

The MetLife Market Survey of Nursing Home & Home Care Costs

September 2005

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The MetLife Mature Market Institute is the company's information and policy resource center on issues related to aging, retirement, long-term care and the mature market. The Institute, staffed by gerontologists, provides research, training and education, consultation and information to support Metropolitan Life Insurance Company, its corporate customers and business partners. MetLife, a subsidiary of MetLife, Inc. (NYSE: MET), is a leading provider of insurance and other financial services to individual and institutional customers. For more information, contact:

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LifePlans, Inc., a risk management and consulting firm, provides data analysis and information to the long-term care insurance industry. The firm works with insurers, the Federal Government, industry groups and other organizations to conduct research that helps these groups monitor their business, understand industry trends, perform effective advocacy, and modify their strategic direction. For more information, contact:

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Executive Summary

Each year, the MetLife Mature Market Institute conducts a market survey of nursing home and home care costs in the United States. In 2005 the survey was expanded to include hourly rates for homemaker/companion services.

The 2005 survey was conducted by telephone in 87 major markets in all 50 states and the District of Columbia. LifePlans, Inc., a risk management and consulting services firm providing support to the long-term care insurance industry, conducted the survey for the MetLife Mature Market Institute. Daily private pay rates for long-term care or custodial care were obtained for private and semi-private rooms in licensed facilities. Hourly rates were obtained for home health aides from licensed agencies, and for agency provided homemaker/companion services.

National Findings*

- The average daily rate for a private room in a nursing home is \$203, or \$74,095 annually.
- The average daily rate for a semiprivate room in a nursing home is \$176, or \$64,240 annually.
- The average hourly rate for Home Health Aides is \$19.
- The average hourly rate for homemakers/companions is \$17.

*All cost averages in this survey are rounded to the nearest dollar.

Overview

Most residents in nursing homes require a broad range of personal, social, and medical services known as long-term care. Patients may need assistance with activities of daily living (ADLs), which include bathing, dressing, eating, toileting, transferring, and continence, and/or may have cognitive limitations, due to conditions such as Alzheimer's disease or other forms of dementia. Typically, long-term care is first provided by family members at home, followed by some supplementary home and community-based care, including paid home care services and services provided in adult day centers. An assisted living or residential care facility placement may follow, but once the individual requires more care or more hours of care, a nursing home placement may be required. This progression is known as the continuum of care.

For persons still able to remain in their homes, family members, friends and paid outside help may be needed. While family members still

dominate the caregiving landscape, a number of services are provided by paid caregivers. Services can range from hands-on assistance with ADLs, to light housekeeping and even companion services.

This market survey focuses on the hourly rates for home care services and daily rates for nursing homes in markets across the United States. All rates are private pay.

Nursing Homes

Services provided at nursing homes include skilled care which requires the services of a professional such as a nurse or therapist and custodial care which involves assistance with basic activities of daily living such as bathing and dressing. A survey conducted during 2003 stated there were approximately 17,000 certified nursing homes in the United States, with over 1.3 million residents. Ninety-two percent of the facilities surveyed were dually certified by both Medicaid and Medicare.¹

Almost all residents, 95%, required assistance with bathing, 87% assistance with dressing, and 51% help with eating. Over 44% were diagnosed with dementia. Half of the residents required help with 5 ADLs, and 24% with 4 ADLs.²

Costs detailed in this report are private pay rates, and include room and three meals per day. They do not include costs for personal services, such as hairdressing, medications, or specialized therapy.

Methodology

Home Care

Many people prefer to remain at home, yet need some assistance with health care and supportive services. Care can range from hands-on assistance with ADLs, to assistance with household tasks.

Home health aides assist people with activities of daily living, such as bathing, toileting, dressing, and getting in and out of bed. These aides have received special training and are qualified to provide more complex services under the supervision of nursing professionals. The agencies employing the aides generally are licensed and regulated, depending on each state's requirements. The agencies are responsible for the screening, hiring, and monitoring of these aides.

