

Profits Not Care:



A Study of Staffing and Profits in Washington's For-profit Nursing Homes

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Summary

Nursing homes claim that a lack of state funding is responsible for the staffing crisis in skilled nursing facilities. However, this study shows that many for-profit Washington state nursing homes are spending less than their state-allotted funds on direct care. Instead of hiring more direct care staff to improve patient care, or paying existing staff better in order to retain them, these nursing homes are retaining a portion of the unspent funds as profit.

Our study of for-profit nursing homes finds:

- In 2000, 45 Washington state nursing homes underspent almost \$3 million in Medicaid direct care costs allowed by the state.
- 39 of those homes kept more than \$430,000 of that unspent money as profit.
- The homes that underspent had, on average, lower staffing levels than other nursing homes.
- The homes that underspent also averaged more state deficiency citations for poor quality of care.

As Washington state grapples with an increasingly tight budget, legislators need to look critically at how nursing homes are spending state dollars, and strengthen accountability and incentives for quality care.

Profits not care: Staffing and profits in Washington's for-profit nursing homes

Many nursing homes and their advocacy organizations claim they need more money to increase staffing levels in nursing homes. Jim Roe, president of the Washington Health Care Association, an association that represents 190 for-profit nursing homes in Washington state, says, “We have a staffing shortage and a financial crisis resulting from the state’s chronic failure to adequately fund the care for those individuals who are the state’s responsibility.”¹

But a number of Washington state’s nursing homes actually spend less than the allowed Medicaid reimbursement for direct-care costs. Direct care reimbursements primarily fund nursing home staff — nursing assistants and nurses who care for nursing home residents. Nursing home services are labor intensive, and the quality of care depends primarily on the staff who care for the residents.²

Direct care workers are the lifeblood of a nursing home, and nursing homes spend the largest portion of their budget on direct care. For each nursing home, the state calculates a rate the home can spend on direct care for Medicaid consumers, based on factors like the characteristics of the patients a home typically cares for.³ Under state regulations, if homes do not spend the rate they are allotted, they keep a portion of their underspending as profit.

Our study of nursing home cost reports for 2000 finds that 45 for-profit nursing homes spent less than the amount they were authorized to spend on direct-care Medicaid costs; 39 of those homes

retained profits because of this underspending. In fact the nursing homes in Washington that retained profits because of their underspending on direct care were overwhelmingly for-profit homes: 39 for-profit homes retained profits because of underspending on direct care, while only two non-profit homes and one government run home retained these profits.⁴ Six for-profit homes underspent but did not collect profits due to direct care underspending because they were out of compliance with state care regulations, and were therefore ineligible for this incentive program.⁵

This figure is particularly troubling in the nursing home industry where overspending on Medicaid direct care — not underspending — is typical, and staff retention is a challenge due to low wages and difficult working conditions.

Impacts of underspending on quality of care for residents

In Washington state, about two-thirds of nursing home residents are covered under Medicaid. The remainder of nursing home patients are covered under Medicare, by private insurance, or they pay for their own care.

A number of different staff care for patients in nursing homes. Registered nurses (RNs) and licensed practical nurses (LPNs) are the licensed direct care staff in nursing homes. They oversee the day to day care of residents, and coordinate care plans, medications and treatments with other specialists. Nurse's aides or certified nursing assistants (CNAs) are the largest workforce in a nursing home, and provide daily care for patients, helping residents with eating, dressing and going to the bathroom. They also provide regular exercise for patients, and reposition immobile patients.

Health care workers employed by nursing homes generally have low wage and benefit levels. The typical hourly wage for nurse's aides is \$7.46, and 29 percent have no health insurance.⁸ As a result, nursing homes often have very high turnover rates; the U.S. Department of Health and Human Services estimates the annual nursing home staff turnover rate is between 70 and 100 percent.⁹

For-profit homes that underspent had more care deficiencies⁶

Type of nursing home	1999 average deficiencies	2000 average deficiencies	2001 average deficiencies
For-profit underspenders	10	10	11
Non-profits	7	7	6
State average	8	8	8

For-profit homes that underspent had lower staffing levels⁷

Type of nursing home	RN hours per resident per day	LPN hours per resident per day	CNA hours per resident per day
For-profit underspenders	0.7	0.6	2.06
Non-profits	1.12	0.6	2.90
State average	1	0.6	2.50
National average	1	0.8	2.40

