,297	14	189,180	11	8
Not adjacent < = 2, 500	610	4	38,991	2	2
Subtotal, nonmetro	5,941	35	496,420	29	23
Total	16,848	100	1,720,098	100	100

The sub-set of skilled nursing facilities that participate in Medicare must meet the requirement that at least some services are provided by or under the supervision of licensed medical and nursing personnel (skilled nursing care). Thirty-three percent of Medicare participating facilities, and 27% of Medicare certified beds are located in non-metropolitan counties.

Table 2: Distribution of Skilled Nursing Facilities and Beds Across Urban Influence Groups¹

Medicare-Participating Facilities Only	Number of Facilities	% total	Number of Beds	% total	% population > 65
Metropolitan	9,892	68	1,144,852	73	77
Nonmetropolitan:					
Adjacent > 10,000	1,072	7	102,191	7	6
Adjacent < 10,000	1,464	10	128,109	8	7
Not adjacent, > 2, 500	1,843	12	156,062	10	8
Not adjacent < = 2, 500	426	3	29,019	2	2
Subtotal, nonmetro	4,805	33	415,381	27	23
Total	14,787	100	1,560,233	100	100

¹ Source: Authors' calculations from OSCAR file, March 2001. Rural counties are defined by aggregation of Urban Influence Codes, based on adjacency to Metropolitan counties and the largest city within the county.

Rural Availability of Nursing Home Beds

Ratios of total certified nursing home beds per resident aged 65 and over, and of Medicare-certified beds per resident 65 and over, both tended to be higher in rural counties than in urban ones. The mean number of certified beds across all non-metropolitan counties (66.7 per thousand older residents) was 29% greater than the comparable average (51.9 beds per thousand) across metropolitan counties.

Fifty percent of all rural counties had a ratio of 64 beds/1000 or greater, while the comparable median point for urban counties was 49.1 beds/1000.

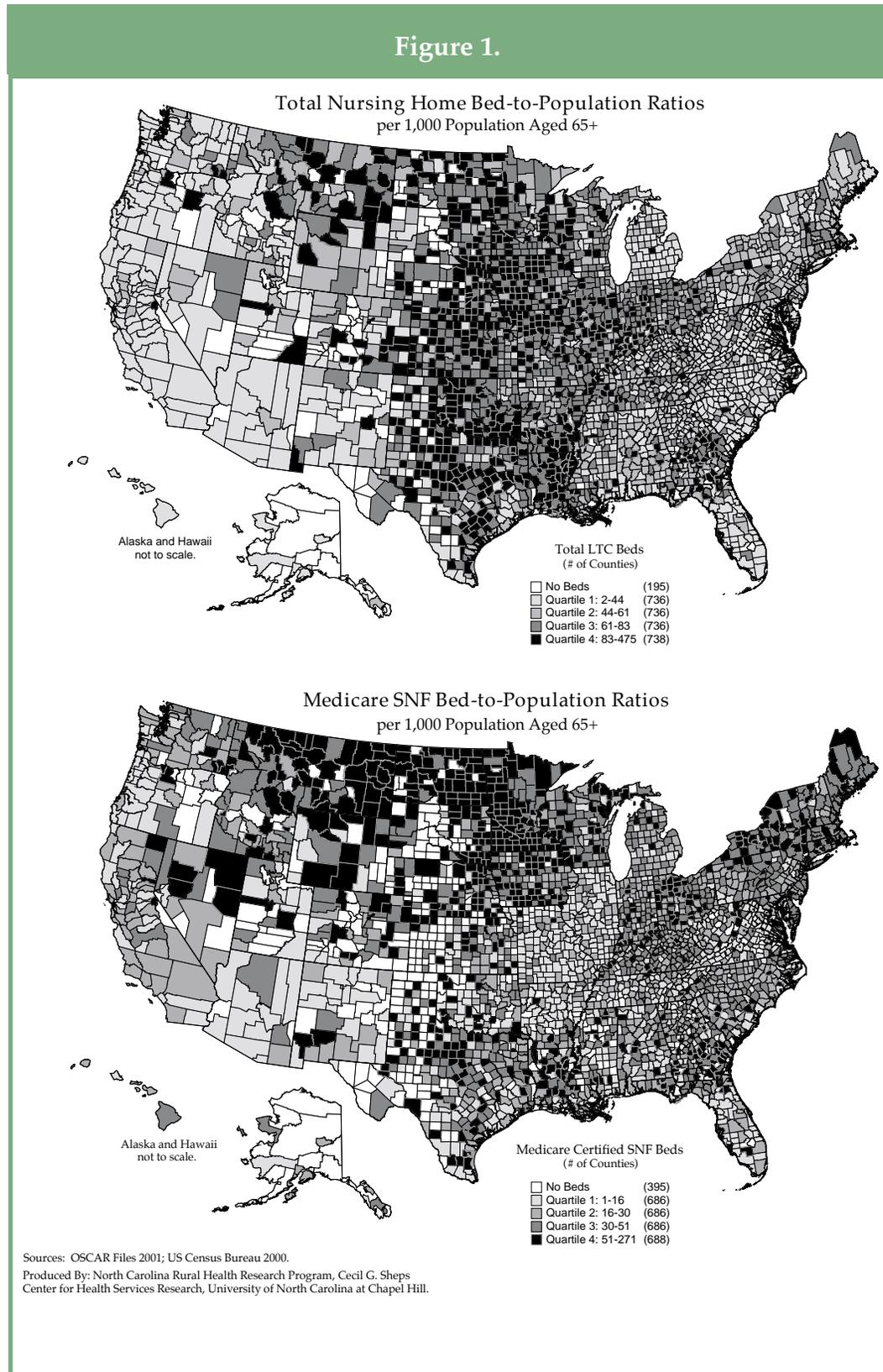
Medicare-certified beds per 1000 older residents also tended to be higher in rural counties, though differences by location were not as big, with 34.8 skilled beds per thousand older residents in rural areas, compared with 27.2 in urban counties.

