



2025

BENCHMARK REPORT

For Skilled Nursing Facilities In Maryland

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Introduction

2024 marks the fifth anniversary of the COVID-19 pandemic. While the pandemic itself was nothing to celebrate, the resilience of Maryland's skilled nursing facilities since that time definitely is. The pandemic created challenges and uncertainties that most nursing home staff had not seen in their careers. Facilities got creative and implemented solutions that enabled them to provide the best possible care to their residents.

As we put the pandemic in the rear view, skilled nursing facilities are entering a new era. Though the landscape looks different from five years ago, facilities move into this new era with the data and resources to improve care and make better financial decisions for their residents and organizations.

As shown throughout the benchmark report, costs to care for residents have finally stabilized in 2024. While we hoped this trend would continue into 2025, this new era has already brought challenges with possible changes to Medicaid payor funding and formats, and continued rising costs to care for residents due to rising — but stabilized — inflation rates caused by tariffs on goods needed for resident care.

These financial pressures are increased by the reduction of pandemic-era funding and continued staffing shortages.

This new era is also filled with possibilities that we expect many Maryland facilities to prosper from. Medicare has already shown increased rates in 2025, with programs being expanded to improve staff retention, an increased skilled workforce — leading to less reliance on agency nursing — and occupancy rates continue to rise.

How Maryland skilled nursing facilities will navigate these new challenges and opportunities is yet to be seen, but one thing we know for sure is that facilities will continue to pivot and come out on top — moving their mission of providing the highest level of quality care to our vulnerable, but important senior population forward.

We will always be proud to work closely with Maryland's senior care community.



Find Out How Your Facility Measures Up

Maryland Skilled Nursing Facility Scorecard
Washington Metro

This scorecard shows how you compare to other skilled nursing facilities in Maryland. If you have questions, call Jennifer Rock, CPA at 410.985.5323.

Facility	2017				2018			
	Facility	County	Region	Industry	Facility	County	Region	Industry
Bed Resident Services Revenue	\$402,911	\$397,740	\$458,243	\$478,765	\$478,765	\$478,765	\$478,765	\$478,765
Medicare Revenue PPS	\$402,911	\$402,911	\$402,911	\$402,911	\$402,911	\$402,911	\$402,911	\$402,911
Medicaid Revenue PPS	\$402,911	\$402,911	\$402,911	\$402,911	\$402,911	\$402,911	\$402,911	\$402,911
Long Term Care PPS	\$402,911	\$402,911	\$402,911	\$402,911	\$402,911	\$402,911	\$402,911	\$402,911

* The Last Report Date: December 31, 2018. Facility Scorecard only for 2018. **

Knowing how your facility compares to others in the state and your region can help you measure the effectiveness and efficiency of your operations. By comparing your costs and census to other providers, you can see where your costs are higher or lower, and where you are falling short. This information can help you implement cost containment options in specific cost areas.

The information presented in this benchmark study is just a small snapshot of data gathered over the past 15 years, with the past five years presented in this report. Since this data incorporates all skilled nursing facilities that filed a Maryland Medicaid cost report, we have the ability to provide a scorecard specific to your skilled nursing facility. The scorecard will show your facility's data alongside statewide, regional and county data.

To request your facility's scorecard, visit: <https://bit.ly/4IS4KVv>.

How Does Your Facility Compare To Others?



[Request Your Facility's Scorecard](#)

2 Development Of Data & Ratios

The following is based on information reported on the Maryland Department of Health Nursing Home Uniform Cost Report, filed by all Maryland skilled nursing facilities participating in the Maryland Medicaid program, with years ended in 2020 - 2024. All cost data used throughout this benchmark report was based on the "as adjusted" column of the filed cost reports.

Disclaimer

As you may suspect, there is always a disclaimer when it comes to analysis, and here it is: the analysis of this data is based on the opinions and experience of our healthcare consultants. Our analysis assumes that the Medicaid cost report data was properly reported in the years analyzed (2020 - 2024). It does not take into account any audit adjustments made by state auditors who might have moved costs between cost centers and line items. As a result, actual results could vary from those documented in this report. However, based on our experience and the extensive data collected, we are confident that any variance would not be material or cause a different interpretation of the data.

The information in this report represents data from the number of skilled nursing facilities in Maryland that filed a Medicaid cost report for each of the following years:

Year	Total	Baltimore Metro	Central	Non Metro	Washington Metro	Western Maryland
2020	209	65	27	33	64	20
2021	206	64	27	32	63	20
2022	206	64	27	32	63	20
2023	204	64	26	31	63	20
2024	204	64	26	31	63	20



Note: The number of cost reports filed each year can change for various reasons, such as the opening of new facilities as well as mergers and acquisitions between facilities. Some providers in this report do not always have Medicaid residents, meaning they are not required to file a Medicaid cost report in that year. The change in reporting facilities in 2023 was a result of two facilities closing during the year, one newly reporting facility and one facility not reporting. The effect of non-reporting facilities could have an impact on the data analytics, but we believe any variances caused would be insignificant to the data analytics as a whole.

The Baltimore Metro region includes both Baltimore County and Baltimore City. The Central region includes Anne Arundel, Carroll and Howard Counties. The Washington Metro region includes Charles, Frederick, Montgomery and Prince George's Counties. The Western Maryland region includes Allegany, Garrett and Washington Counties. The Non Metro region encompasses the remaining Maryland counties.

In addition to information by region, this report includes benchmarks broken down by the size of facilities, which we have grouped into four categories. Statistics are summarized by facilities as follows: 1 - 44 beds (facilities falling below the Quality Assessment fee threshold), 45 - 99 beds, 100 - 199 beds and 200+ beds.

Year	Total	1 - 44 Beds	45 - 99 Beds	100 - 199 Beds	200+ Beds
2020	209	8	50	137	14
2021	206	7	49	136	14
2022	206	8	49	134	15
2023	204	8	49	134	13
2024	204	8	51	133	12



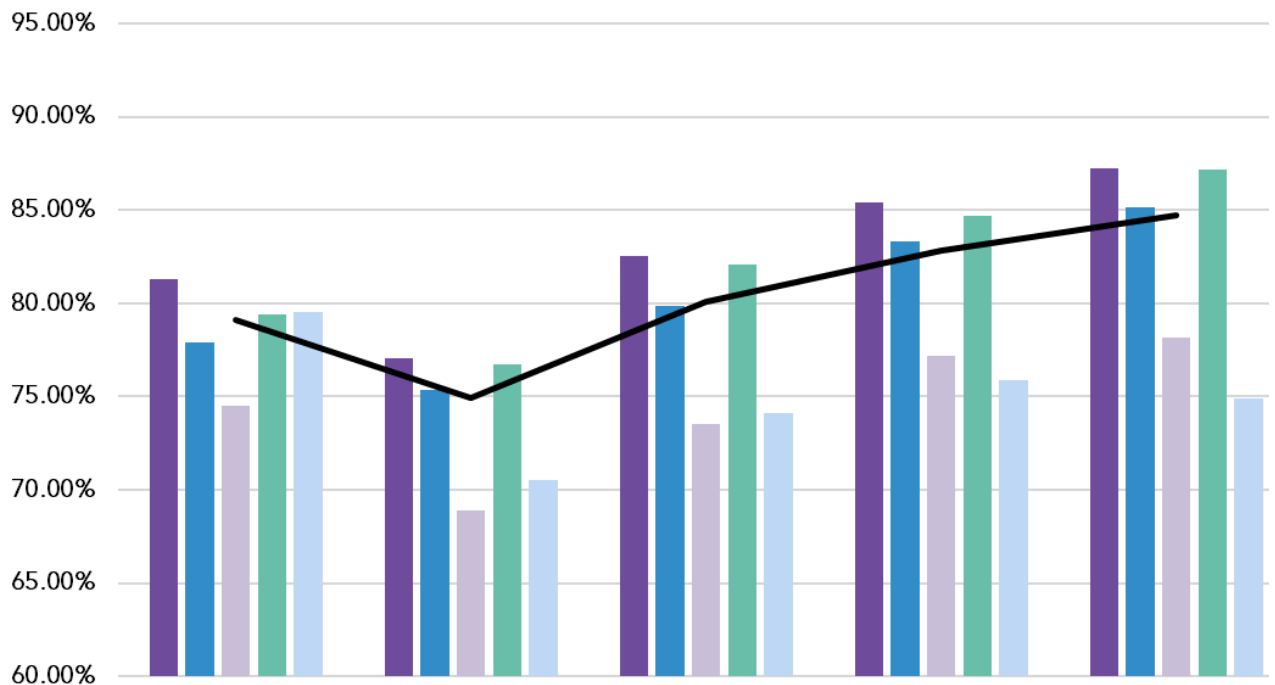
We also provided benchmarks broken down by the type of facility (i.e., nonprofit versus for-profit).

Year	Total	Nonprofit	For-Profit
2020	209	48	161
2021	206	46	160
2022	206	44	162
2023	204	43	161
2024	204	44	160

3 Occupancy Percentage

A facility's occupancy percentage is determined by dividing the total resident days per year by the available bed days (number of beds times 365 or 366) for the same year. Since 2024 and 2020 were leap years, we used 366 days in the calculation.

Median Occupancy Percentage By Year



Region	2020	2021	2022	2023	2024
Baltimore Metro	81.31%	77.03%	82.56%	85.39%	87.23%
Central	77.88%	75.33%	79.85%	83.31%	85.15%
Non Metro	74.49%	68.89%	73.55%	77.19%	78.14%
Washington Metro	79.40%	76.72%	82.05%	84.70%	87.19%
Western Maryland	79.56%	70.53%	74.13%	75.89%	74.88%
Industry	79.10%	74.90%	80.07%	82.82%	84.72%



Key Industry Impacts

As our annual benchmark reports have shown over the years, Maryland facilities have experienced a steady decline in the median occupancy through 2021.

Prior to 2021, the rise of alternative options for senior care (e.g., assisted living, home care, telemedicine) was the driving force behind the decline in median occupancy. While these alternative care options still contribute to facilities struggling with occupancy overall, the biggest factor since early 2020 was undoubtedly the COVID-19 pandemic.

Recovery In Progress

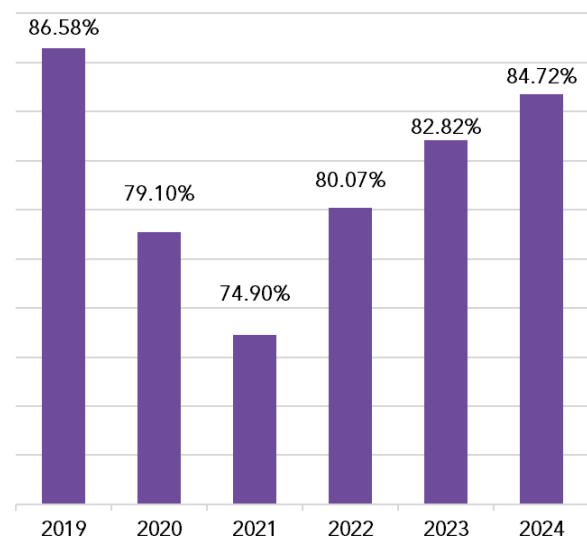
Factors that drove occupancy down in the last three years, such as COVID-19-related deaths, the inability to accept new residents due to quarantine protocols and decreased Medicare short stays, continue to diminish due to vaccines, outpatient procedures resuming and facilities dealing with outbreaks better within their facility. As a result, facilities' occupancy levels continue to be on the rise.

As noted in the graphic, after reaching an industry low in 2021, rates have steadily climbed, with a 1.90% increase from 2023 to 2024 (from 82.82% to 84.72%).

This is a result of total comprehensive days for all facilities increasing from 7,957,035 to 7,605,478 days, an increase of 351,557 days, or approximately 963 residents.

While this increase in occupancy seems significant in terms of days and residents, the increase simply continues to return facilities back to where they were operating when the pandemic began in 2020. Facilities are still 1.86% below pre-pandemic levels seen in 2019 (86.58%). However, this is significantly lower than the 11.68% decrease seen when comparing 2019 to 2021 when occupancy dropped to the lowest seen since tracking the data 15 years ago.

**Industry Median Occupancy
Percentage By Year**





Regional Occupancy Trends — A Mixed Recovery

Four of the five regions saw an increase in occupancy percentage in 2024, with the exception being the Western Maryland region. The increases ranged from 0.95% to 2.49% from 2023 to 2024 (compared to increases of 1.76% to 3.64% in 2023).

- Washington Metro region experienced the largest percentage increase at 2.49%
- Non Metro region experiencing the smallest percentage increase at 0.95%
- Western Maryland region was the only region with a decrease of 1.01%

In terms of residents:

- Washington Metro region's increase equates to approximately 630 additional residents per day
- Baltimore Metro region only saw an increase of 1.84% from 2023 to 2024, but their increase in residents was just as significant as the Washington Metro region's with approximately 569 additional residents per day
- Central region saw the same percentage increase as the Baltimore Metro region but only gained approximately 47 residents during the current year
 - Decrease was caused by a reduction in available bed days in 2024 compared to 2023 (3,332 less available bed days)

- Western Maryland region's occupancy loss of 1.01% was the equivalent of approximately 247 residents during the current year

All five regions continue to offset the large occupancy losses seen in 2020 and 2021, except the Western Maryland region. The Western Maryland region saw occupancy levels of 85.04% prior to the pandemic in 2019 and saw some of the largest losses post-pandemic with occupancy declining to 70.53%. While other regions have started to return to pre-pandemic occupancy rates, the Western Maryland region continues to lag, offsetting only 4.35% of their 14.51% loss in occupancy since 2019.