The Institute of Medicine (IOM) conducted a study on how to improve nursing home care, and recommended homes improve care by increasing staff levels and improving the staff's working conditions to better retain qualified staff.¹⁰

A new grant program aimed at improving the quality of nursing home care in Michigan also focuses on staffing levels and retention. When discussing the program, Governor Engler, chair of the National Governor's Association, said, "By helping nursing homes find new and innovative ways to effectively train and keep their staff, we will be ensuring that our most vulnerable citizens are receiving the best care possible."¹¹

Nursing homes that underspent on direct care in Pierce County¹²	
Total number of homes in county:	22
Number of for-profit nursing homes in county that underspent in direct care:	9 (41% of nursing homes in Pierce County)
Average number of deficiencies at the underspending facilities:	7 (2001) 8 (2000) 10 (1999)
Staffing levels at the underspending facilities:	0.53 RN hours per day per resident (average for nation, and WA is 1) 0.74 LPN hours per day per resident (average for nation is 0.8, and WA is 0.6) 1.97 CNA hours per day per resident (average for nation is 2.4, and WA is 2.5)
Total profit retained on direct care by for-profit underspenders:	\$134,859
Total amount underspent by for-profits:	\$552,684
Number of serious deficiencies (1999-2001):	31
Examples of serious deficiencies:	1. Failed to give each resident care and services to get or keep the highest quality of life possible. 2. Failed to give each resident enough fluids to keep them healthy and prevent dehydration. 3. Failed to give residents proper treatment to prevent new bed (pressure) sores or heal existing bed sores. 4. Failed to make sure that each resident's nutritional needs were met.

These problems of inadequate staffing and staff retention in nursing homes are well documented, yet many of Washington's for-profit nursing homes are underspending on direct care. Additionally, the same for-profit homes that underspent on direct care have staffing levels below national and state averages, and below the staffing levels of the non-profit nursing homes in the state of Washington.

The state and national average staffing levels are already inadequate: a report prepared by the U.S. Department of Health and Human Services (HHS) recently found more than 90 percent of the nation's nursing homes have too few staff to take proper care of patients.¹³ The study found "strong and compelling" evidence that nursing homes with a low ratio of nursing personnel to patients were more likely to provide substandard care. The report also found patients in understaffed homes were more likely to experience bedsores, malnutrition, weight loss, dehydration, pneumonia, and serious blood borne infections.

Nursing homes that underspent on direct care in Yakima County¹⁴	
Total number of homes in county:	16
Number of for-profit nursing homes in county that underspent in direct care:	8 (50% of nursing homes in Yakima County)
Average number of deficiencies at the underspending facilities:	16 (2001) 9 (2000) 9 (1999)
Staffing levels at the underspending facilities:	0.77 RN hours per day per resident (average for nation, and WA is 1) 0.31 LPN hours per day per resident (average for nation is 0.8, and WA is 0.6) 2.19 CNA hours per day per resident (average for nation is 2.4, and WA is 2.5)
Total profit retained on direct care by for-profit underspenders:	\$62,613
Total amount underspent by for-profits:	\$171,125
Number of serious deficiencies (1999-2001):	31
Examples of serious deficiencies:	1. Failed to make sure each resident is being watched and has assistance devices when needed, to prevent accidents. 2. Failed to make sure that each resident's nutritional needs were met. 3. Failed to make sure that each residents' abilities to take care of themselves does not lessen, unless a change cannot be avoided. 4. Failed to give residents proper treatment to prevent new bed (pressure) sores or heal existing bed sores.

Underspending on direct care: More common in for-profit homes

Under the state's Medicaid reimbursement system, nursing homes receive funds based on a formula that takes into account various cost components of operating a skilled nursing facility. The biggest cost component is direct care, which covers nursing services — the pay and benefits of registered nurses, licensed practical nurses, nursing assistants, and the cost of some nursing supplies.

Nursing homes that retained profits from direct care underspending		
Type of nursing home	Total Washington homes of same type	Percent of type that underspent
For-profit	196	20%
Non-profit	60	3%
Government-run	14	7%

The state Department of Social and Health Services (DSHS) annually determines the allowable costs for each nursing home, based on a complex formula that takes into account factors like facility costs and patient health. Every year, nursing homes must file cost reports with DSHS, detailing how their allotted funds were spent. Under current state regulation, nursing homes that underspend on direct care are entitled to keep a portion of these funds.

