

South Dakota's Nursing Homes are Vulnerable to Closure

What puts a nursing home at risk?

Declining Occupancy

South Dakota's percentage of occupied beds has fallen by **15%** during the COVID-19 pandemic from over **87%** in 2019 to **74%** in Fall 2021.

Unfunded Mandates

During the COVID-19 pandemic, the federal government has added **over 236 new** regulations. Each regulation adds costs without funding new costs. Non-compliance results in increased costs through civil monetary penalties.

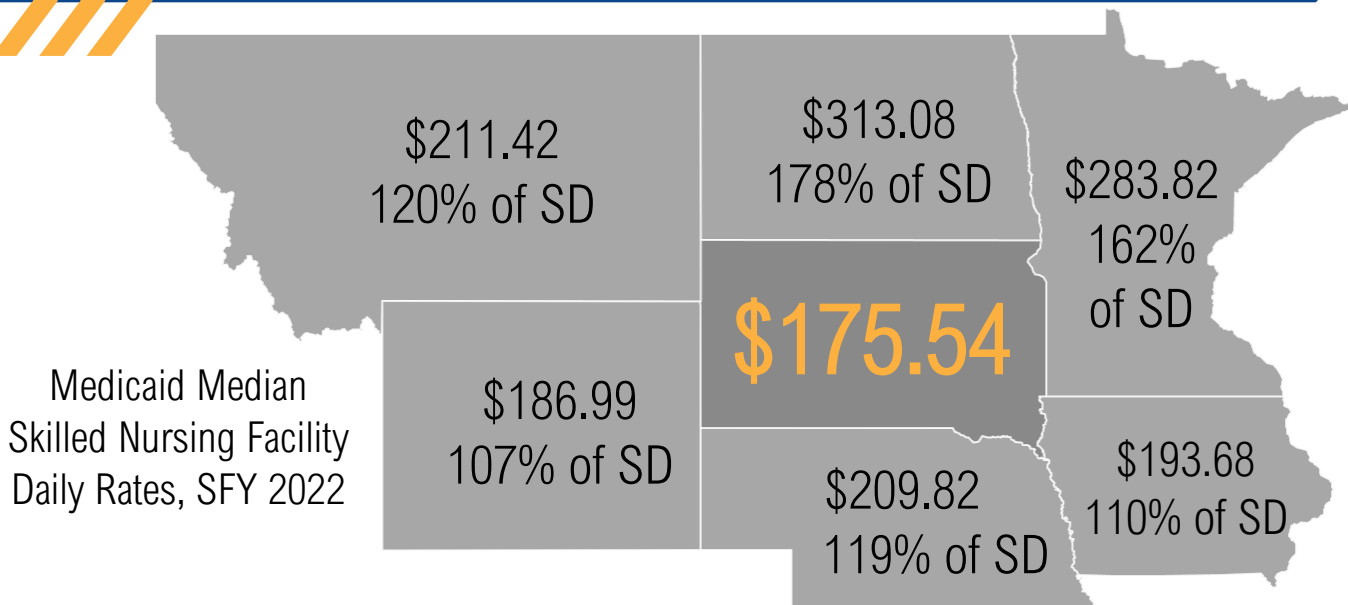
High Medicaid Percentage

The COVID-19 pandemic has increased reliance on Medicaid as a payer source. Medicaid rates do not cover the cost of care, leaving facilities with a median **\$42** per bed per day shortfall, or more than **\$15,000** in unreimbursed cost for one patient over a year.

Workforce Shortage

COVID-19 has added even more financial strain with increased costs due to the high number of contract staff needed to maintain care. Nursing homes already operate on slim margins. More than **HALF** of South Dakota nursing homes operate on a negative margin.

South Dakota's Medicaid rates are the **LOWEST** in the region.



Medicaid has a **\$41.74** per bed per day shortfall in nursing homes, or a loss of **\$15,330** per Medicaid patient per year.

Medicaid Nursing Facility Rate and Cost Shortfall Per Bed Per Day