Homemakers or companions perform light housekeeping duties such as laundry, meal preparation, shopping, and general housekeeping. These services are generally designed to assist with activities other than hands-on assistance to help the

individual to stay at home, and might include supervision for those with Alzheimer's disease or other types of dementia.

This survey of nursing home and home care agencies in all 50 states and the District of Columbia was conducted by telephone during July and August 2005 by LifePlans, Inc. for the MetLife Mature Market Institute.

This survey is not generalizable; rather it should be used as a guide to assist individuals in making long-term care decisions.

The states were divided into three groups according to population—under 3 million, 3 to 10 million, and over 10 million. These groupings were determined using data from the 2000 U.S. Census. The cities/areas surveyed within the states were chosen on the basis of population, and to obtain a reasonably balanced sampling.

In each city/area, a minimum of 10 nursing homes or 15%, whichever was greater, were surveyed; a minimum of 15% or 5 home care agencies, whichever was greater, were surveyed. Licensed agencies were surveyed for home health aide rates, and they were also asked if they provided homemaker or companion services. Almost all, or 90%, provided both services.

Nursing Homes

Callers to the nursing homes asked for the Director of Admissions or a comparable professional.

Nursing homes were called at random and had to meet the following criteria:

- Must be licensed
- Must provide skilled and custodial care
- Must offer a private pay rate, not the Medicare or Medicaid reimbursed rate.

Of the nursing homes that met the criteria, private pay rates were obtained for both private and semi-private rooms. If the nursing home did not meet the criteria, another would be called until a minimum of 10 nursing homes or 15% of homes in that city/area was obtained. Data from 943 nursing homes are included in the tabulations.

Nursing Home & Home Care State Criteria		
Population Under Three Million	Population Three to Ten Million	Population Over Ten Million
States Surveyed – 22 Areas - 22	States Surveyed – 22 Areas – 44	States Surveyed – 7 Areas — 21
One city or area surveyed: capital or most populated city (District of Columbia also surveyed)	Two cities or areas surveyed: most populated cities and/or areas from representative locations in the state	Three cities or areas surveyed: most populated cities and/or areas from representative locations in the state

Home Health Aide/ Homemaker

Callers to home care agencies asked for the Director or a comparable professional. Agencies were called at random and had to meet the following criteria:

- Must be licensed, if required by the state
- Must provide the private pay rate, not the Medicare or Medicaid reimbursed rate

Of those agencies that met the criteria, hourly private pay rates were obtained for home health aides. If the agency did not meet the criteria, another agency would be called until a minimum of 15% of agencies, or 5 in that city/area was obtained. Agencies were also asked for hourly private pay rates for companion/homemaker services. Some unlicensed agencies were also surveyed for companion/homemaker services to fulfill the criteria. Data from 996 agencies are included in the tabulation.

Results

- The 2005 average daily rate for a private room in a nursing home is **\$203** (\$74,095 annually), an \$11 or 5.7% increase over the 2004 rate of \$192.
- The 2005 average daily rate for a semi-private room in a nursing home is **\$176** (\$64,240 annually), \$7 or 4.1% more than the 2004 rate of \$169.
- The 2005 average hourly rate for a Home Health Aide is **\$19**, \$1, or 5.5% more than 2004.
- The average hourly rate for a homemaker/companion is **\$17**. These rates were not surveyed in 2004.