This system was originally designed to provide an incentive for homes to increase efficiency and reduce costs. Instead, the result has been a reduction in the quality of care: homes are retaining these profits without even providing staffing at national or state average staffing levels. Unfortunately, national or state averages are inadequate as well: a report prepared by the Department of Health and Human Services recently found more than 90 percent of the nation's nursing homes have too few staff to take proper care of patients.¹⁵

The Washington Department of Social and Human Services estimates that 39 for-profit nursing homes retained over \$430,000 in payments for underspending on direct care. In addition, these for-profit homes did not spend nearly \$3 million in direct care that was allotted for their Medicaid residents.¹⁶

Of the 45 for-profit homes that underspent on direct-care, one-third were homes owned by national chains. Four of the six major for-profit national chains had multiple Washington homes that underspent: Kindred Healthcare, Beverly Enterprises, Sunbridge Healthcare, and Life Care Centers of America. Two regional chains also figured prominently: three of the 14 Washington Regency Pacific homes underspent on direct care, and four of the 12 Washington Eagle Healthcare homes underspent.

Major national chains underspending on direct care in Washington ¹⁷		
Chain name	Number of homes underspending	Number of Washington homes
Kindred Healthcare	8	11
Beverly Enterprises	3	8
Sunbridge Healthcare	2	14
Life Care Centers of America	3	21

Focus on Beverly Nursing Homes¹⁸

Beverly is a for-profit national chain with nursing homes across the country.

Number of homes in Washington state:	8
Number of those homes that underspent:	3 (37% of Beverly homes)
Average number of deficiencies at the underspending facilities:	18 (2001) 10 (2000) 9 (1999)
Staffing levels at the underspending facilities:	0.70 RN hours per day per resident (average for nation, and WA is 1) 1.34 LPN hours per day per resident (average for nation is 0.8, and WA is 0.6) 0.93 CNA hours per day per resident (average for nation is 2.4, and WA is 2.5)
Total profit retained on direct care by underspenders:	\$34,473
Total amount underspent:	\$320,386
Number of serious deficiencies (1999-2001):	13
Examples of serious deficiencies:	1. Failed to give proper treatment to residents with feeding tubes to prevent problems (such as aspiration pneumonia, diarrhea, vomiting, dehydration, metabolic abnormalities, nasal-pharyngeal ulcers) and help restore eating skills, if possible. 2. Failed to give residents proper treatment to prevent new bed (pressure) sores or heal existing bed sores. 3. Failed to make sure each resident is being watched and has assistance devices when needed, to prevent accidents.

Focus on Kindred Nursing Homes¹⁹

Kindred is a for-profit national chain with nursing homes across the country.

Number of homes in Washington state:	11
Number of those homes that underspent:	8 (73% of Kindred homes)
Average number of deficiencies at the underspending facilities:	12 (2001) 13 (2000) 15 (1999)
Staffing levels at the underspending facilities:	0.60 RN hours per day per resident (average for nation, and WA is 1) 0.68 LPN/LVN hours per day per resident (average for nation is 0.8, and WA is 0.6) 1.94 CAN hours per day per resident (average for nation is 2.4, and WA is 2.5)
Total profit retained on direct care by underspenders:	\$68,733
Total amount underspent:	\$1,132,828
Number of serious deficiencies (1999-2001):	69
Examples of serious deficiencies:	<ol style="list-style-type: none"> 1. Failed to provide care in a way that keeps or builds each resident's dignity and self respect. 2. Failed to properly care for residents needing special services, including: injections, colostomy, ureostomy, ileostomy, tracheostomy care, tracheal suctioning, respiratory care, foot care, and prostheses. 3. Failed to give the right treatment and services to residents who have mental or social problems adjusting.

Conclusion

In tight fiscal times, it is especially crucial that nursing homes use Medicaid payments to improve care, not profits.

Without tighter controls on acceptable levels of staffing and the use of long term care spending, more funding for nursing homes will not necessarily improve staffing, pay levels, or worker retention. State legislators should scrutinize nursing home expenditures and ensure that funding actually goes to improve patient care, such as increased staff levels, and higher wages and improved benefits to retain qualified staff. Legislators should also set minimum staffing levels for nursing homes and eliminate reimbursement provisions that give nursing homes — particularly for-profit homes — incentives to cut staff and care.