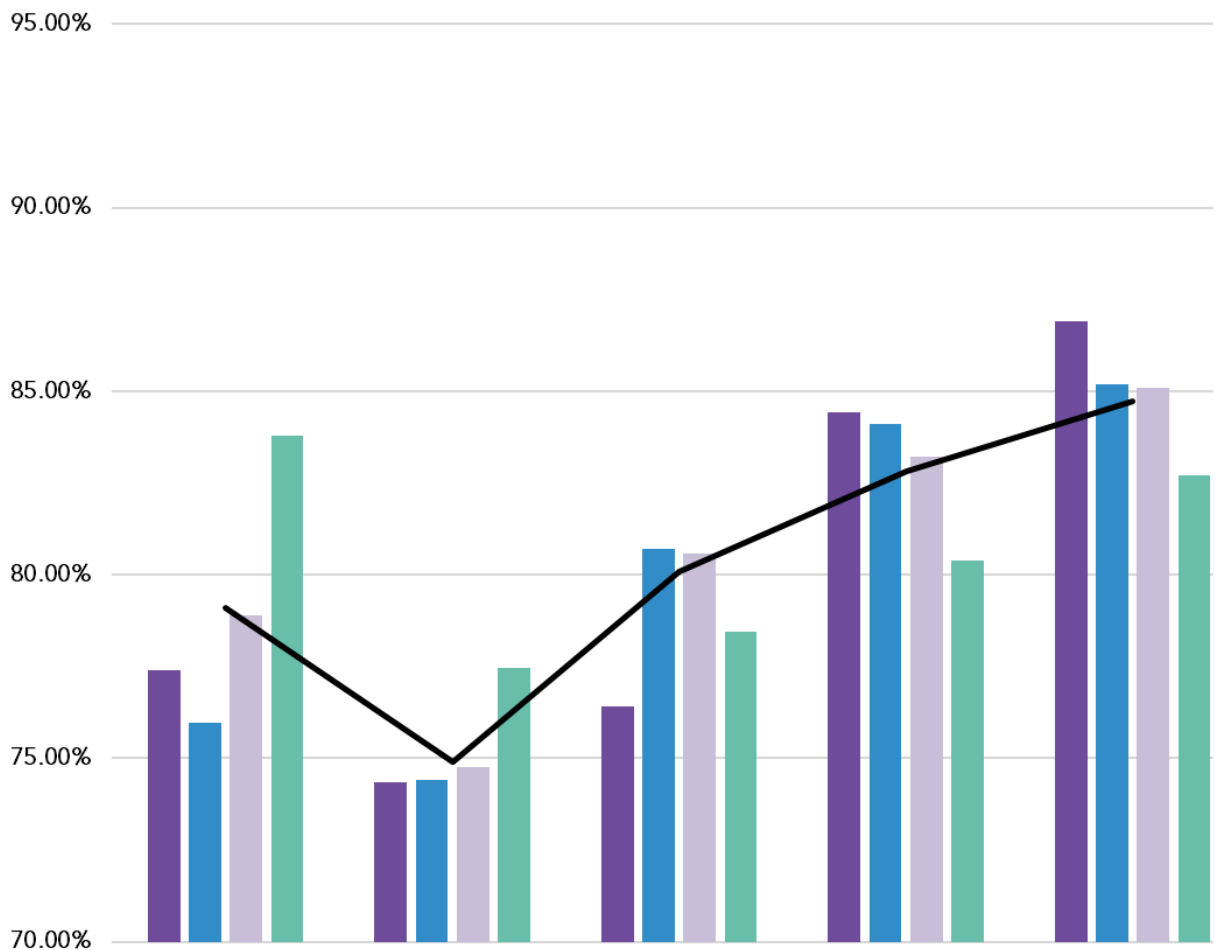
On the other hand:

- Washington Metro region has not only returned to but exceeded their pre-pandemic levels with occupancy returning to 87.19% in 2024 compared to 87.13% in 2019
- Baltimore Metro, Washington Metro and Central regions outperform the industry average by 2.51%, 2.47% and 0.43%

Occupancy Percentage



Median Occupancy Percentage By Facility Size



Facility Size	2020	2021	2022	2023	2024
1 - 44 beds	77.41%	74.34%	76.40%	84.42%	86.90%
45 - 99 beds	75.98%	74.41%	80.71%	84.10%	85.18%
100 - 199 beds	78.89%	74.75%	80.59%	83.21%	85.10%
200+ beds	83.79%	77.47%	78.45%	80.38%	82.71%
Industry	79.10%	74.90%	80.07%	82.82%	84.72%



Occupancy Trends By Facility Size

Prior to 2020, facilities with 1 - 44 beds and 200+ beds saw the highest levels of occupancy when comparing facilities by their size (89.84% and 90.13%). These facilities also saw the largest decline in their occupancy when comparing 2019 to 2021 with losses of 15.50% and 12.66%.

However, in the post-pandemic years:

- Facilities with 1 - 44 beds have had the largest increase in their occupancy (making up 12.56% of their lost occupancy)
- Facilities with 200+ beds have had the smallest increase in occupancy with 5.24%
- Facilities with 1 - 44 beds continue to be the largest outperformer when compared to the industry average (84.72%) with occupancy of 86.90%

- Facilities with 1 - 44 beds and 200+ beds also saw the largest occupancy increases in 2024 at 2.48% and 2.33%

All facilities, except those with 45 - 99 beds, continue to remain below pre-pandemic levels. Though facilities of this size saw the smallest increase in occupancy when comparing 2024 to 2023 (1.08%), these facilities saw occupancy levels of 85.18% in 2024 — 0.55% higher than occupancy levels seen in 2019. The 1.08% increase in occupancy was a result of approximately 188 additional residents in 2024 as compared to 2023.

Thoughts From Jennifer Rock, CPA, MFS

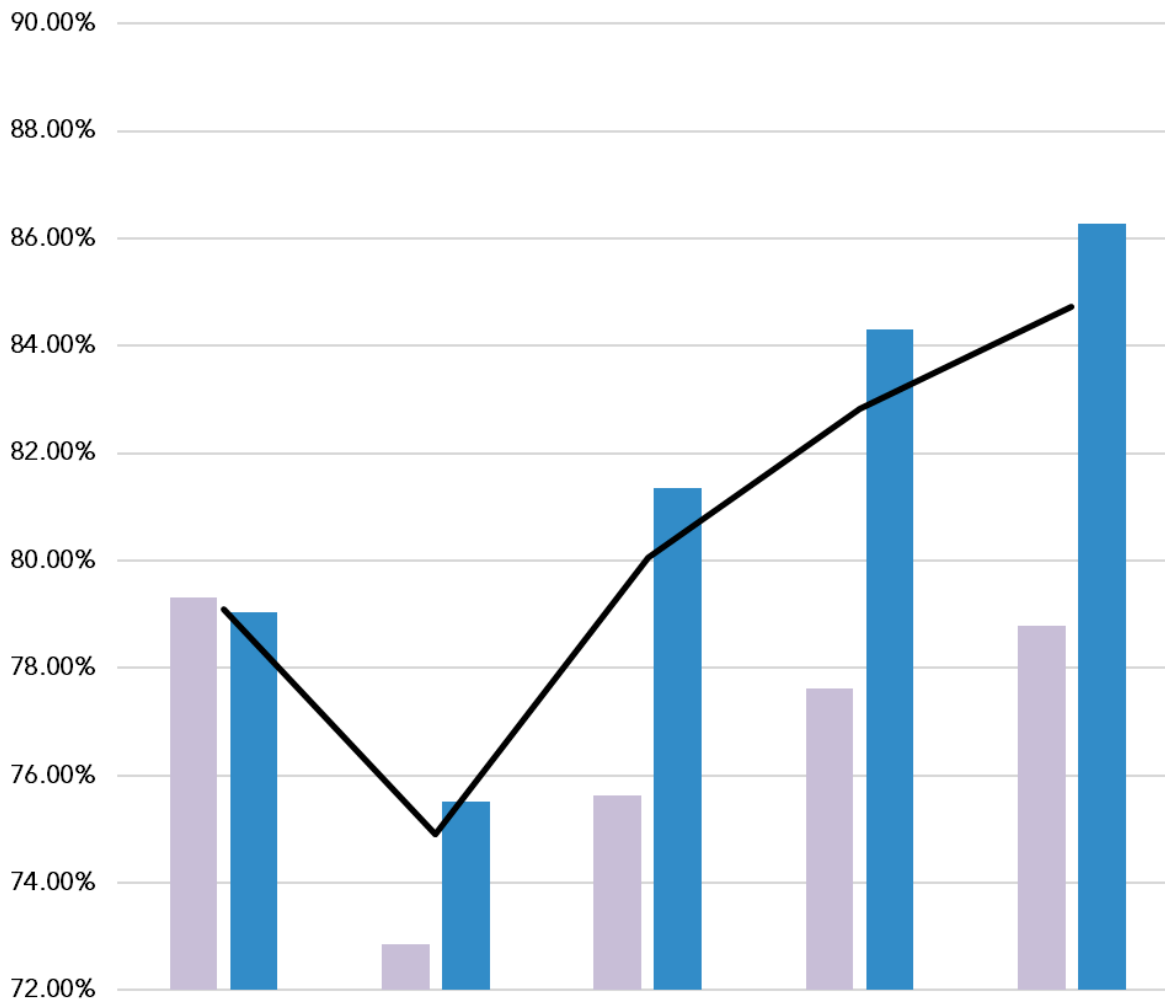
Director Of Gross Mendelsohn's Healthcare Group



It's important to note that while the percentage increases between these size facilities are consistent, their changes in number of residents per day are strikingly different. Facilities with 1 - 44 beds only increased by approximately 22 residents, while 200+ bed facilities actually lost approximately 145 residents. This is a result of larger facilities with beds in excess of 200+ taking beds offline during the current year and downsizing to smaller facilities.

Occupancy Percentage

Median Occupancy Percentage By Facility Type



Facility Size	2020	2021	2022	2023	2024
Nonprofit	79.31%	72.85%	75.62%	77.63%	78.78%
For-Profit	79.04%	75.52%	81.36%	84.31%	86.28%
Industry	79.10%	74.90%	80.07%	82.82%	84.72%



Nonprofit vs. For-profit Facilities

Pandemic Trends

Both nonprofits and for-profits were consistent with the industry average each year pre-pandemic. However, nonprofit facilities have fared far worse as a result of the pandemic:

- Nonprofit facilities lost total occupancy of 14.35% in 2021
- For-profit facilities saw a smaller loss of 10.87% which is more consistent with the industry loss of 11.68%
- For-profit facilities have shown a much greater ability to adapt to the pandemic by making up nearly all their occupancy losses (10.76% of the 10.87% loss) — returning to pre-pandemic levels
- Nonprofit facilities continue to lag behind their 2019 level of 87.20% by 8.42%

Current Year Trends

Compared to 2023, in 2024:

- For-profit facilities saw an increase of 1.97%
- Nonprofit facilities saw an increase of 1.15%
- For-profit facilities continue to outperform the industry by 1.56%
- Nonprofit facilities lag behind by 5.94%.

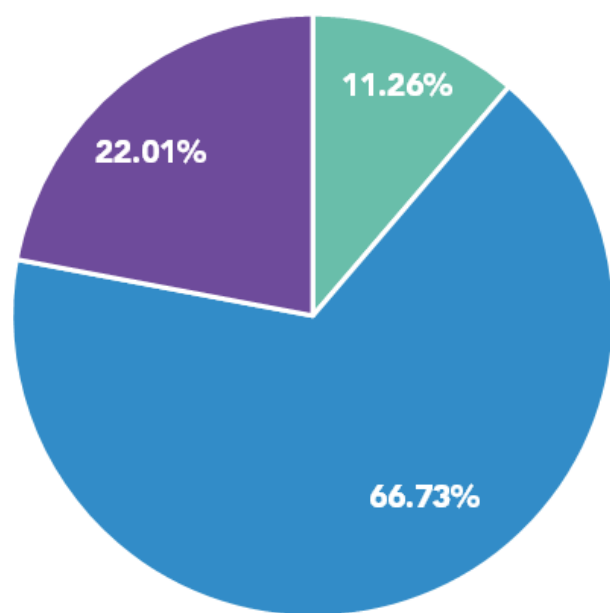
In terms of residents:

- The 1.97% increase seen by for-profit facilities equates to approximately 1,089 residents — which is more than double the increase in resident per day seen in 2023 (approximately 532 residents)
- Nonprofit facilities saw an occupancy percentage increase but, residents actually decreased by approximately 129
 - This was due to facilities having approximately 245 less beds to occupy

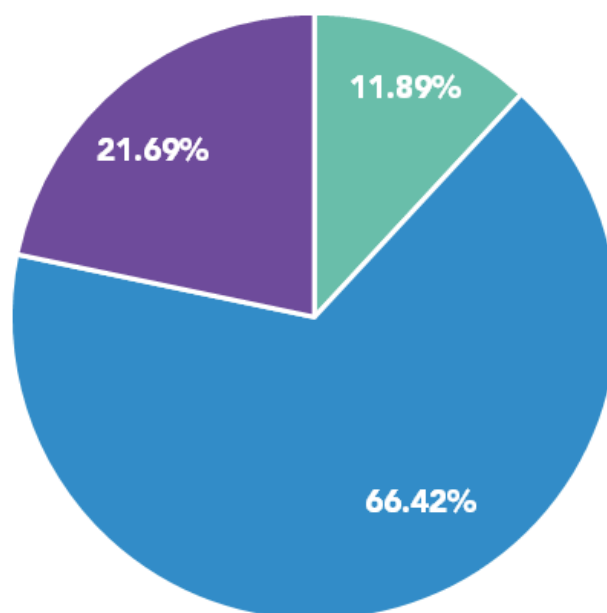
4 Average Payor Mix

A facility's average payor mix is determined by dividing the total number of resident days, by type, by the total resident days for the year. The average payor mix measures the use of third-party payors versus private payors. (Private payors may include private insurance coverage.)