Nursing Home Costs 2005

Area	State	First 3 Numbers in Zip Code(s)	Semiprivate High	Semiprivate Low	Semiprivate Average	Private High	Private Low	Private Average
Statewide	AK	All	\$660	\$285	\$473	\$750	\$285	\$531
Birmingham	AL	352	\$157	\$115	\$132	\$152	\$120	\$135
Montgomery	AL	361	\$175	\$113	\$143	\$188	\$139	\$157
Little Rock	AR	722	\$130	\$105	\$120	\$170	\$110	\$137
Phoenix	AZ	850	\$153	\$131	\$142	\$288	\$142	\$187
Tucson	AZ	857	\$214	\$134	\$163	\$244	\$153	\$192
Los Angeles	CA	900	\$183	\$130	\$154	\$320	\$135	\$215
San Diego	CA	921	\$240	\$132	\$168	\$310	\$160	\$220
San Francisco	CA	941	\$400	\$147	\$229	\$419	\$185	\$330
Denver	CO	800 & 802	\$193	\$136	\$156	\$207	\$146	\$175
Colorado Springs	CO	809	\$165	\$143	\$159	\$240	\$153	\$180
Hartford	CT	061	\$305	\$235	\$266	\$328	\$250	\$292
Stamford Area	CT	069	\$378	\$255	\$317	\$425	\$278	\$348
Washington	DC	200	\$401	\$200	\$268	\$432	\$175	\$271
Wilmington	DE	198	\$210	\$165	\$189	\$276	\$193	\$216
Jacksonville	FL	322	\$187	\$130	\$159	\$198	\$148	\$173
Orlando	FL	328	\$190	\$150	\$170	\$210	\$155	\$185
Miami	FL	331	\$200	\$145	\$170	\$300	\$150	\$219
Marietta Area	GA	300	\$156	\$132	\$144	\$220	\$137	\$160
Atlanta	GA	303	\$200	\$120	\$144	\$240	\$128	\$168
Honolulu	HI	968	\$310	\$199	\$239	\$338	\$205	\$262
Des Moines	IA	503	\$250	\$110	\$148	\$250	\$118	\$159
Boise	ID	837	\$180	\$122	\$157	\$310	\$155	\$198
Des Plaines Area	IL	600	\$220	\$154	\$183	\$344	\$180	\$245
Chicago	IL	606	\$164	\$105	\$127	\$292	\$105	\$159
Peoria	IL	616	\$186	\$95	\$149	\$350	\$130	\$192
Indianapolis	IN	462	\$171	\$88	\$131	\$300	\$104	\$178
Fort Wayne	IN	468	\$170	\$130	\$152	\$272	\$147	\$188
Wichita	KS	672	\$153	\$109	\$128	\$162	\$118	\$139
Louisville	KY	402	\$189	\$140	\$158	\$286	\$148	\$189
Lexington	KY	405	\$186	\$134	\$149	\$270	\$150	\$180

Nursing Home Costs 2005 *(continued)*

Area	State	First 3 Numbers in Zip Code(s)	Semiprivate High	Semiprivate Low	Semiprivate Average	Private High	Private Low	Private Average
New Orleans	LA	701	\$141	\$95	\$110	\$151	\$105	\$118
Shreveport Area	LA	711	\$117	\$90	\$101	\$180	\$100	\$115
Worcester	MA	016	\$345	\$235	\$275	\$355	\$250	\$287
Boston	MA	021	\$330	\$185	\$253	\$350	\$200	\$277
Silver Spring	MD	209	\$230	\$177	\$196	\$246	\$185	\$213
Baltimore	MD	212	\$212	\$160	\$185	\$234	\$170	\$202
Southern Maine	ME	040	\$225	\$190	\$206	\$270	\$200	\$235
Detroit	MI	482	\$200	\$108	\$150	\$200	\$108	\$157
Grand Rapids	MI	495	\$200	\$160	\$181	\$250	\$173	\$212
Minneapolis/St. Paul	MN	551 & 554	\$260	\$161	\$199	\$288	\$172	\$224
Rochester Area	MN	559	\$185	\$133	\$155	\$198	\$153	\$169
St. Louis	MO	631	\$150	\$100	\$127	\$190	\$118	\$148
Kansas City	MO	641	\$139	\$110	\$121	\$227	\$115	\$146
Jackson	MS	392	\$158	\$122	\$145	\$314	\$125	\$167
Billings	MT	591	\$159	\$132	\$144	\$174	\$140	\$154
Raleigh/Durham	NC	276 & 277	\$190	\$120	\$151	\$208	\$147	\$172
Charlotte	NC	282	\$175	\$145	\$157	\$190	\$152	\$169
Fargo Area	ND	581	\$205	\$163	\$188	\$220	\$167	\$198
Omaha	NE	681	\$192	\$100	\$148	\$300	\$120	\$184
Manchester	NH	031	\$240	\$198	\$219	\$472	\$204	\$259
Cherry Hill Area	NJ	080	\$280	\$200	\$233	\$303	\$210	\$253
Bridgewater	NJ	088	\$269	\$185	\$236	\$292	\$210	\$257
Albuquerque	NM	871	\$272	\$133	\$175	\$302	\$152	\$194
Las Vegas	NV	891	\$175	\$150	\$164	\$285	\$165	\$195
New York	NY	100-114	\$418	\$210	\$308	\$423	\$220	\$320
Syracuse	NY	132	\$285	\$179	\$240	\$285	\$179	\$243
Rochester	NY	146	\$285	\$220	\$257	\$300	\$225	\$269
Columbus	OH	432	\$194	\$150	\$169	\$218	\$165	\$189
Cleveland	OH	441	\$195	\$145	\$171	\$210	\$161	\$186
Cincinnati	OH	452	\$233	\$145	\$169	\$253	\$155	\$187
Oklahoma City	OK	731	\$125	\$103	\$109	\$202	\$103	\$141