Appendix A: Underspending for-profit nursing homes direct care profits ²⁰								
Name	Owner	County	Medicaid Patient-Days	Allowable spending rate	Actual spending Rate	Total underspending	Direct Care Overpayment	2000 Profit from direct care allotment
CANYON LAKES RESTORATIVE AND REHABILITATION CENTER	Fig Inc	Benton	15115	69.95700073	67.62090302	\$ 35,310.12	\$ 68.32	\$ 10,574.00
CASCADE PARK CARE CENTER	Life Care Centers	Clark	17533	74.41429901	73.39659882	\$ 17,843.34	\$ 74.14	\$ 13,047.02
HERITAGE HEALTH & REHABILITATION CENTER	Kindred Nursing Centers West, L.L.C.	Clark	13643	72.41149902	58.23960114	\$ 193,347.20	\$ 58.96	\$ 9,879.08
MEADOW GLADE MANOR	Eagle Healthcare, Inc.	Clark	13947	66.50330353	65.37000275	\$ 15,806.15	\$ 66.04	\$ 9,275.19
VANCOUVER HEALTH & REHABILITATION CENTER	Kindred Nursing Centers West, L.L.C.	Clark	25009	64.48690033	60.62630081	\$ 96,549.73	\$ 61.27	\$ 16,127.48
NORTHWEST CONTINUUM CARE CENTER	Kindred Nursing Centers West, L.L.C.	Cowlitz	15005	62.4117012	58.96709824	\$ 51,686.27	\$ 59.59	\$ -
WOODLAND CONVALESCENT CENTER	Woodland Enterprises Inc	Cowlitz	16331	55.12739944	54.48310089	\$ 10,522.04	\$ 55.03	\$ 9,002.85
HIGHLINE CARE CENTERS, LLC	Highline Care Centers, LLC	Douglas	8971	59.43529892	58.90739822	\$ 4,735.80	\$ 59.44	\$ 4,735.80
BEVERLY HEALTH AND REHABILITATION CENTER	Beverly Enterprises - Washington, Inc.	Franklin	30860	61.10010147	57.89490128	\$ 98,912.48	\$ 58.51	\$ 18,855.46
SUNBRIDGE SPECIAL CARE CENTER - LAKE RIDGE	Sunbridge Healthcare Corporation	Grant	20632	64.99120331	61.26210022	\$ 76,938.85	\$ 61.91	\$ 13,408.94
GRAYS HARBOR HEALTH & REHAB CENTER	Beverly Enterprises - Washington, Inc.	Grays Harbor	26324	59.32690048	58.17639923	\$ 30,285.79	\$ 58.77	\$ 15,617.22
BRANCH VILLA HEALTH CARE CENTER INC	Branch Villa Health Care Center Inc.	King	66770	69.7609024	69.00430298	\$ 50,518.14	\$ 69.70	\$ -
LIFE CARE CENTER OF WEST SEATTLE	Life Care Centers	King	18093	70.14589691	69.82559967	\$ 5,795.14	\$ 70.15	\$ 5,795.14
QUEEN ANNE HEALTHCARE	Kindred Nursing Centers West, L.L.C.	King	27642	71.87460327	62.86869812	\$ 248,941.23	\$ 63.59	\$ -
GEORGIAN REHAB	Georgian Rehab Inc	Pierce	19440	65.14759827	61.76200104	\$ 65,816.01	\$ 62.41	\$ 12,664.65