Average Payor Mix By Year



■ Private ■ Medicaid ■ Medicare



■ Private ■ Medicaid ■ Medicare



Overall Industry Trends In 2024

Medicaid

- The percentage of resident days covered by the Medicaid program decreased from 66.73% to 66.42% — a 0.31% decrease
- Though the percentage of days covered by Medicaid decreased, the total number of Medicaid resident days actually increased
- Total Medicaid days within the industry increased 209,849 days or approximately 573 residents
- This increase is slightly lower than the 235,442 Medicaid days or approximately 645 residents increase seen in 2023
- The industry continues to lag 0.64% below the 67.06% Medicaid concentration seen in 2019 before the start of the pandemic

Medicare

The percentage of Medicare concentration decreased similar to the Medicaid concentration. The Medicare concentration decreased 0.32% in 2024 to 21.69%. In 2022, the industry saw the highest Medicare concentration since we started tracking the data in 2009. While the concentration decreased in 2024, the industry actually saw an increase of 51,868 total Medicare days, or approximately 142 residents.

This was a direct result of facilities re-organizing to take on more higher-paying short-stay residents with Medicare to counteract the effects of the pandemic and fill empty beds caused by the shortfall of private and Medicaid residents.

As the effects of the pandemic have started balancing out and “new norms” have been created the last two years, this re-organization is no longer as prevalent as it was in 2022.

Thoughts From Samantha Mortimer

Member Of Gross Mendelsohn's Healthcare Group



Since 2009, the number of residents who depended on government agencies to fund their care has increased 6.04% (2024: 88.11% and 2009: 82.07%). The current government agency dependency in 2024 is very consistent with the 88.51% concentration seen in 2019, indicating that mix concentrations are leveling out and will continue to do so as we learn to live with the virus in facilities and our communities.

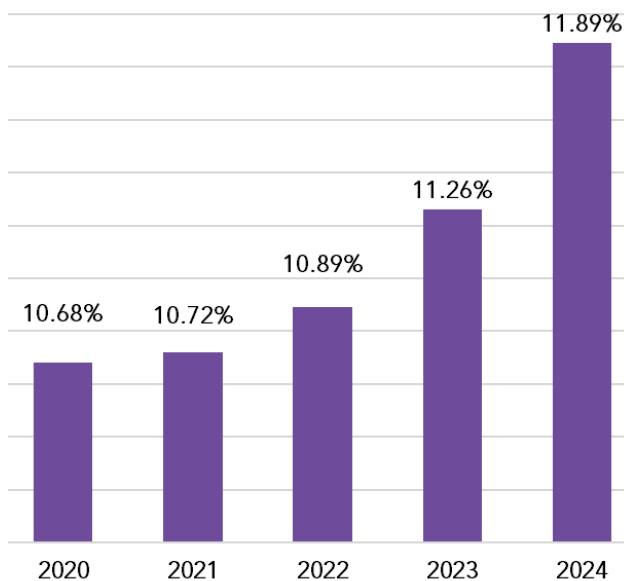


Private

- The percentage of private concentration increased 0.63% compared to 2023, or 89,922 days (approximately 246 residents)
- Second year in a row that the industry has seen the private payor concentration exceed 11% since the start of the pandemic (11.49% in 2019)

These increases the last two years have been unexpected in a time when most long-term care residents are highly relying on government programs to fund their long-term care each year. While we can't interpret what has caused these increases, we do not expect this trend to continue into 2025.

Industry Private Mix By Year



Regional Payor Trends

The changes in average payor mix for the state generally hold true for all five regions. Even though it's not shown here, the five regions fall well above or below the five-year industry averages. While the average industry private mix based on the last five years is approximately 11.09%:

- Baltimore Metro region continues to fall short at 10.51% for the same five-year period
- All regions (except Washington Metro) continue to see their five-year average private payor mix trend higher than the overall industry average
- Washington Metro region fell short for the first time in 2024 at 10.93%
- Western Maryland region saw the highest five-year private payor mix of 12.35%

Prior to 2022, the Washington Metro region always had significantly higher five-year averages than the industry and other regions, most likely due to the higher median income of Montgomery County. However, the Washington Metro region continues to see the largest shift in private mix over the past five years with a decrease of 0.39%.

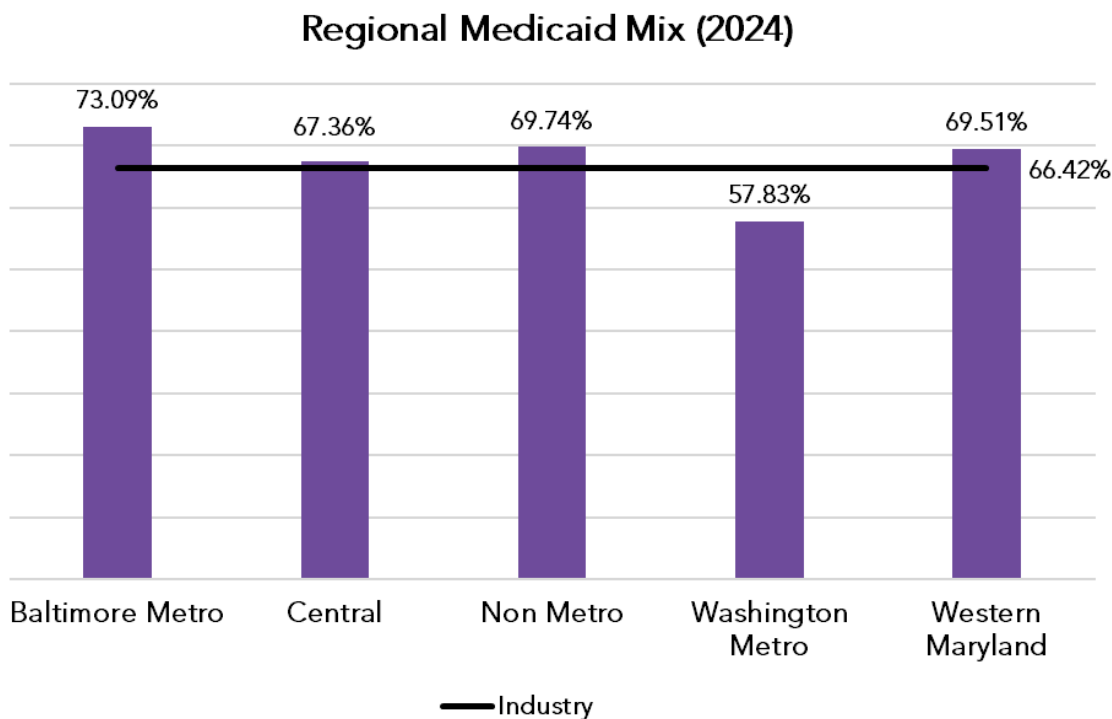


For 2023, as mentioned, this region fell short of the industry private five-year average at 10.93% compared to 11.09%. This decline is expected to continue in the upcoming years as wealthier residents in this area move to alternative types of healthcare.

Current Year Trends

- Non Metro region saw the largest increase in the private payor mix in 2024 — a 1.39% increase compared to 2023
- Western Maryland region saw a 1.38% increase, not far behind the Non Metro region
- Central region was the only region to see a decrease (0.47%)

All regions, outside of the Washington Metro region, have returned to and exceeded pre-pandemic private concentration levels from 2019. The Washington Metro region continues to lag behind their 12.04% rate seen in 2019, with a private mix concentration of 11.42% seen in 2024.





Medicaid Dependence By Region

While the overall industry Medicaid mix for 2024 was 66.42%, four regions saw significantly higher Medicaid mixes within their region:

- Baltimore Metro region at 73.09% (6.67% higher)
- Non Metro region at 69.74% (3.32% higher)
- Western Maryland region at 69.51% (3.09% higher)
- Central region at 67.36% (0.94% higher)
- Washington Metro region is the only region to fall below the industry average at 57.83% (8.59% lower)

Three regions saw an increase in their Medicaid dependency in 2024:

- Central region experienced the largest increase of 1.60%
- Non Metro region increased 0.68%
- Western Maryland region increased 0.42%

Two regions saw a decrease in their Medicaid dependency in 2024:

- Washington Metro region saw staggering losses of 1.31%
- Baltimore Metro region saw modest losses of 0.23%.

Three regions (Baltimore Metro, Central and Non Metro) have returned to their Medicaid concentration mixes seen in 2019 prior to the start of the pandemic. Both the Washington Metro and Western Maryland regions continue to lag by approximately 4.29% and 2.56%.

Since 2009, the Baltimore Metro region has routinely shown the largest dependency on Medicaid in terms of resident days. In 2024, Medicaid covered approximately 5,307 residents in long-term care facilities in the Baltimore Metro region, which continues to be higher than the combined total of the Central, Non Metro and Western Maryland regions (approximately 4,756 residents).

Prior to 2022, the Baltimore Metro region also led the regions with the largest dependency on government agencies due to their large concentration in Medicaid residents. This ranking has shifted to the Washington Metro region for the last couple of years due to this region's large Medicare concentration that offsets the region's lower than average concentration in the private payor sector.



Current Year Trends

- 88.58% of residents in Washington Metro region facilities were covered by either Medicaid or Medicare
- Washington Metro region is the only region to return to 2019 pre-pandemic government dependency levels
- All regions (except Central region) saw a decrease in their government dependency
 - Non Metro and Western Maryland regions saw the largest decrease of 1.39%
 - Washington Metro saw the smallest decrease of 0.57%
- Central region saw an increase of 0.47% in 2024

Facility Size Matters

It is important to note how the size of a facility affects the percentage of its government dependency and payor mix.

Small Facilities (1 - 44 Beds)

While the average industry private mix sits at 11.89% for 2024, facilities with 1 - 44 beds:

- Continue to have the greatest percentage of private payors (private payor mix of 36.74%)
- Have the lowest combined percentage of Medicaid and Medicare payors (63.26%)

- Have the largest percentage decline in private pay in 2024 (approximately 1.30%)
 - This negative percentage result is contrary to the overall 0.63% increase of private pay residents that the industry experienced in 2024

In reviewing the makeup of payor types for these smaller facilities, the percentage decrease in private pay directly correlates to the significant percentage increase in Medicare residents during 2024, compared to 2023, which saw a 4.58% increase.

Additionally, of the 22 residents gained in the 1 - 44 bed facilities:

- Two residents were Medicaid residents
- Five were private residents
- Remaining 14 were Medicare residents

This explains the 4.58% increase seen in these facilities' Medicare concentration and 3.27% decrease seen in Medicaid concentration.

Mid-Size Facilities (100 - 199 Beds)

- Saw the second largest increase of 0.73% which reports the second lowest number of private payors (11.20%)
- Follows just behind 200+ bed facilities in government dependency at 88.80%



Large Facilities (200+ Beds)

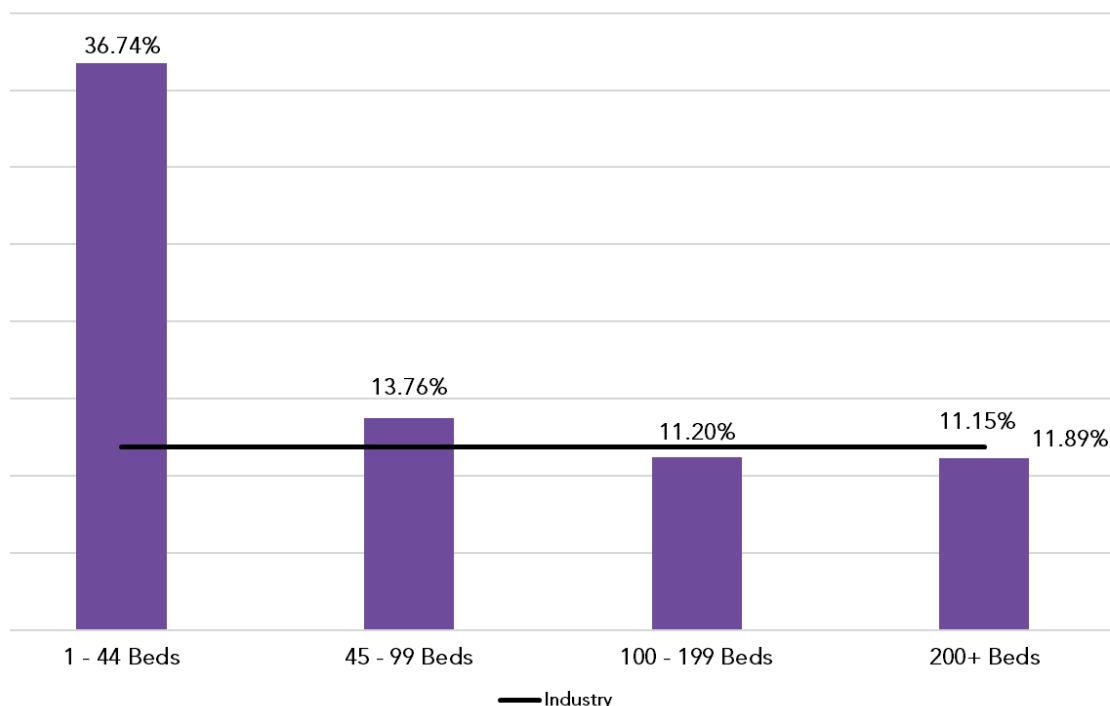
- Continue to have the lowest number of private payors (11.15%) even though these facilities saw the largest increase when comparing 2023 to 2024 (1.05%)
- Have the largest government dependency rate at 88.85%

Pre-Pandemic Comparison

When comparing 2024 rates to 2019 pre-pandemic rates, facilities with 1 - 44 beds continue to see the largest swing in private mix with an increase of 2.71%, which translates to a 2.71% less dependency on government agencies. This decreased dependency is directly related to these size facilities' dependency on Medicaid, which continues to lag by 7.42% compared to 2019.

