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EXHIBIT G

COMPARISON OF SGR COSTS FOR NURING AND ASSISTED LIVING

Nursing Home	Daily	Annual
SFY2020 Average Medicaid Per Diem:	\$ 195.05	\$ 71,388.30
Average Patient Liability:	\$ 32.73	\$ 11,979.18
Quality Assurance Fee (QAF) (Bed Tax):	\$ 21.41	\$ 7,836.06
Federal Match for QAF:	\$ 53.16	\$ 19,456.56
Federal Match for State GR:	\$ 62.40	\$ 22,838.40
State General Revenue:	\$ 25.35	\$ 9,278.10
Total Provider Revenue:	\$ 195.05	\$ 71,388.30
Assisted Living		
SFY2020 Average Medicaid Per Diem:	\$ 74.36	\$ 27,215.76
Daily Room/Board Payment:	\$ 23.16	\$ 8,476.56
Average Patient Liability:	\$ 14.52	\$ 5,314.32
Patient's Daily Room/Board Payment:	\$ 23.16	\$ 8,476.56
Federal Match:	\$ 42.60	\$ 15,591.64
State General Revenue:	\$ 17.24	\$ 6,309.80
Total Provider Revenue:	\$ 97.52	\$ 35,692.32

The daily savings are **\$8.11 per day** for Assisted Living over skilled nursing.

This gap will widen even more for SFY2021 as nursing home rates increased due to labor and covid costs **and assisted living rates were decreased!**

The AL rate can go up to \$102.50 and still not cost SGR more than skilled nursing costs.

The State financial information above was provided by Mark White on 8/22/21.

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Indian Rock Village Nursing Home & Assisted Living rates

<u>DATE</u>	<u>Nuring Home Rate</u>	<u>Average Assisted Living Rate</u>	<u>AL as a % of Nursing Home rates*</u>
1/1/2014	\$177.54	\$78.40	44.16%
7/1/2014	\$178.37	\$78.40	43.95%
1/1/2015	\$162.71	\$78.40	48.18%
7/1/2015	\$174.67	\$78.40	44.88%
1/1/2016	\$206.49	\$78.40	37.97%
7/1/2016	\$195.42	\$78.40	40.12%
1/1/2017	\$162.62	\$78.40	48.21%
7/1/2017	\$184.45	\$78.40	42.50%
1/1/2018	\$168.73	\$78.40	46.46%
7/1/2018	\$181.04	\$78.40	43.31%
1/1/2019	\$189.50	\$80.33	42.39%
7/1/2019	\$190.08	\$75.97	39.97%
1/1/2020	\$191.60	\$71.61	37.37%
7/1/2020	\$194.78	\$67.25	34.53%
1/1/2021	\$207.74	\$67.25	32.37%
Change			
2014-21	17.01%	-14.22%	

All services are provided in the same building!

* This percentage is meaningful because some states base their AL and RCF rates as a percentage of their skilled rates. In Washington State the ratio is 58% and the association says that is too low!

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Comparison of Assisted Living rates and minimum wage

<u>DATE</u>	<u>AVERAGE ASSISTED LIVING RATE</u>	<u>CHANGE FROM PREVIOUS YEAR</u>	<u>ARKANSAS MINIMUM WAGE</u>	<u>CHANGE FROM PREVIOUS YEAR</u>
1/1/2014	\$78.40	0.00%	\$7.25	0.00%
1/1/2015	\$78.40	0.00%	\$7.50	3.45%
1/1/2016	\$78.40	0.00%	\$8.00	6.67%
1/1/2017	\$78.40	0.00%	\$8.50	6.25%
1/1/2018	\$78.40	0.00%	\$8.50	0.00%
1/1/2019	\$80.33	2.46%	\$9.25	8.82%
7/1/2019	\$75.97	-5.43%	\$9.25	
1/1/2020	\$71.61	-5.74%	\$10.00	8.11%
7/1/2020	\$67.25	-6.09%	\$10.00	
1/1/2021	\$67.25	0.00%	\$11.00	10.00%

In 2009 the Federal minimum wage was raised to \$7.25

The rate on 1/1/19 reflected a combination of four rates that were combined to only one rate regardless of the resident's care needs.

Our current rate of \$67.25 is about what we were getting paid for our second from lowest tier in 2010 (\$67.06).

Minimum wage has increased 52% since 2015 and assisted living rates have dropped from the high by 21%.

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Summary of DHS Rate Study - Facilities Responding

Exhibit 2
Medicaid Living Choices Assisted Living Waiver Fee Development
Summary of Exhibit B from Provider Survey Data Used for Rate Review

Item	PPD	Item	PPD	Over / Under 2020 - 2019
CY 2019		CY 2020		
<u>Labor</u>	\$ 53.13	<u>Labor</u>	\$ 56.14	\$ (3.01)
<u>Office Expense</u>	\$ 7.30	<u>Office Expense</u>	\$ 7.28	\$ 0.02
<u>Maintenance</u>	\$ 4.16	<u>Maintenance</u>	\$ 4.02	\$ 0.13
<u>Dietary</u>	\$ 2.65	<u>Dietary</u>	\$ 3.28	\$ (0.63)
<u>Housekeeping and Laundry</u>	\$ 1.33	<u>Housekeeping and Laundry</u>	\$ 1.68	\$ (0.34)
<u>Other</u>	\$ 18.97	<u>Other</u>	\$ 20.58	\$ (1.61)
<u>Total</u>	\$ 87.54	<u>Total</u>	\$ 92.98	\$ (5.45)