Appendix A: Underspending for-profit nursing homes direct care profits ²⁰								
Name	Owner	County	Medicaid Patient-Days	Allowable spending rate	Actual spending Rate	Total underspending	Direct Care Overpayment	2000 Profit from direct care allotment
HERITAGE REHAB INC.	Heritage Rehab, Inc.	Pierce	17958	64.26210022	62.2867012	\$ 35,474.22	\$ 62.93	\$ 11,540.17
HIGHLANDS, THE	Highlands Rehab, Inc.	Pierce	21388	65.37400055	57.63949966	\$ 165,425.50	\$ 58.29	\$ 13,982.19
LAKEWOOD HEALTH CARE CENTER	Kindred Nursing Centers West, L.L.C.	Pierce	17559	68.55719757	60.51029968	\$ 141,295.48	\$ 61.20	\$ 12,037.99
RAINIER VISTA CARE CENTER	Kindred Nursing Centers West, L.L.C.	Pierce	24800	74.73840332	69.31390381	\$ 134,527.59	\$ 70.06	\$ 18,535.10
REGENCY AT PUYALLUP REHABILITATION CENTER	Regency Pacific Inc	Pierce	24125	75.6855011	73.71150208	\$ 47,622.73	\$ 74.47	\$ 18,259.04
REGENCY AT TACOMA REHABILITATION CENTER	Regency Pacific Inc	Pierce	39413	73.73699951	72.24500275	\$ 58,804.07	\$ 72.98	\$ 29,061.80
TACOMA REHAB INC	Tacoma Rehab Inc	Pierce	22049	66.52400208	66.14579773	\$ 8,339.03	\$ 66.52	\$ 8,339.03
UNIVERSITY PLACE CARE CENTER	Soundcare Inc	Pierce	19500	75.89659882	75.12770081	\$ 14,993.51	\$ 75.89	\$ 14,799.81
ISLANDS' CONVALESCENT CENTER	Life Care Centers	San Juan	11996	64.00090027	62.19350052	\$ 21,681.57	\$ 62.83	\$ 7,677.52
EDMONDS REHABILITATION AND HEALTHCARE CENTER	Kindred Nursing Centers West, L.L.C.	Snohomish	18181	74.56809998	69.32849884	\$ 95,261.19	\$ 70.07	\$ -
MERRY HAVEN HEALTH CARE CENTER INC	Merry Haven Health Care Ctr Inc	Snohomish	22759	69.85369873	66.68499756	\$ 72,116.47	\$ 67.38	\$ 15,898.07
PARKWAY NURSING CENTER	HMH Associates, Inc.	Snohomish	29490	54.50149918	49.73550034	\$ 140,549.31	\$ 50.28	\$ 16,072.45
BEVERLY HEALTH & REHAB CENTER AT NORTHPOINTE	Beverly Enterprises - Washington, Inc.	Spokane	28635	72.70680237	66.03009796	\$ 191,187.43	\$ 66.76	\$ -
NORTH CENTRAL CARE CENTER	North Central Care Center Inc.	Spokane	30879	68.00389862	67.80249786	\$ 6,219.05	\$ 68.00	\$ 6,219.05
REGENCY AT NORTHPOINTE	Regency Pacific Inc	Spokane	31505	68.98290253	54.85549927	\$ 445,083.84	\$ 55.55	\$ 21,733.12
BUENA VISTA INC	Buena Vista Inc	Stevens	8950	61.23460007	57.72090149	\$ 31,447.60	\$ 58.33	\$ 5,480.47

Appendix A: Underspending for-profit nursing homes direct care profits ²⁰									
	Name	Owner	County	Medicaid Patient-Days	Allowable spending rate	Actual spending Rate	Total underspending	Direct Care Overpayment	2000 Profit from direct care allotment
	PINEWOOD TERRACE NURSING CENTER	Eagle Healthcare, Inc.	Stevens	10745	57.05970001	55.97940063	\$ 11,607.82	\$ 56.55	\$ 6,131.04
	OLYMPIA MANOR	Hilltop Health Care Inc	Thurston	4364	69.55750275	68.71179962	\$ 3,690.65	\$ 69.41	\$ 3,035.48
	PARK MANOR REHABILITATION CENTER	The Ensign Group, Inc.	Walla Walla	9119	57.93349838	55.24509811	\$ 24,515.52	\$ 55.82	\$ 5,282.98
	BELLINGHAM HEALTH CARE AND REHABILITATION SERVICES	Kindred Nursing Centers West, L.L.C.	Whatcom	19006	63.94649887	54.93780136	\$ 171,219.30	\$ 55.58	\$ 12,153.68
	CHINOOK CONVALESCENT CENTER	International Healthcare Associates	Yakima	12915	75.5632019	72.80860138	\$ 35,575.67	\$ 73.56	\$ 9,758.97
	CRESCENT CONVALESCENT CENTER	Crescent Convalescent Center, Inc.	Yakima	23146	60.7655983	60.60240173	\$ 3,777.35	\$ 60.77	\$ 3,777.35
	EMERALD CIRCLE CONVALESCENT CENTER	Emerald Circle Convalescent Center, Inc	Yakima	21657	69.40769958	69.10469818	\$ 6,562.10	\$ 69.41	\$ 6,562.10
	GRANDVIEW HEALTHCARE CENTER	Eagle Healthcare, Inc.	Yakima	15468	63.50870132	59.81909943	\$ 57,070.76	\$ 60.45	\$ 9,823.51
	HERITAGE GROVE PARKSIDE NURSING CARE CENTER	Heritage Grove Eagle Healthcare, Inc.	Yakima	31698	73.59999847	72.88700104	\$ 22,600.59	\$ 73.60	\$ 22,600.59
	RENAISSANCE CARE CENTER	Renaissance Care Center, Inc.	Yakima	6536	63.53659821	63.4538002	\$ 541.17	\$ 63.54	\$ 541.17
	SELAH CONVALESCENT	Selah Convalescent Inc	Yakima	18008	60.55879974	59.65829849	\$ 16,216.23	\$ 60.26	\$ -
	HIGHLINE CONVALESCENT CENTER		Yakima	10489	60.15660095	59.69829941	\$ 4,807.12	\$ 60.16	\$ 4,807.12
				12376	57.10319901	55.67240143	\$ 17,707.55	\$ 56.24	\$ 7,067.06
							\$2,988,928.70		\$ 433,236