Facilities with 200+ beds and 100 - 199 beds have not only returned to pre-pandemic private mix levels but have seen an increase of 1.09% and 0.47%, respectively, since 2019. Facilities with 45 - 99 beds continue to lag where they were in 2019, with shortages of 0.96 %. Outside of 200+ bed facilities, the remaining size facilities continue to see their Medicare dependency return to and exceed their pre-pandemic rates.

Private Mix By Facility Size (2024)





Nonprofit vs. For-Profit Facilities

Since no two organizations are the same, facilities must also compare themselves to the type of facility they are competing against.

As noted earlier, there are far more for-profit facilities in Maryland than nonprofit facilities. While the average consumer may see little difference from the outside looking in, each type of facility comes with its own set of obstacles to overcome, especially payor mix and how revenue stream affects a facility's operations.

For-Profit Facilities

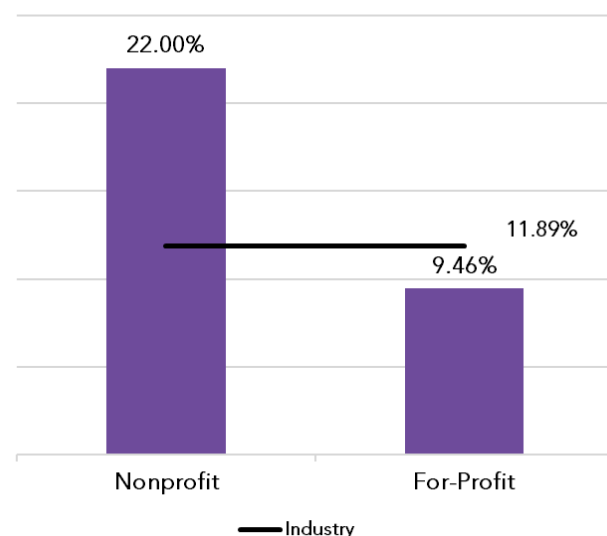
The statistics show for-profit facilities have more difficulty maintaining private mix within their facilities, and while for-profit facilities saw an 0.81% increase in their private concentration in 2024 from 8.65% in 2023, these types of facilities still maintain private concentration well below the 11.89% industry average. This continues to be a staggering drop from 2009 when 14.16% of patients in for-profit facilities were private payors (4.70% decrease). This decrease equates to 259,715 census days or approximately 712 private payor residents.

As expected with a low private payor population, for-profit facilities rely more on government agencies as payors. In 2024, for-profit facilities depended on government agencies to support their revenue stream 90.54% of the time.

As a result, these facilities are more susceptible to revenue fluctuations related to budget cuts and changes to payment plan structures by government agencies. Therefore, for-profit facilities within the state must be highly competitive with their private pay price point and find new and innovative ways to attract private pay residents to their facilities — all while keeping a tight control on costs.

When reviewing the government dependency mix between Medicaid and Medicare, for-profit facilities saw a small decrease in their Medicare and Medicaid dependency in 2023, with a decrease of 0.52% and 0.29%, respectively, compared to 2023. This shift is unexpected as Medicare residents have typically been on the rise in these facilities due to their higher rate structure than that of Medicaid.

Private Mix By Facility Type (2024)





Nonprofit Facilities

Nonprofit facilities fare far better in terms of private payor mix than both for-profits and the industry overall.

In 2024, nonprofit facilities had a private payor mix of 22.00%. While this private payor ratio is far higher than that of for-profit facilities, the losses these facilities have seen over the years are significantly higher. While these facilities saw an increase in private mix of 0.85% in 2024, since 2009, the private payor mix for nonprofit facilities' variance is still down 5.49% from 27.49%. This decrease equates to 373,785 census days or approximately 1,024 residents.

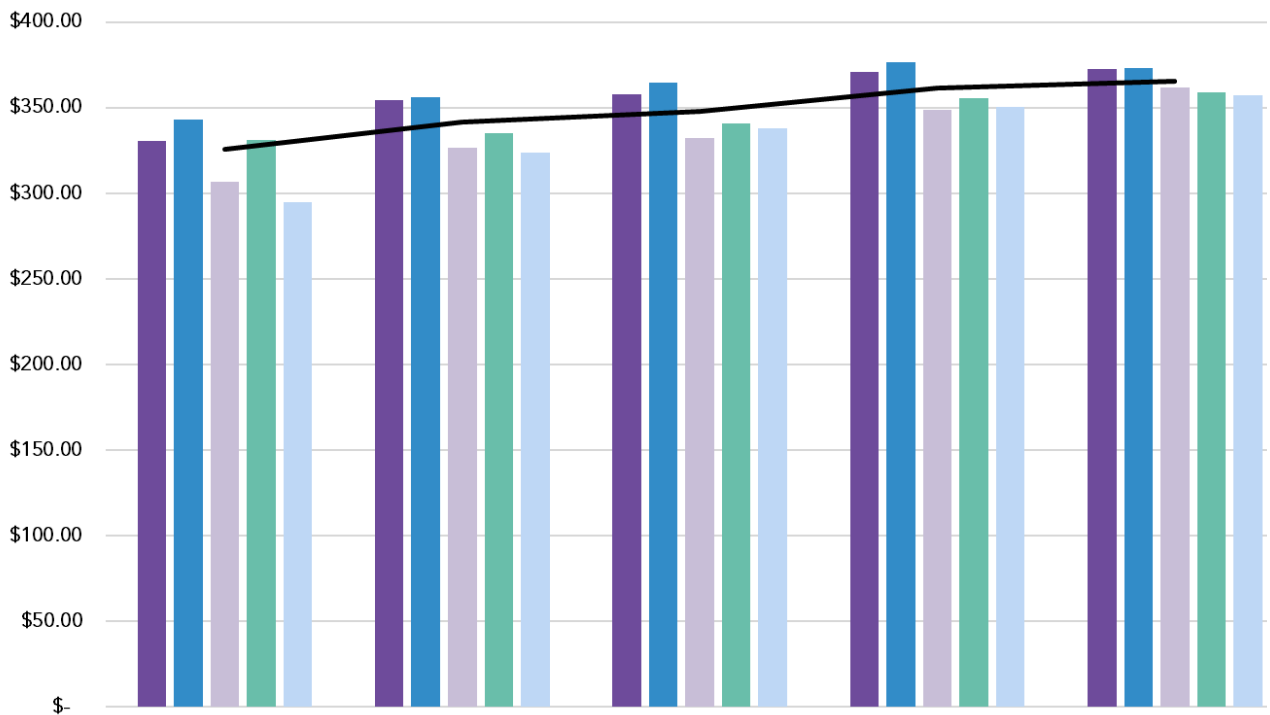
While there are many reasons that nonprofit facilities see a higher private payor mix, the main reason may be related to the type of facility these nonprofits operate. In reviewing the data, many nonprofit facilities are composed of religious or specialty-type organizations. Since these organizations tend to attract a certain type of resident and there are a limited number of these facilities, it makes sense that private payor residents would seek them out for their long-term care needs. As nonprofit facilities attract more private payors, it is natural that their government agency dependency would be lower. In 2024, nonprofit facilities had a government dependency ratio of 78.00%, a decrease of 0.85% since 2023, which was divided between a 1.34% decrease in Medicaid concentration and a 0.49% increase in Medicare concentration.



5 Total Cost Per Patient Day

A facility's total cost per patient day (PPD) is determined by dividing the total costs of the facility by the total resident days for the year. The total cost PPD measures the total cost that is required to care for one resident for one day.

Average Total Cost PPD By Year



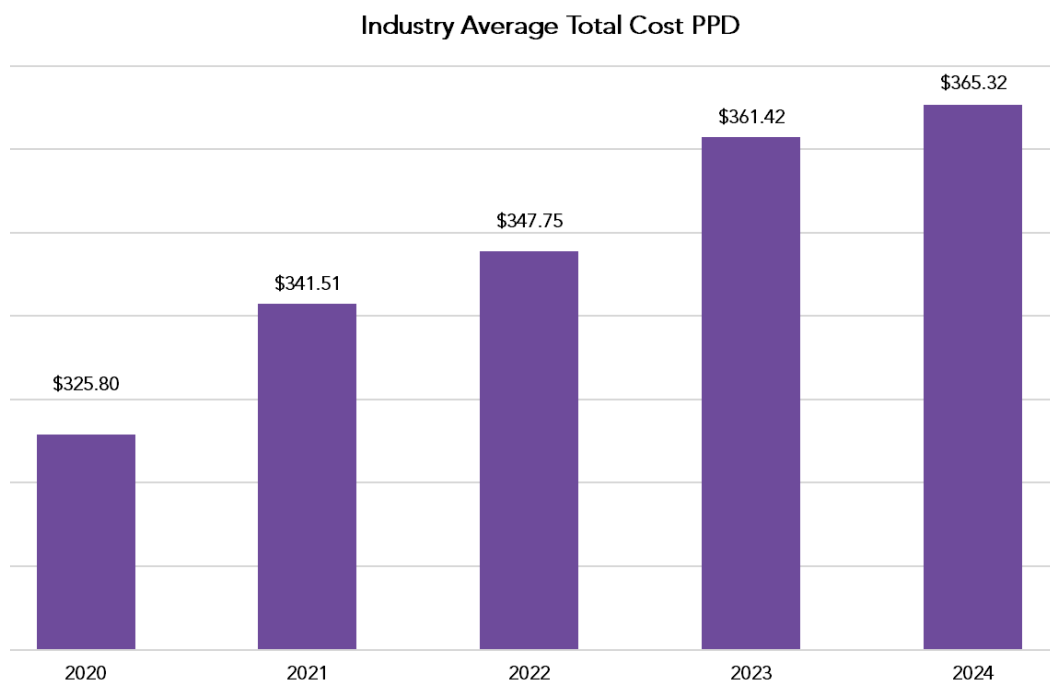
Region	2020	2021	2022	2023	2024
Baltimore Metro	\$330.43	\$354.63	\$357.66	\$370.61	\$372.48
Central	\$343.17	\$355.83	\$364.61	\$376.20	\$372.81
Non Metro	\$306.43	\$326.29	\$332.31	\$348.95	\$361.64
Washington Metro	\$330.98	\$335.07	\$340.80	\$355.31	\$358.95
Western Maryland	\$294.61	\$323.64	\$338.13	\$350.16	\$356.95
Industry	\$325.80	\$341.51	\$347.75	\$361.42	\$365.32



Cost Trends & Inflation

The results shown in the table above should come as no surprise to any provider. The cost to care for residents continues to increase each year across the state. While in recent years, the increasing costs have been directly related to COVID-19 testing costs, vaccination administration, PPE and other COVID prevention supplies, and capital improvements, we noted that these costs within facilities are starting to flatten and balance out in the current year due to the pandemic no longer being at its height in 2024 compared to the beginning of 2020. We saw this happen this year with each region reporting significant lower increases and one region — Central — reporting a decrease when comparing 2024 to 2023.

One cost that all facilities continue to struggle with in 2024 is nursing, both private in-house nursing employees and the ever increasing cost of agency nursing, which we discuss later in this report. Two areas that have not recently been on the rise in terms of costs per patient day are capital/property service and capital value rental. However, for 2024, besides nursing, these two areas make up some of the largest increases in the total cost per day. While not normal, these would be expected to increase due to the makeup of the costs within each category. Capital value rental mainly includes depreciation costs, which were on the rise in 2024 due to increased capital costs incurred for improvements such as COVID isolation rooms and HVAC upgrades. Capital/property service mainly includes interest and property taxes, both of which have been on the rise due to increases in the banks' prime rates as well as the current real estate market driving the value of property.





Additionally, costs to care for a resident are directly related to the U.S. inflation rate. While the inflation rate was at its height at 8.00% in 2022 and 4.10% in 2023, the inflation rate was still inflated at 2.90% in 2024 compared to the 1.24% average seen in 2020. Considering all the increased costs experienced by facilities since 2019, the 2024 total cost price increase is less than the inflation rate seen by the nation.

In 2024, the industry total costs to care for a resident PPD increased \$3.90, which is a 1.08% increase compared to 2023 and below the 2.90% inflation rate seen overall. The 2023 industry total costs to care for a resident PPD increased \$13.67 — a 3.93% increase that is slightly lower than the 4.10% inflation rate. The trend seen the last two years shows that facilities are attempting to navigate the challenging environment while still keeping costs down, within reason, given the changing environment.