Area	State	First 3 Numbers in Zip Code(s)	Semiprivate High	Semiprivate Low	Semiprivate Average	Private High	Private Low	Private Average
Tulsa	OK	741	\$120	\$90	\$107	\$190	\$103	\$146
Portland	OR	972	\$176	\$141	\$159	\$205	\$150	\$175
Eugene	OR	974	\$190	\$143	\$163	\$200	\$149	\$182
Pittsburgh	PA	152	\$275	\$160	\$215	\$288	\$180	\$234
Scranton	PA	185	\$210	\$153	\$176	\$360	\$165	\$215
Philadelphia	PA	191	\$235	\$175	\$204	\$250	\$185	\$215
Providence	RI	029	\$220	\$170	\$200	\$230	\$170	\$219
Columbia	SC	292	\$168	\$123	\$141	\$202	\$128	\$158
Charleston	SC	294	\$148	\$121	\$139	\$194	\$126	\$153
Rapid City	SD	577	\$159	\$130	\$147	\$211	\$138	\$162
Nashville	TN	372	\$195	\$125	\$147	\$230	\$139	\$162
Memphis	TN	381	\$185	\$110	\$146	\$320	\$142	\$200
Dallas/Ft. Worth	TX	752 & 761	\$149	\$75	\$113	\$240	\$120	\$166
Houston	TX	770	\$150	\$82	\$113	\$246	\$91	\$168
Austin	TX	787	\$148	\$95	\$115	\$247	\$123	\$187
Salt Lake City	UT	841	\$175	\$117	\$133	\$225	\$123	\$155
Northern Virginia	VA	222	\$252	\$187	\$208	\$303	\$207	\$258
Richmond	VA	232	\$235	\$125	\$165	\$250	\$162	\$193
Burlington Area	VT	054	\$251	\$80	\$201	\$365	\$95	\$228
Seattle	WA	981	\$250	\$165	\$202	\$390	\$185	\$249
Spokane	WA	992	\$220	\$166	\$190	\$235	\$172	\$205
Milwaukee	WI	532	\$217	\$148	\$188	\$236	\$158	\$203
Madison	WI	537	\$222	\$160	\$194	\$346	\$165	\$226
Charleston	WV	253	\$284	\$140	\$179	\$284	\$147	\$187
Statewide	WY	All	\$168	\$132	\$146	\$210	\$146	\$168
National Average					\$176			\$203