Appendix B: Underspending for-profit nursing homes staff levels (2001) and deficiencies (2001-1999) ²¹									
Name	Owner	County	# of beds	RN Hours per Resident per day - Nursing Home	LPN/LVN Hours per resident per day - Nursing Home	CNA Hours per resident per day - Nursing Home	# of Deficiencies - 2001	# of Deficiencies - 2000	# of Deficiencies - 1999
CANYON LAKES RESTORATIVE AND REHABILITATION CENTER									
	Fig Inc	Benton	53	0.76	0.6	2.83	2	0	12
CASCADE PARK CARE CENTER	Life Care Centers	Clark	88	1.04	0.36	2.1	N/A	11	9
HERITAGE HEALTH & REHABILITATION CENTER	Kindred Nursing Centers West, L.L.C.	Clark	53	0.78	0.36	2.05	0	3	13
MEADOW GLADE MANOR	Eagle Healthcare, Inc.	Clark	65	1.11	0.23	0.32	12	12	11
VANCOUVER HEALTH & REHABILITATION CENTER	Kindred Nursing Centers West, L.L.C.	Clark	98	0.73	0.34	1.73	9	12	9
NORTHWEST CONTINUUM CARE CENTER	Kindred Nursing Centers West, L.L.C.	Cowlitz	74	0.44	0.8	2.01	10	19	23
WOODLAND CONVALESCENT CENTER	Woodland Enterprises Inc	Cowlitz	62	0.72	2.44	2.45	0	5	1
HIGHLINE CARE CENTERS, LLC	Highline Care Centers, LLC	Douglas	101	0.6	0.61	2.45	11	14	11
BEVERLY HEALTH AND REHABILITATION CENTER	Beverly Enterprises - Washington, Inc.	Franklin	125	0.69	0.36	2.62	10	5	4
SUNBRIDGE SPECIAL CARE CENTER - LAKE RIDGE	Sunbridge Healthcare Corporation	Grant	74	0.64	0.44	2.38	10	4	12
GRAYS HARBOR HEALTH & REHAB CENTER	Beverly Enterprises - Washington, Inc.	Grays Harbor	121	0.65	0.55	1.86	11	6	9