While all these factors played a significant role in the total cost to care for a resident per day over the last five years, these aren't the only reasons costs continued to slightly increase in 2024. Since 2009, the industry average for total cost PPD has increased \$140.33 (2009: \$224.99). As noted above, in 2024, the industry average total cost PPD increased by \$3.90. If looking at pre-pandemic costs in 2019 (\$289.99) compared to 2024 (\$365.32), average total cost per patient day has increased a total of \$75.33 in the last five years, for all the reasons noted above.

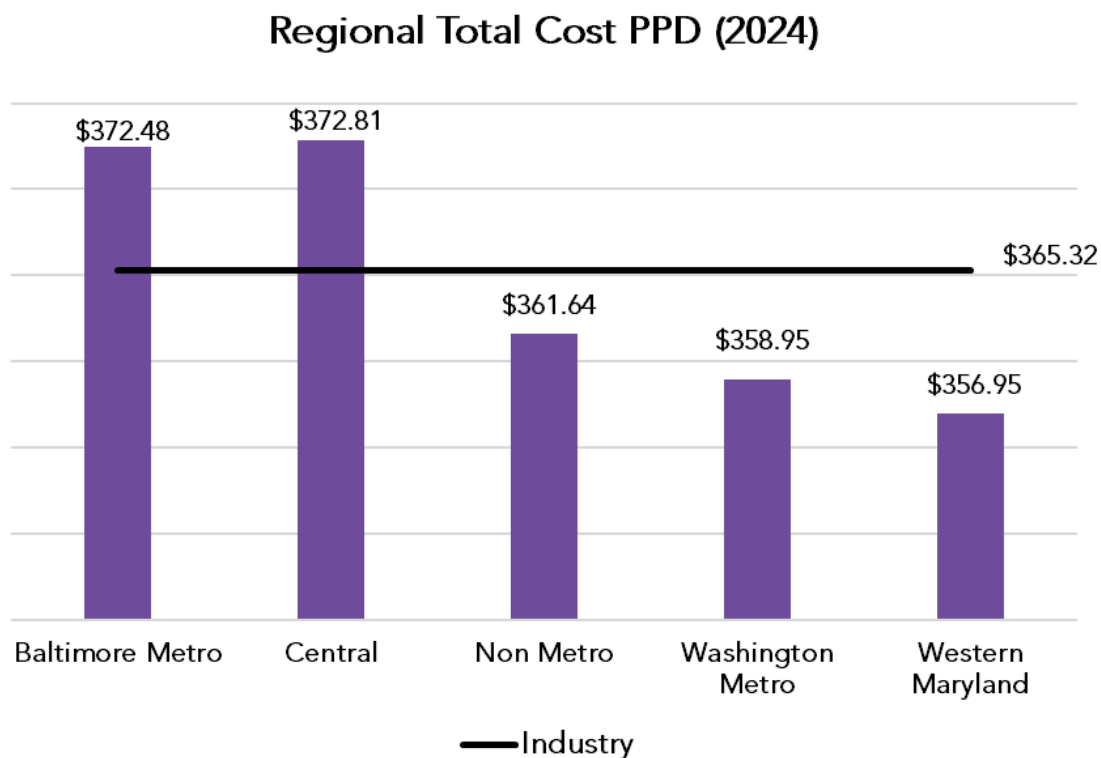
Key Cost Drivers In 2024

Personnel costs (salary and benefits), insurance and, of course, Quality Assessment fees have continued to rise, each contributing significantly to the overall increases. The Quality Assessment PPD has increased approximately 402% since July 2009 (\$6.62 PPD in 2009 and \$33.21 PPD in December 2024, down from \$34.95 in December 2023). Since Quality Assessment fees are reported on Schedule H (Capital/Property Service) of the Medicaid cost report, this cost center shows the most dramatic increase in reported costs over time. The second greatest increase in reported costs is in the largest cost center: nursing. No surprises there.

Analyzing the data based on size of the facility allows us to understand how Quality Assessment fees impact each facility. Facilities that do not pay the provider tax (those with 1 - 44 beds) showed an average capital/property service PPD of \$15.11 for 2024. It is important to note this increased significantly from \$7.75 in 2023 and is mainly driven by one facility reporting large interest costs in 2024 compared to 2023. Additionally, since the five largest facilities in the state are only required to pay \$2.72 PPD (down from \$4.10 in 2023), the facilities with 200+ beds showed an average capital/property service PPD of \$29.49, which equates to an increase of \$3.73 PPD.



In 2024, these facilities' capital/property PPD is also \$10.97 lower than the industry average of \$40.46 PPD, which is significantly lower than what was seen in 2023 (\$14.52 lower than the industry average of \$39.39 PPD). Facilities with 45 - 99 beds and 100 - 199 beds had a capital/property service PPD of \$39.65 PPD and \$42.51 PPD. This equates to a decrease of \$2.75 and an increase of \$0.83 when comparing 2024 to 2023.



Cost Impact By Region

The Central region continues to experience the highest total cost by region PPD at \$372.81 even with reporting a decrease of \$3.39 when comparing 2024 to 2023. The Central region was the only region in 2024 to report a decrease.

The Baltimore Metro region follows closely behind at \$372.48 PPD. The remaining three regions all experienced total average costs lower than industry averages. The lowest total average costs PPD was experienced in the Western Maryland region, where their total cost to care for a resident was \$356.95 in 2024.



Since 2020:

- Western Maryland region has seen the highest increase in their total costs PPD (\$62.34)
- Non Metro and Baltimore Metro regions are not far behind the Western Maryland region with increases of \$55.21 PPD and \$42.05 PPD
- Central and Washington Metro are the only two regions to experience total PPD increases to care for a resident lower than the \$39.52 industry increase
 - Washington Metro region continues to show the lowest five-year increase compared to the other regions with a \$27.97 PPD increase
 - Central region is not far behind with an increase of \$29.64 PPD

It is unknown why facilities in the Washington Metro region have been able to control their costs better than other facilities in other regions.

Since 2024:

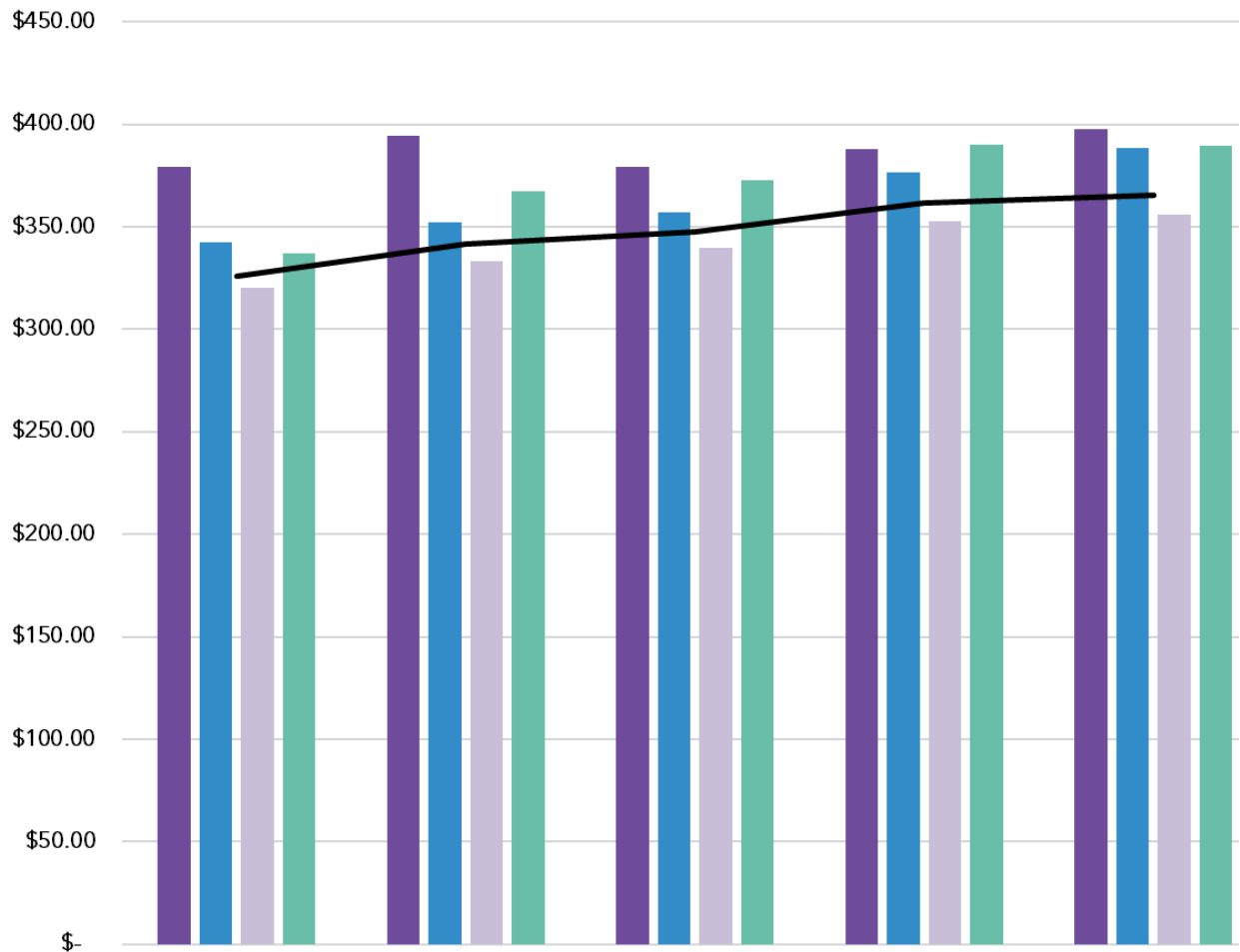
- The Non Metro region has seen the largest increase in total cost to care for a resident at \$12.69 PPD
- The Baltimore Metro region has shown the smallest increase in total cost to care for a resident at \$1.87 PPD



Total Cost Per Patient Day



Average Total Cost PPD By Facility Size



Facility Size	2020	2021	2022	2023	2024
1 - 44 beds	\$379.45	\$394.43	\$379.27	\$387.73	\$397.41
45 - 99 beds	\$342.52	\$351.98	\$357.08	\$376.39	\$388.17
100 - 199 beds	\$320.00	\$333.37	\$339.82	\$352.49	\$356.12
200+ beds	\$336.98	\$367.50	\$372.50	\$389.88	\$389.47
Industry	\$325.80	\$341.51	\$347.75	\$361.42	\$365.32



Cost Impact By Facility Size

As we have shown in prior benchmark reports, the number of beds in a facility significantly impacts the total cost PPD it takes to care for one resident.

Small Facilities (1 - 44 Beds)

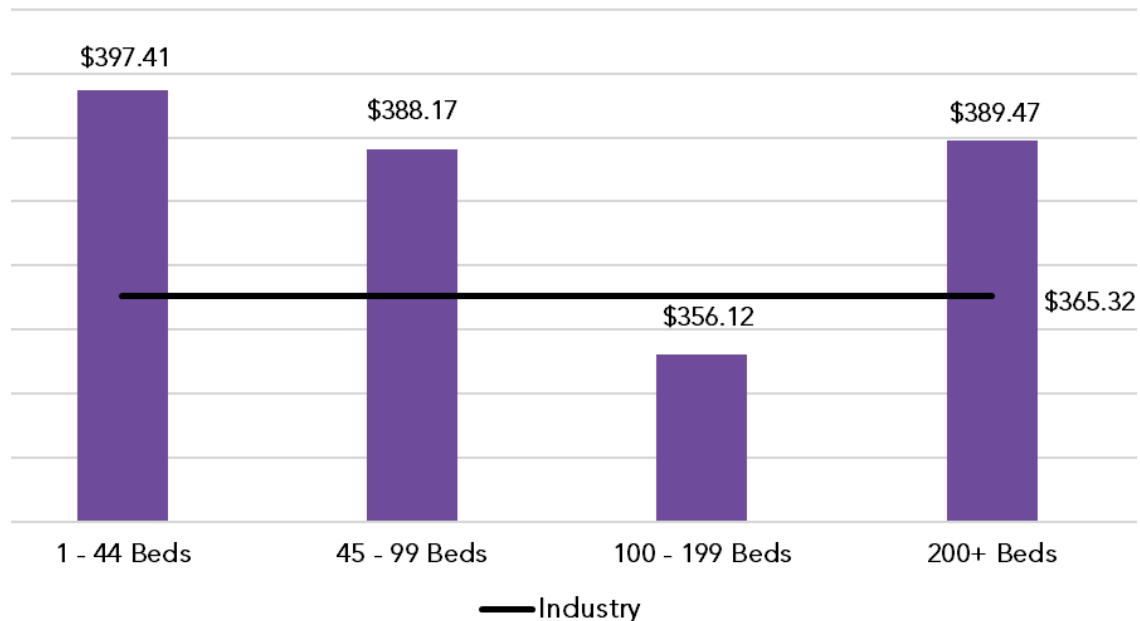
We expect facilities with 1 - 44 beds to pay much less than other facilities in the state because they are exempt from paying the Quality Assessment fee, providing a savings of nearly \$33.00 PPD. However, the opposite is true. Facilities with 1 - 44 beds have the highest total cost PPD at \$397.41 PPD in 2024.

This makes sense when you consider that regardless of size, every facility must have an administrator and a director of nursing. In addition, unless they are part of a continuing care retirement community (of which four of the seven 1 - 44 beds are CCRCs), they will have a business office manager as well as dietary, housekeeping and maintenance staff, or contracted services. Since there are fewer beds, there are fewer census days, making the denominator smaller where the total cost PPD equation is calculated.