Home Care Costs 2005

Area	State	First 3 Numbers in Zip Code(s)	Home Health Aide High	Home Health Aide Low	Home Health Aide Average	Home- maker High	Home- maker Low	Home- maker Average
Statewide	AK	All	\$30	\$13	\$22	\$24	\$10	\$20
Birmingham	AL	352	\$18	\$9	\$13	\$16	\$9	\$13
Montgomery	AL	361	\$18	\$11	\$13	\$18	\$11	\$13
Little Rock	AR	722	\$18	\$9	\$14	\$18	\$8	\$14
Phoenix	AZ	850	\$24	\$13	\$19	\$21	\$8	\$17
Tucson	AZ	857	\$21	\$17	\$18	\$21	\$11	\$16
Los Angeles	CA	900	\$25	\$15	\$18	\$25	\$10	\$15
San Diego	CA	921	\$24	\$17	\$20	\$21	\$17	\$18
San Francisco	CA	941	\$24	\$14	\$21	\$24	\$14	\$20
Denver	CO	800 & 802	\$26	\$15	\$22	\$21	\$8	\$16
Colorado Springs	CO	809	\$35	\$20	\$26	\$25	\$14	\$18
Hartford	CT	061	\$40	\$15	\$23	\$25	\$11	\$18
Stamford Area	CT	069	\$28	\$11	\$21	\$22	\$11	\$17
Washington	DC	200	\$20	\$15	\$17	\$19	\$12	\$16
Wilmington	DE	198	\$24	\$13	\$19	\$22	\$13	\$18
Jacksonville	FL	322	\$25	\$16	\$18	\$19	\$11	\$15
Orlando	FL	328	\$17	\$13	\$16	\$25	\$11	\$16
Miami	FL	331	\$22	\$9	\$14	\$20	\$9	\$14
Marietta Area	GA	300	\$20	\$14	\$17	\$20	\$14	\$16
Atlanta	GA	303	\$20	\$9	\$16	\$20	\$9	\$16
Honolulu	HI	968	\$22	\$15	\$19	\$21	\$12	\$17
Des Moines	IA	503	\$28	\$18	\$22	\$28	\$16	\$20
Boise	ID	837	\$18	\$14	\$16	\$18	\$13	\$16
Des Plaines Area	IL	600	\$22	\$15	\$19	\$22	\$15	\$17
Chicago	IL	606	\$21	\$13	\$16	\$20	\$12	\$15
Peoria	IL	616	\$23	\$16	\$18	\$20	\$14	\$16
Indianapolis	IN	462	\$25	\$17	\$20	\$21	\$14	\$17
Fort Wayne	IN	468	\$20	\$14	\$18	\$20	\$14	\$16
Wichita	KS	672	\$19	\$15	\$16	\$16	\$13	\$15
Louisville	KY	402	\$25	\$12	\$17	\$22	\$13	\$16
Lexington	KY	405	\$35	\$15	\$20	\$35	\$13	\$17

Area	State	First 3 Numbers in Zip Code(s)	Home Health Aide High	Home Health Aide Low	Home Health Aide Average	Home- maker High	Home- maker Low	Home- maker Average
New Orleans	LA	701	\$20	\$12	\$14	\$20	\$11	\$14
Shreveport Area	LA	711	\$16	\$8	\$12	\$16	\$8	\$12
Worcester	MA	016	\$26	\$19	\$22	\$22	\$12	\$19
Boston	MA	021	\$25	\$17	\$22	\$25	\$17	\$21
Silver Spring	MD	209	\$19	\$15	\$16	\$19	\$15	\$16
Baltimore	MD	212	\$22	\$13	\$17	\$22	\$11	\$16
Southern Maine	ME	040	\$22	\$17	\$19	\$22	\$16	\$18
Detroit	MI	482	\$20	\$15	\$18	\$19	\$11	\$16
Grand Rapids	MI	495	\$20	\$15	\$18	\$18	\$14	\$16
Minneapolis/St. Paul	MN	551 & 554	\$30	\$18	\$25	\$27	\$10	\$20
Rochester Area	MN	559	\$36	\$20	\$28	\$32	\$17	\$23
St. Louis	MO	631	\$20	\$10	\$17	\$20	\$10	\$17
Kansas City	MO	641	\$25	\$10	\$17	\$18	\$10	\$15
Jackson	MS	392	\$20	\$11	\$15	\$15	\$11	\$13
Billings	MT	591	\$22	\$15	\$17	\$19	\$13	\$16
Raleigh/Durham	NC	276 & 277	\$20	\$16	\$18	\$18	\$14	\$16
Charlotte	NC	282	\$19	\$14	\$16	\$18	\$14	\$16
Fargo Area	ND	581	\$18	\$15	\$16	\$16	\$13	\$14
Omaha	NE	681	\$25	\$18	\$20	\$22	\$15	\$17
Manchester	NH	031	\$27	\$21	\$23	\$27	\$14	\$19
Cherry Hill Area	NJ	080	\$22	\$14	\$19	\$21	\$14	\$18
Bridgewater	NJ	088	\$22	\$17	\$19	\$22	\$17	\$19
Albuquerque	NM	871	\$30	\$15	\$18	\$19	\$15	\$16
Las Vegas	NV	891	\$30	\$15	\$20	\$30	\$15	\$18
New York	NY	100-114	\$18	\$10	\$15	\$18	\$10	\$15
Syracuse	NY	132	\$19	\$17	\$18	\$18	\$13	\$16
Rochester	NY	146	\$22	\$19	\$20	\$21	\$16	\$18
Columbus	OH	432	\$36	\$14	\$21	\$36	\$12	\$19
Cleveland	OH	441	\$19	\$16	\$17	\$19	\$15	\$17
Cincinnati	OH	452	\$23	\$17	\$20	\$23	\$16	\$19
Oklahoma City	OK	731	\$20	\$15	\$16	\$20	\$14	\$16