Appendix B: Underspending for-profit nursing homes staff levels (2001) and deficiencies (2001-1999) ²¹									
Name	Owner	County	# of beds	RN Hours per resident per day - Nursing Home	LPN/LVN Hours per resident per day - Nursing Home	CNA Hours per resident per day - Nursing Home	# of Deficiencies - 2001	# of Deficiencies - 2000	# of Deficiencies - 1999
BRANCH VILLA HEALTH CARE CENTER INC	Branch Villa Health Care Center Inc.	King	237	0.4	0.69	2.5	18	29	12
LIFE CARE CENTER OF WEST SEATTLE	Life Care Centers	King	85	0.74	0.65	0.21	12	14	13
QUEEN ANNE HEALTHCARE	Kindred Nursing Centers West, L.L.C.	King	171	0.49	0.56	2.05	4	11	6
GEORGIAN REHAB	Georgian Rehab Inc	Pierce	73	0.45	0.73	1.98	6	15	N/A
HERITAGE REHAB INC.	Heritage Rehab, Inc.	Pierce	89	0.6	0.75	2.26	2	4	11
HIGHLANDS, THE	Highlands Rehab, Inc.	Pierce	86	0.43	0.58	2.23	6	15	1
LAKEWOOD HEALTH CARE CENTER	Kindred Nursing Centers West, L.L.C.	Pierce	80	0.41	0.89	1.75	15	10	24
RAINIER VISTA CARE CENTER	Kindred Nursing Centers West, L.L.C.	Pierce	120	0.48	0.83	2.15	7	11	15
REGENCY AT PUYALLUP REHABILITATION CENTER	Pacific Regency, Inc.	Pierce	99	0.54	1.31	2.8	2	4	1
REGENCY AT TACOMA REHABILITATION CENTER	Pacific Regency Inc.	Pierce	153	0.01	0.01	0.38	2	4	8
TACOMA REHAB INC	Tacoma Rehab Inc	Pierce	97	0.37	0.62	1.58	10	7	N/A
UNIVERSITY PLACE CARE CENTER	Soundcare Inc	Pierce	120	1.47	0.93	2.57	10	2	8

Appendix B: Underspending for-profit nursing homes staff levels (2001) and deficiencies (2001-1999) ²¹									
Name	Owner	County	# of beds	RN Hours per Resident per day - Nursing Home	LPN/LVN Hours per resident per day - Nursing Home	CNA Hours per resident per day - Nursing Home	# of Deficiencies - 2001	# of Deficiencies - 2000	# of Deficiencies - 1999
ISLANDS' CONVALESCENT CENTER	Life Care Centers	San Juan	60	1.28	0.19	2.43	16	15	9
EDMONDS REHABILITATION AND HEALTHCARE CENTER	Kindred Nursing Centers West, L.L.C.	Snohomish	98	0.48	0.93	1.76	25	16	24
MERRY HAVEN HEALTH CARE CENTER INC	Merry Haven Health Care Ctr Inc	Snohomish	91	0.9	0.52	2.19	5	5	13
PARKWAY NURSING CENTER	HMH Associates, Inc.	Snohomish	109	0.29	0.52	1.83	12	7	13
BEVERLY HEALTH & REHAB CENTER AT NORTHPOINTE	Beverly Enterprises - Washington, Inc.	Spokane	119	0.74	2.12	0	25	14	9
NORTH CENTRAL CARE CENTER	North Central Care Center Inc.	Spokane	101	1.01	0.36	3.26	6	7	9
REGENCY AT NORTHPOINTE	Regency Pacific Inc	Spokane	120	0.62	0.82	2.8	16	N/A	13
BUENA VISTA INC	Buena Vista Inc	Stevens	40	0.82	0.55	2.7	22	8	7
PINWOOD TERRACE NURSING CENTER	Eagle Healthcare, Inc.	Stevens	92	0.56	0.33	2.68	11	34	13
OLYMPIA MANOR	Hilltop Health Care Inc	Thurston	28	0.89	0.44	2.38	22	13	8
PARK MANOR REHABILITATION CENTER	The Ensign Group, Inc.	Walla Walla	79	0.75	0.28	1.85	6	8	8
BELLINGHAM HEALTH CARE AND REHABILITATION SERVICES	Kindred Nursing Centers West, L.L.C.	Whatcom	97	0.76	0.71	1.97	11	12	11