In addition, the standard fixed costs to run a 1 - 44 bed facility typically do not differ from running a 45 - 99 bed facility. The same amount of overhead costs (i.e., utilities, accounting and billing, administrative, insurance, etc.) with some adjustment for size, are required to run each of these facilities. The variable costs are directly dependent on census, but the larger the facility, the greater the opportunity for economies of scale. Therefore, if certain costs are the same and the number of days is less, simply because the number of beds available is less, then the total cost PPD will be higher.



Total Cost PPD By Facility Size (2024)



Large Facilities (200+ Beds)

Based on the above assumption, you would think that the complete opposite would occur with facilities that have 200+ beds because they have a much larger denominator. However, facilities with 200+ beds carried the second highest total cost PPD at \$389.47 in 2024. This is primarily because facilities with 200+ beds carry much higher costs to cover the number of beds they have under license. This is visible in the area of office staff wages. While the industry average in this area was \$16.80 PPD, facilities with 200+ beds averaged \$22.52 PPD. This is likely the result of these facilities staffing more billing individuals to help with a large volume of resident invoices every month.

Mid-Size Facilities (45 - 99 Beds & 100 - 199 Beds)

Facilities with 45 - 99 beds averaged \$388.17 PPD, while facilities with 100 - 199 beds fared the best and were the only size facilities below the industry average at \$356.12 PPD.



Cost Trends By Facility Size Over The Years

When looking back at pre-pandemic levels seen in 2019, facilities with 1 - 44 beds have fared the worst. These facilities have seen their total cost PPD skyrocket by \$86.13 PPD in the last five years. These facilities are followed closely by facilities with 45 - 99 beds, which have seen an increase of \$84.36 PPD since 2019. Facilities with 100-199 beds have seen the smallest increase in the last five years (\$72.50 PPD).

When comparing 2024 to 2023:

- Facilities with 45 - 99 beds saw the highest one-year increase of \$11.78 PPD
- Facilities having 1 - 44 saw the second highest one-year increase of \$9.68 PPD
- Both facilities with 100 - 199 and 200+ beds saw increases less than the industry average increase of \$3.90 PPD
- Facilities with 100 - 199 beds fell right below the industry average at \$3.63 PPD
- Facilities with 200+ beds saw a decrease in total costs PPD of \$0.41

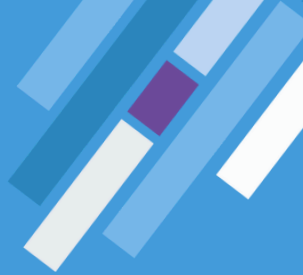
Thoughts From Jennifer Rock, CPA, MFS

Director Of Gross Mendelsohn's Healthcare Group

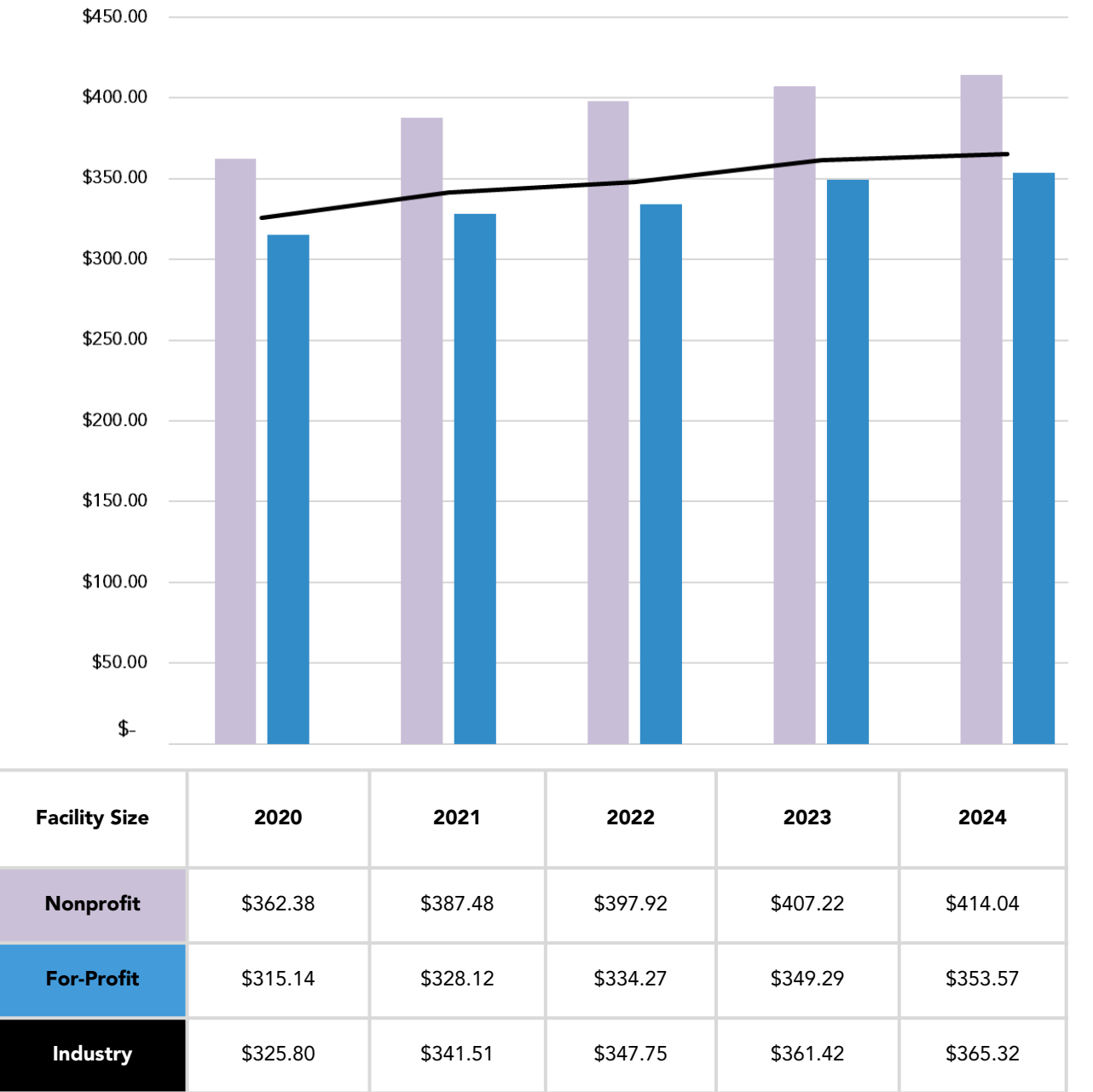


In reflecting on conversations with various administrators and others in the industry over the years, there seems to be a consensus that the ideal bed size for a skilled nursing facility is approximately 120 beds. Whether this still remains true, with numerous circumstances affecting the ideal bed size, the costs PPD of the 100 - 199 bed facilities certainly lean towards this number.

Total Cost Per Patient Day



Average Total Cost PPD By Facility Type





Nonprofit vs. For-profit Facilities

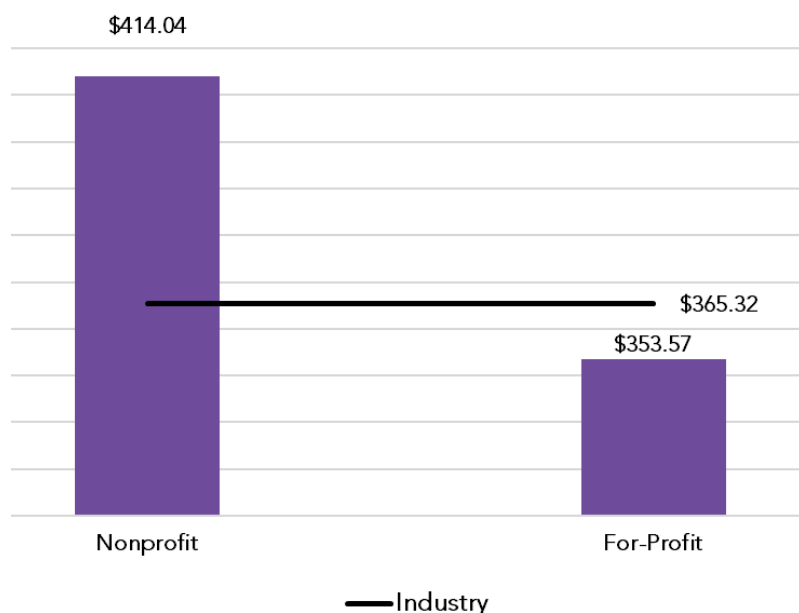
It is interesting to note the effect on total costs based on whether a facility is for-profit or nonprofit. While the current overall industry average is \$365.32 PPD in 2024:

- Nonprofit facilities are at \$414.04 PPD, \$48.72 more than the industry average
- For-profit facilities are at \$353.57 PPD, \$11.75 PPD below the industry average

Part of this large difference relates to the financial ability of many nonprofit facilities to have higher staffing ratios and offer other amenities to their residents, especially since nonprofits can generate charitable contributions. In addition, several nonprofit facilities have significant endowments that can fund these higher costs and additional amenities.

While the industry as a whole has seen a \$75.33 increase since 2019, nonprofit facilities have seen an increase of \$88.75 during this same period. Though for-profit facilities have total costs less than the industry average at \$353.57 PPD, they saw a similar increase over the past five years as the industry average of \$74.30 PPD. Additionally, while the industry saw an increase of \$3.90 PPD when comparing 2024 to 2023, nonprofit facilities saw double increases of \$6.82 PPD, while for-profit facilities only saw increases of \$4.82 PPD. This has been a continuing trend since 2019.

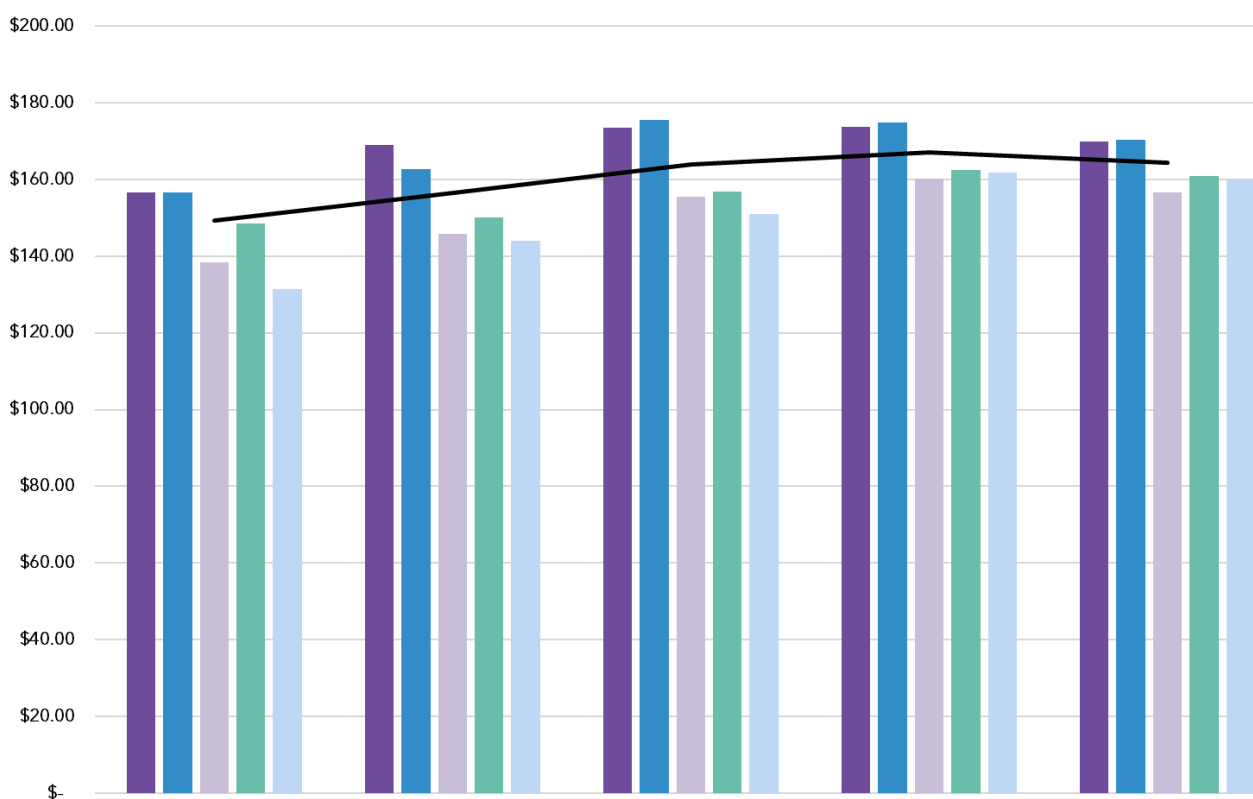
Total Cost PPD By Facility Type (2024)



6 Total Nursing Cost Per Patient Day

A facility's total nursing cost per patient day (PPD) is determined by dividing the total nursing costs of the facility by the total resident days for the year. The total nursing cost PPD measures the nursing cost required to care for one resident for one day.

Average Nursing Cost PPD By Year



Region	2020	2021	2022	2023	2024
Baltimore Metro	\$156.68	\$168.97	\$173.42	\$173.73	\$169.91
Central	\$156.67	\$162.59	\$175.42	\$174.87	\$170.33
Non Metro	\$138.27	\$145.85	\$155.55	\$160.13	\$156.65
Washington Metro	\$148.59	\$149.97	\$156.78	\$162.39	\$160.80
Western Maryland	\$131.45	\$143.90	\$150.98	\$161.76	\$160.15
Industry	\$149.39	\$156.40	\$163.86	\$167.17	\$164.36



Industry-Wide Nursing Cost Trends

As expected, since this industry is labor intensive, nursing is traditionally the largest cost center for all facilities. As shown in the preceding table, overall nursing costs have increased from \$149.34 PPD in 2020 to \$164.36 PPD in 2024, equivalent to a \$15.02 increase per patient day.