Home Care Costs 2005 (continued)

Area	State	First 3 Numbers in Zip Code(s)	Home Health Aide High	Home Health Aide Low	Home Health Aide Average	Home- maker High	Home- maker Low	Home- maker Average
Tulsa	OK	741	\$25	\$14	\$18	\$20	\$14	\$16
Portland	OR	972	\$22	\$18	\$20	\$19	\$15	\$17
Eugene	OR	974	\$23	\$16	\$18	\$20	\$15	\$17
Pittsburgh	PA	152	\$20	\$17	\$19	\$19	\$13	\$16
Scranton	PA	185	\$25	\$14	\$18	\$25	\$10	\$17
Philadelphia	PA	191	\$20	\$12	\$16	\$20	\$12	\$16
Providence	RI	029	\$30	\$18	\$22	\$24	\$15	\$20
Columbia	SC	292	\$18	\$10	\$14	\$18	\$9	\$14
Charleston	SC	294	\$20	\$15	\$17	\$18	\$13	\$15
Rapid City	SD	577	\$20	\$15	\$18	\$20	\$15	\$18
Nashville	TN	372	\$25	\$15	\$19	\$25	\$15	\$19
Memphis	TN	381	\$25	\$14	\$18	\$20	\$9	\$15
Dallas/Ft. Worth	TX	752 & 761	\$20	\$15	\$17	\$20	\$14	\$16
Houston	TX	770	\$18	\$12	\$16	\$18	\$10	\$15
Austin	TX	787	\$25	\$11	\$17	\$23	\$11	\$16
Salt Lake City	UT	841	\$35	\$15	\$23	\$27	\$15	\$20
Northern Virginia	VA	222	\$18	\$16	\$18	\$17	\$14	\$16
Richmond	VA	232	\$18	\$12	\$15	\$17	\$12	\$15
Burlington Area	VT	054	\$55	\$19	\$31	\$27	\$19	\$21
Seattle	WA	981	\$26	\$15	\$21	\$26	\$15	\$19
Spokane	WA	992	\$21	\$14	\$17	\$21	\$14	\$17
Milwaukee	WI	532	\$31	\$19	\$23	\$20	\$15	\$17
Madison	WI	537	\$26	\$12	\$18	\$21	\$11	\$17
Charleston	WV	253	\$19	\$14	\$16	\$19	\$14	\$16
Statewide	WY	All	\$25	\$15	\$18	\$19	\$11	\$15
National Average					\$19			\$17

Footnotes

- ¹ Harrington, C., Carrillo, H, Crawford, C., “Nursing Facilities, Staffing, Residents, and Facility Deficiencies, 1997 through 2003,” Department of Social and Behavior Sciences, University of California, San Francisco, August 2004.
- ² Nursing Home Statistical Yearbook, 2002, Cowles Research Group, 2003.

MetLife[®]

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