Appendix B: Underspending for-profit nursing homes staff levels (2001) and deficiencies (2001-1999) ²¹									
Name	Owner	County	# of beds	RN Hours per Resident per day - Nursing Home	LPN/LVN Hours per resident per day - Nursing Home	CNA Hours per resident per day - Nursing Home	# of Deficiencies - 2001	# of Deficiencies - 2000	# of Deficiencies - 1999
CHINOOK CONVALESCENT CENTER	International Healthcare associates	Yakima	64	0.88	0.34	1.94	21	22	8
CRESCENT CONVALESCENT CENTER	Crescent Convalescent Center, Inc.	Yakima	104	0.92	0.25	2.09	N/A	6	9
EMERALD CIRCLE CONVALESCENT CENTER	Emerald Circle Convalescent Center, Inc	Yakima	82	0.83	0.52	2.62	N/A	2	9
GRANDVIEW HEALTHCARE CENTER	Eagle Healthcare, Inc.	Yakima	60	0.88	0.33	2.2	4	13	5
HERITAGE GROVE	Heritage Grove	Yakima	101	0.59	0.41	2.34	9	4	N/A
PARKSIDE NURSING CARE CENTER	Eagle Healthcare, Inc.	Yakima	88	0.59	0.2	1.96	27	4	7
RENAISSANCE CARE CENTER	Renaissance Care Center, Inc.	Yakima	75	0.91	0.11	2.14	N/A	9	21
SELAH CONVALESCENT	Selah Convalescent Inc	Yakima	39	0.59	0.35	2.21	17	10	6
SUNBRIDGE CARE & REHABILITATION FOR YAKIMA VALLEY	Sunbridge Healthcare Corporation	Yakima	90	0.75	0.57	2.01	14	10	11
AVERAGES			92	0.70	0.60	2.06	11	10	10

Endnotes

- 1 Washington Health Care Association Press Release, December 18, 2001.
- 2 Institute of Medicine. "Improving the Quality of Long-Term Care," January, 2001.
- 3 Washington State RCW 74.46.433.
- 4 "Estimated Preliminary Settlement Cost Savings," Kenneth Callaghan, Washington Department of Social and Health Services, February 15, 2002.
- 5 *Ibid.*
- 6 The Official U.S. Government Site for People with Medicare, <http://www.medicare.gov/NHCompare/Search/InspResults.asp>.
- 7 *Ibid.*
- 8 Grantmakers in Health. "Long-Term Care Quality: Facing the Challenges of an Aging Population," June, 2000.
- 9 *Ibid.*
- 10 Institute of Medicine. "Improving the Quality of Long-Term Care," January, 2001.
- 11 Michigan Government News Press Release, "More than 340 nursing homes to receive nearly \$8.5 million."
- 12 www.medicare.gov/NHCompare/Search/Related/ScopeSeverityDefs.asp.
- 13 Robert Pear, "9 in 10 Nursing Homes Lack Adequate Staff, Study Finds," *New York Times*, February 17, 2002.
- 14 www.medicare.gov/NHCompare/Search/Related/ScopeSeverityDefs.asp.
- 15 Robert Pear, "9 in 10 Nursing Homes Lack Adequate Staff, Study Finds," *New York Times*, February 17, 2002.
- 16 Calculated based on data in "Estimated Preliminary Settlement Cost Savings," Kenneth Callaghan, Washington Department of Social and Health Services, February 15, 2002.
- 17 Aging and Administrative Services Administration, Department of Social and Health Services, aasa.dshs.wa.gov.
- 18 www.medicare.gov/NHCompare/Search/Related/ScopeSeverityDefs.asp.
- 19 *Ibid.*
- 20 Calculated based on data in "Estimated Preliminary Settlement Cost Savings," Kenneth Callaghan, Washington Department of Social and Health Services, February 15, 2002.
- 21 The Official U.S. Government Site for People with Medicare, <http://www.medicare.gov/NHCompare/Search/InspResults.asp>; Note: the data for Sunbridge Care and Rehabilitation Bayside was not in this database and so is not included in this chart.

About the organizations releasing this report

Washington Citizen Action (WCA) is a social and economic justice organization with over 50,000 individual members statewide. In addition to its dynamic grassroots membership, WCA also includes permanent coalition partners from other community organizations, labor, senior, religious, and people of color organizations. WCA has both a legislative and non-legislative issue agenda that focuses on increasing access to health care and living wage jobs.

The Northwest Federation of Community Organizations (NWFCO) is a regional federation of five statewide, community-based social and economic justice organizations located in the states of Idaho, Montana, Oregon, and Washington: Idaho Community Action Network (ICAN), Montana People's Action (MPA), Oregon Action (OA), Washington Citizen Action (WCA), and Coalition of Montanans Concerned with Disabilities (CMCD). Collectively, these organizations engage in community organizing and coalition building in 14 rural and major metropolitan areas, including the Northwest's largest cities (Seattle and Portland) and the largest cities in Montana and Idaho.

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