(Figure 1) ▶

There is great interstate variation in the supply of nursing home beds relative to population, which may reflect the influences of state-level regulation and reimbursement.

It should be noted that linking bed-to-population ratios with access to skilled nursing services is problematic. The available data only indicate whether a bed is certified for Medicare-or Medicaid-reimbursed skilled care, but not how the bed is actually used.

Figure 1.



Although rural areas overall were above average in population-based bed supply, 16.1% of non-metropolitan counties had no Medicare-certified beds and very rural counties are much more likely than larger rural or urban counties to have no nursing homes with Medicare certified beds. Many of these counties rely heavily on hospital swing beds, rather than certified skilled beds, to meet Medicare demand for

skilled care: Four in every ten counties with no Medicare-certified beds had at least one hospital with swing beds.

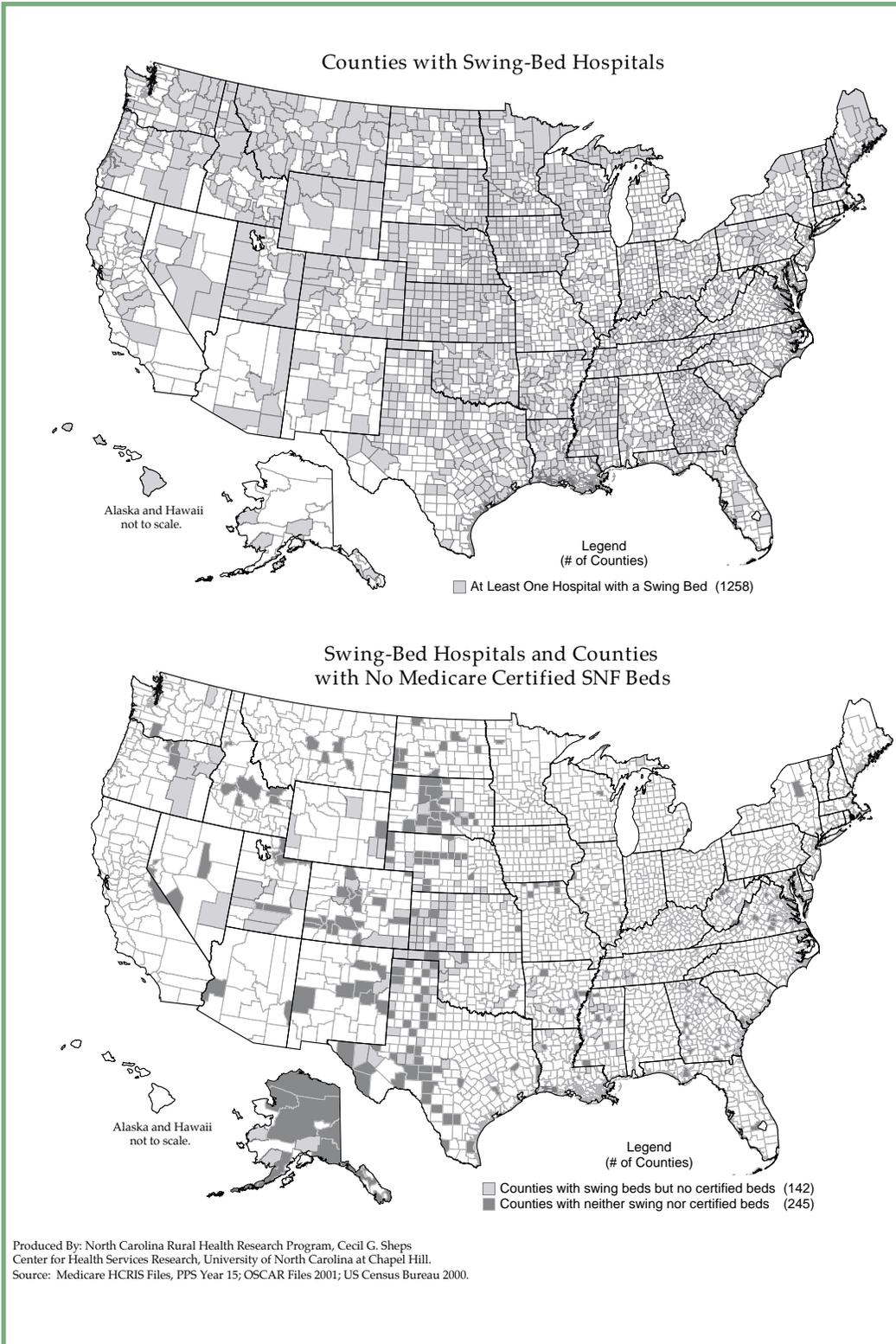
A “swing bed” can be any unoccupied medical-surgical bed located on a routine nursing unit of a qualifying small rural hospital that is used to provide post-acute extended care to patients without moving them from the bed where they spent their hospital admission. At the beginning of 2001, there were 1,309 hospitals with approval to use swing beds. These hospitals were widely distributed across the country.

◀ (Figure 2)

The role of swing beds in preserving access to skilled care seemed particularly strong in the sparsely populated west-central and mountain regions. However, many of the 245 rural counties that have neither swing beds nor certified beds are also located in these same regions.

◀ (Figure 2, lower map)

Figure 2.



When examining the differences between urban and rural nursing facilities, a number of points emerge:

- ◆ Although the supply of nursing beds per thousand residents over age 65 is higher on average in rural areas, the nation's most rural counties are most likely to have no certified nursing homes.
- ◆ The density of nursing beds appears to be a state-level phenomenon.
- ◆ There are individual states that make extensive use of swing beds to maintain access to skilled nursing care.

DATA:

The principal data source for this analysis is the Online Survey, Certification and Reporting System file (OSCAR, through March 2001), produced and updated quarterly by the Centers for Medicare and Medicaid Services. The licensure data are supplemented by utilization data from Medicare skilled nursing facility cost reports from the federal fiscal year 1998 (the last period prior to PPS implementation). Institution-level data have been merged with county-level population figures from the 2000 census.

For more information, see Working Paper No. 74, "Background Paper: Rural and Urban Difference in Nursing Home and Skilled Nursing Supply" available at:

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North Carolina Rural Health Research and Policy Analysis Program

Cecil G. Sheps Center for Health Services Research
CB # 7590, 725 Airport Road
University of North Carolina at Chapel Hill
Chapel Hill, NC 27599-7590