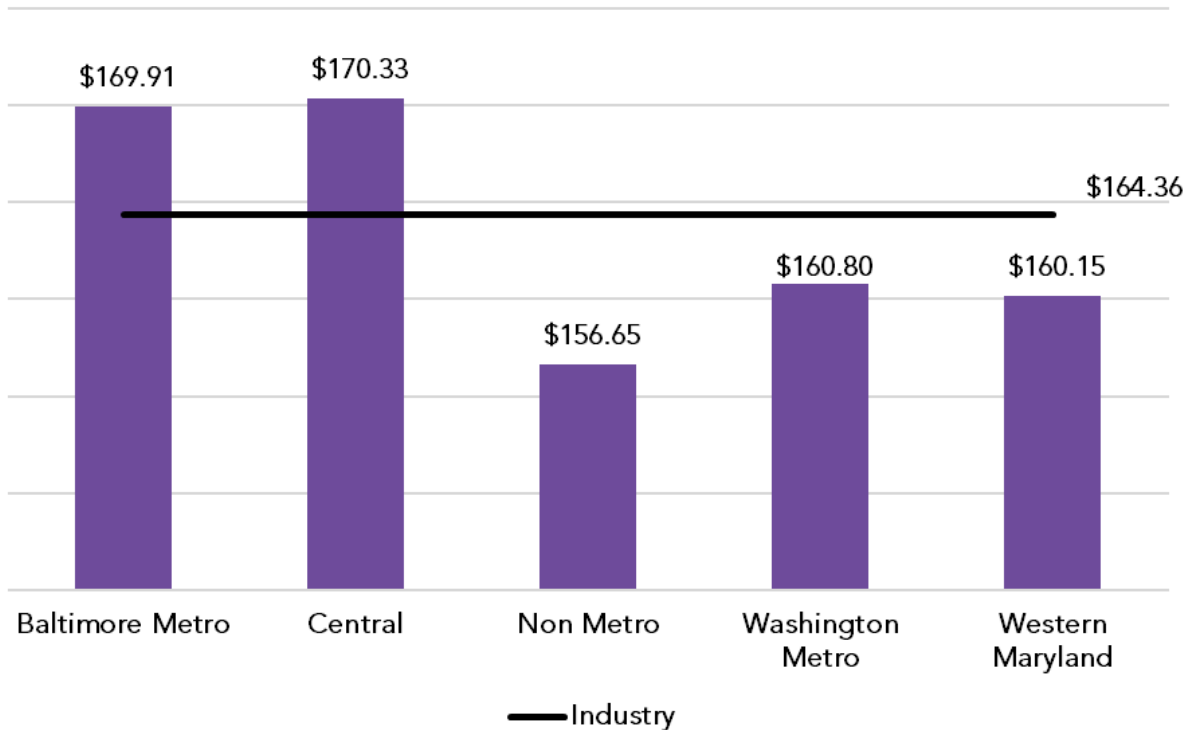
Several factors have led to this increase over the last five years:

- The most significant is the pandemic and the increase in nursing salaries that have occurred during this period
 - This is mainly related to facilities paying either hazard pay or bonuses to employees who worked during the pandemic
- Facilities continue to need agency nursing support to fill the large shortage of nursing staff caused by the pandemic
- As noted in last year's report, many nurses voluntarily chose not to return to the nursing field or were unable to return due to childcare needs or illness caused by the pandemic
- Many nursing agencies increased the hourly rate due to the pandemic
- The cost of PPE

There is some good news on the horizon as the data shows that the cost of nursing seems to be flattening as facilities have learned to right-size their facilities in terms of nursing costs. While nearly all facilities saw small increases in 2023, most facilities saw these same increases from 2023 vanish in 2024. This is evident in the overall industry average, which saw a decrease of \$2.81 PPD in 2024 compared to an increase of \$3.31 PPD in 2023. This returned the 2024 nursing cost PPD to \$163.36 which was consistent with nursing costs of \$163.86 PPD in 2022.



Regional Nursing Cost PPD (2024)



Regional Nursing Cost Trends

Similar to the industry average, all five regions reported decreases in nursing costs when comparing 2024 to 2023, and three of the five regions reported decreases larger than the industry average decrease of \$2.81 PPD.

- Central region reported the largest decrease in nursing costs (\$4.54 PPD)
- Baltimore Metro and Non Metro regions fall right behind the Central region with decreases of \$3.82 PPD and \$3.48 PPD
- Western Maryland and Washington Metro regions both had decreases lower than the industry average of \$1.61 PPD and \$1.59 PPD



Two regions reported significantly higher increases than the industry average over the same five-year period.

- Highest was the Western Maryland region where nursing costs increased from \$131.45 PPD to \$160.15 PPD (\$28.70 PPD increase)
- Non Metro region was the second with increases of \$18.38 PPD
- Central, Baltimore Metro and Washington Metro regions experienced decreases lower than the industry average with increases of \$13.66, \$13.23 and \$12.21 PPD

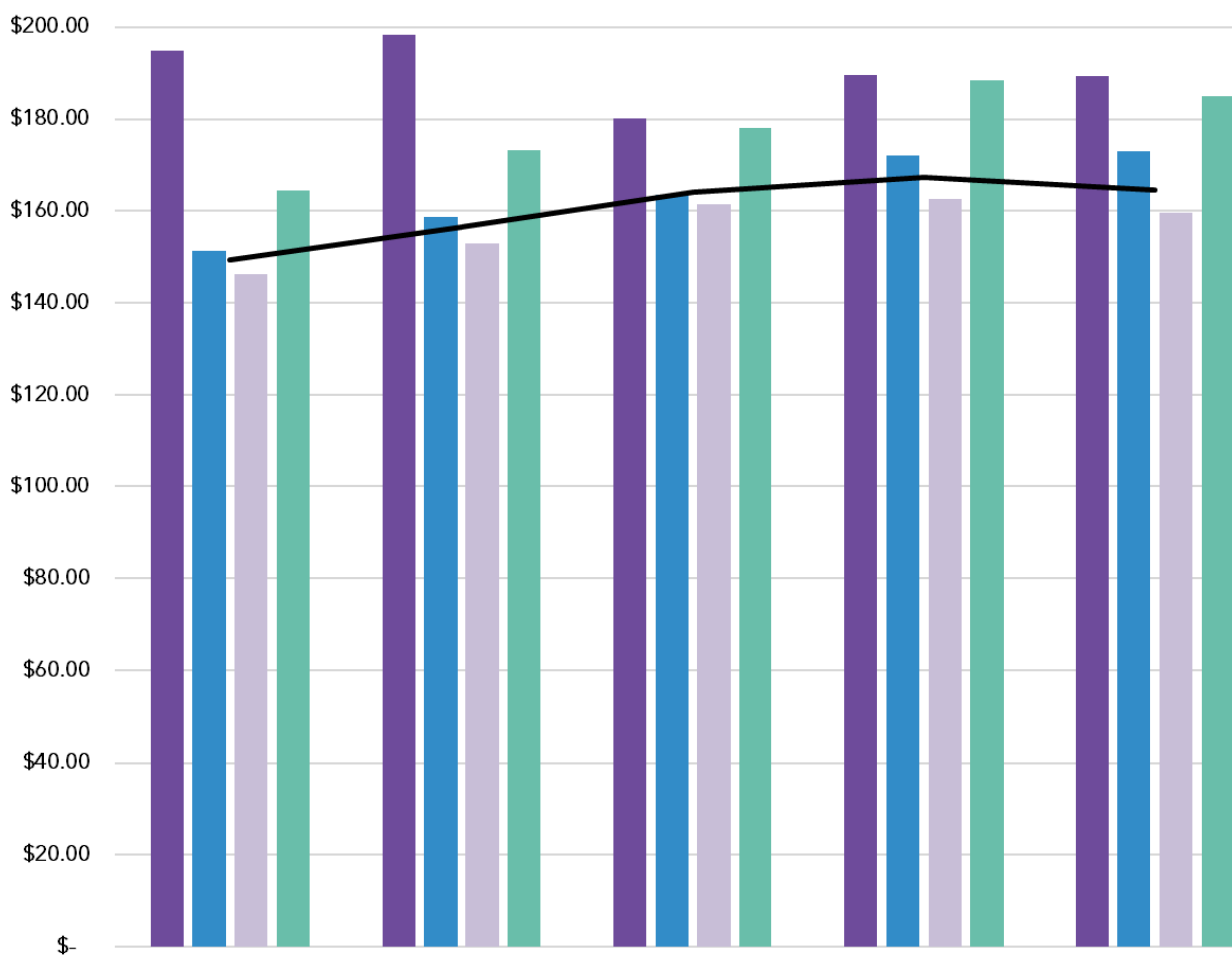
As noted in the chart, prior to 2022, the Baltimore Metro region routinely had the highest nursing costs PPD of all the regions, likely driven by the nursing costs in Baltimore City. However, over the past three years, the Central region continues to lead the region with the highest nursing costs at \$170.33 PPD though still followed closely by the Baltimore Metro region at \$169.91 PPD. The Non Metro region continues to show the lowest nursing costs with a current year PPD of \$156.65.



Total Nursing Cost Per Patient Day



Average Nursing Cost PPD By Facility Size



Facility Size	2020	2021	2022	2023	2024
1 - 44 beds	\$194.90	\$198.30	\$180.27	\$189.54	\$189.45
45 - 99 beds	\$151.28	\$158.65	\$163.30	\$172.07	\$173.08
100 - 199 beds	\$146.11	\$152.76	\$161.24	\$162.46	\$159.51
200+ beds	\$164.22	\$173.34	\$178.16	\$188.39	\$184.97
Industry	\$149.34	\$156.40	\$163.86	\$167.17	\$164.36

Nursing Cost Trends By Facility Size

Facilities with 1 - 44 beds continue to experience the highest nursing cost PPD (\$189.45 PPD) in 2024, followed closely by facilities with 200+ beds at \$184.97 PPD.

In 2024, these two types of facilities saw decreases when comparing to 2023, which is the complete opposite of the large increases of 2023. In 2024:

- Facilities with 200+ beds saw a decrease of \$3.42 PPD — the largest of all decreases
- Facilities with 1 - 44 beds saw a decrease of \$0.09 PPD — the smallest of all decreases
- Facilities with 100 - 199 beds continue to experience the lowest nursing cost PPD (\$159.51 PPD)
 - These facilities also saw a significant decrease — similar to facilities with 200+ beds — at \$2.95 PPD

- Facilities with 45 - 99 beds do not report the highest nursing costs at \$173.08 PPD — but are the only facility to see an increase in 2024 at \$1.01 PPD
 - It's important to note that this is still very small compared to the large increase in 2023 (\$8.77 PPD)

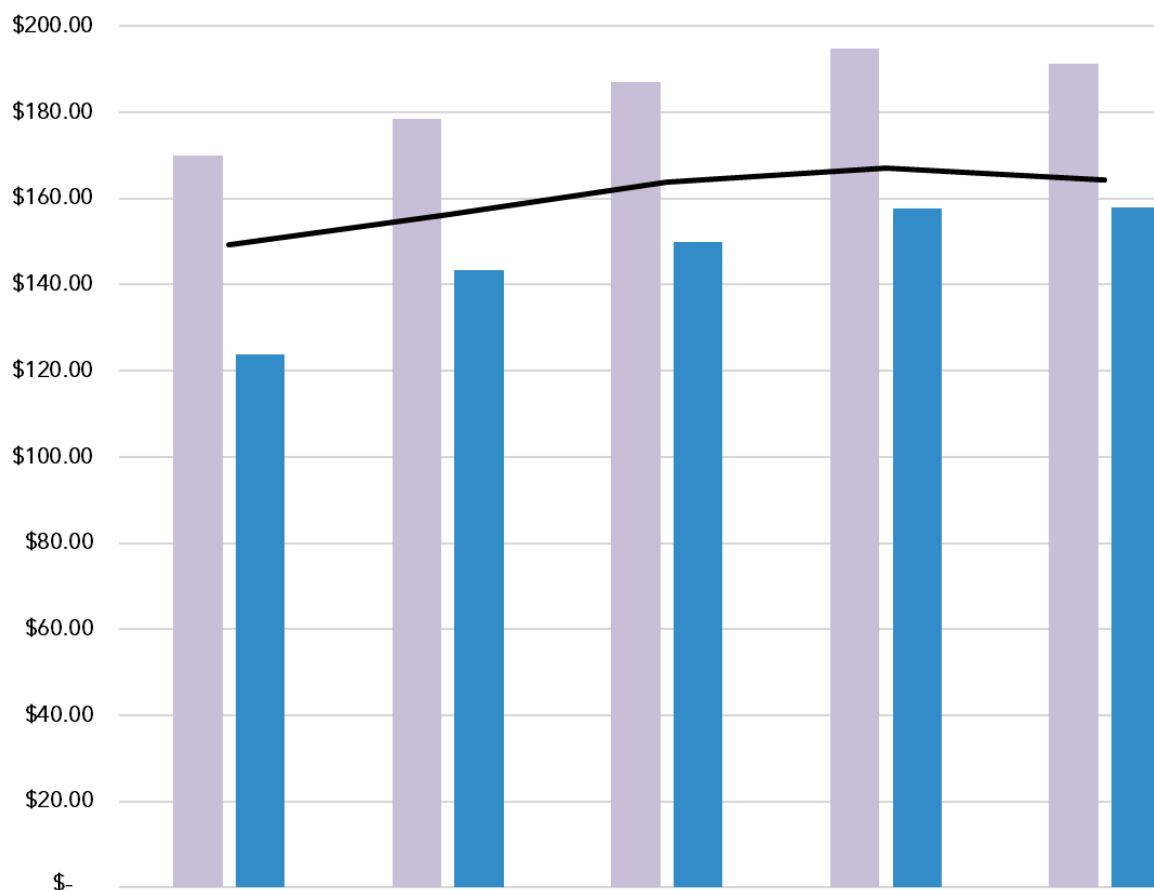
In the last five years:

- Facilities with 1 - 44 beds had the least impact since 2020 with decreases of \$5.45 PPD — opposite of what the other facilities reported
- Facilities with 45 - 99 beds and 200+ beds have seen the largest impact on their nursing cost with increases of \$21.80 PPD and \$20.75 PPD
- Facilities with 100 - 199 beds also saw a significant increase but not nearly as significant as the others with only a \$13.40 PPD increase



Total Nursing Cost Per Patient Day

Average Nursing Cost PPD By Facility Type



Facility Size	2020	2021	2022	2023	2024
Nonprofit	\$170.00	\$178.46	\$186.98	\$194.69	\$191.21
For-Profit	\$123.84	\$143.32	\$149.98	\$157.64	\$157.88
Industry	\$149.34	\$156.40	\$163.40	\$167.17	\$164.36



Nonprofit vs. For-Profit Facilities

Nonprofit Facilities

As with total cost PPD, nonprofit facilities experienced larger nursing costs when compared to for-profit facilities. For 2024, nonprofit facilities saw nursing costs of \$191.21 PPD, \$26.85 greater than the industry average.

Prior to 2024, nonprofit facilities were experiencing significant to moderate increases when comparing themselves to the industry average:

- In 2023 the delta was \$4.40 PPD because of these facilities having an increase of \$7.71
 - This was nearly double that of the industry average of \$3.31 PPD
- In 2022 the delta was only \$1.06 PPD
- In 2021 the delta was only \$1.40 PPD

However, in 2024 we saw quite the opposite for both nonprofit facilities and the industry reporting a decrease of \$3.48 PPD and \$2.81 PPD.

For-Profit Facilities

Consistent with nonprofit facilities, for-profit facilities also saw a decrease of \$2.00 PPD, \$0.81 PPD lower than the industry average decrease, when comparing 2024 to 2023. When comparing 2023 to 2022 for-profit facilities reported the lowest increase seen since 2018, an increase of only \$2.24 PPD.

For-profit facilities have also fared much better when reviewing the pandemic effect on facilities. For-profit facilities saw a five-year increase in their nursing costs of \$34.04 PPD since 2019 compared to the \$40.47 PPD increase seen by nonprofit facilities. As expected, half of these total nursing cost increases were in 2020 at the height of the pandemic.

Thoughts From Samantha Mortimer

Member Of Gross Mendelsohn's Healthcare Group



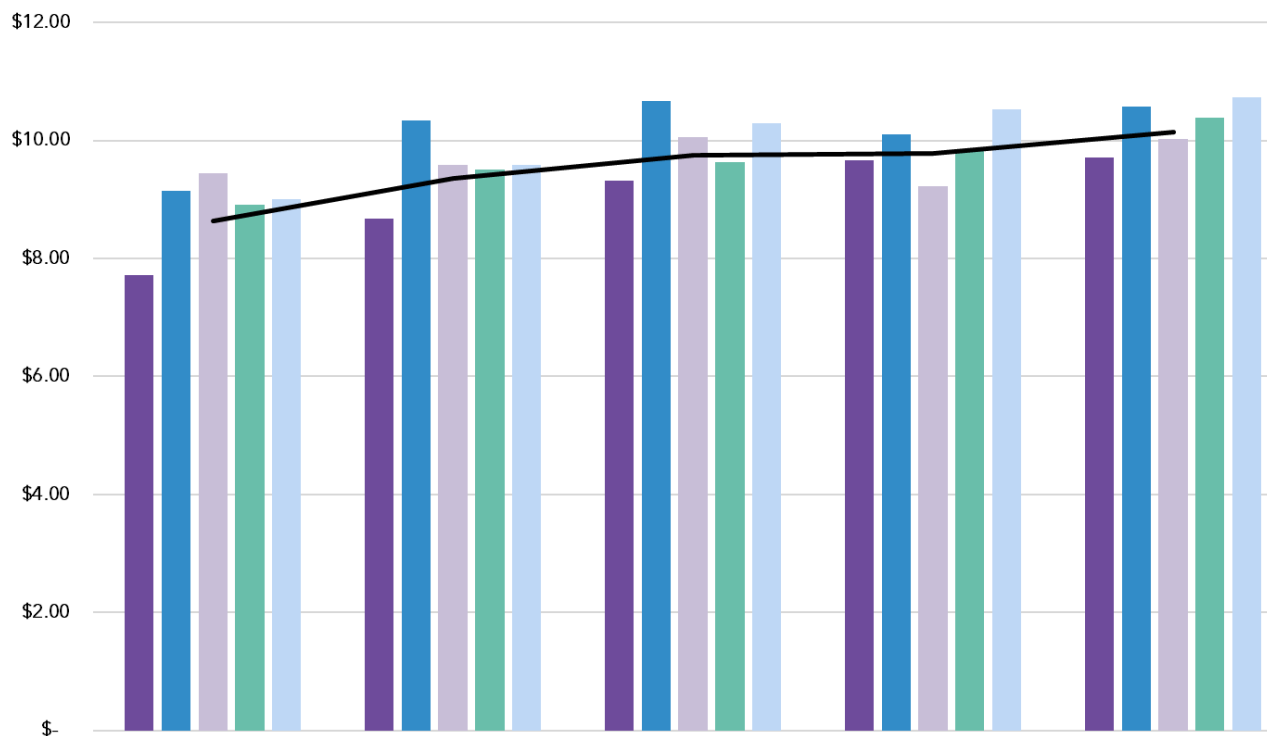
This is the first decrease reported in the past five years for the industry, nonprofits and for-profits, which shows the impact of the pandemic is declining and costs are beginning to level out. As facilities are working to understand why nursing costs continue to rise and are identifying controllable aspects of nursing costs when managing a facility and planning for the future. It's important for facilities to continue managing their personnel costs where they can, primarily in the area of employee benefits.

7

Total Raw Food Cost Per Patient Day

A facility's total raw food cost per patient day (PPD) is determined by dividing the total raw food costs of the facility by the total resident days for the year. The total raw food cost PPD measures the raw food cost required to feed one resident for one day.

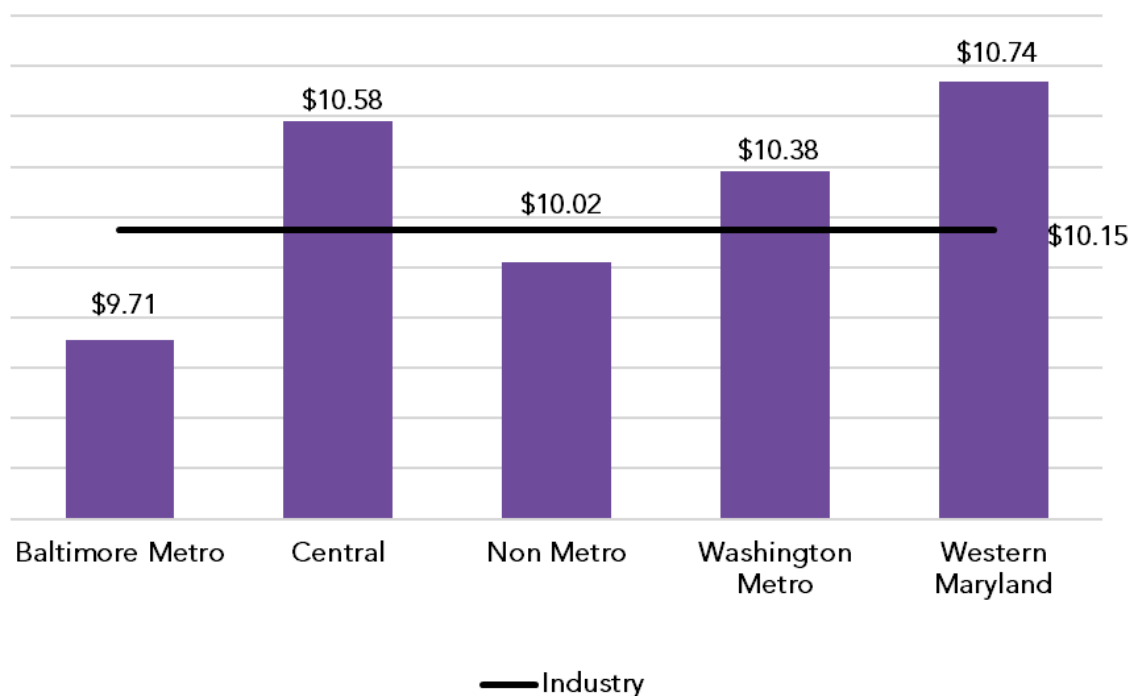
Average Raw Food Cost PPD By Year



Region	2020	2021	2022	2023	2024
Baltimore Metro	\$7.72	\$8.68	\$9.32	\$9.67	\$9.71
Central	\$9.15	\$10.34	\$10.67	\$10.10	\$10.58
Non Metro	\$9.45	\$9.58	\$10.06	\$9.22	\$10.02
Washington Metro	\$8.91	\$9.51	\$9.64	\$9.82	\$10.38
Western Maryland	\$9.01	\$9.59	\$10.29	\$10.53	\$10.74
Industry	\$8.63	\$9.36	\$9.75	\$9.78	\$10.15



Regional Average Raw Food Cost PPD (2024)



Industry-Wide Raw Food Cost Trends

Food costs remain one of the most challenging expenses for facilities to predict and control. The inherently perishable nature of fresh foods, combined with the need to accommodate residents' specialized dietary requirements, which as many of us know, can change suddenly due to ongoing medical conditions, can make accurate forecasting extremely difficult. In practice, determining appropriate quantities often becomes more of an informed estimate than an exact science, and even the most experienced dietary managers and procurement teams face significant uncertainty.

In interviews and ongoing conversations with facility chefs and food service directors, many report that while they rely on historical usage data, programs, seasonal trends and vendor input to guide purchasing decisions, they often must trust their instincts or "gut feeling" when placing orders. This reality highlights the challenges of balancing cost control with the need to maintain resident satisfaction and meet individualized nutritional needs.

The pandemic amplified these challenges dramatically. In its early stages, facilities faced unprecedented food and supply shortages that disrupted traditional purchasing strategies and forced buyers to secure available alternatives, often at significantly higher prices.



Routine items like meats, produce and shelf-stable staples were frequently substituted with more expensive replacements — driving rapid increases in per patient day food costs.

While supply chains have stabilized somewhat since the height of the pandemic, issues persist even today. As recently as last year, facilities across the country dealt with industry-wide shortages that directly impacted resident care and food service operations. For example, a national shortage of cardboard packaging disrupted the availability of individually portioned milk cartons — a staple in long-term care. Similarly, the scarcity of certain thickening agents used in nutritional supplement shakes caused widespread product delays, forcing facilities to source alternative brands or reformulate menu offerings. These ongoing supply chain vulnerabilities illustrate that the aftershocks of the pandemic are far from over.

Coupled with ongoing inflation-driven price increases, these challenges have resulted in long-term cost escalations that continue to strain dietary department budgets. Even well-managed facilities now find it increasingly difficult to maintain cost controls while meeting residents' nutritional needs and maintaining quality standards.

In reviewing the current year's data, facilities continue to grapple with rising raw food costs, which remain heavily influenced by inflationary pressures and lingering supply chain disruptions. In 2024, the industry's average raw food cost reached \$10.15 PPD, up from \$9.78 PPD in 2023 (a \$0.37 PPD increase). While this single-year growth may appear moderate, the cumulative rise since 2019 totals \$2.12 PPD, a significant increase that underscores the lasting impact of pandemic-era market instability. These sustained cost escalations have forced facilities to adjust menus, renegotiate vendor agreements and adopt creative procurement strategies to preserve both nutritional quality and operational budgets.

Thoughts From Ben Hanks

Member Of Gross Mendelsohn's Healthcare Group



Another layer of complexity stems from the highly variable nature of food pricing. Seasonal fluctuations and regional supply differences can cause frequent price swings, leading to unpredictable changes in raw food costs. This variability makes benchmarking especially important as facilities consistently express interest in understanding how their food costs compare to peer organizations and industry averages as a way to guide budget planning and negotiate more competitive vendor pricing.

Regional Raw Food Cost Trends

All five regions reported increases in 2024, extending a pattern that began during the early stages of the pandemic.

In 2024:

- Non Metro region saw the largest increase at \$0.80 PPD
- Washington Metro region came in second with an increase of \$0.56 PPD and Central region was not far behind with a \$0.48 PPD increase
- Western Maryland and Baltimore Metro regions experienced modest growth of \$0.21 and \$0.04 PPD

These differences reflect a complex mix of factors, including variations in supplier access, transportation costs, and the availability of alternate product sources.

In the last five years:

- Baltimore Metro and Western Maryland regions have seen the largest increase in food costs at \$1.99 PPD and \$1.73 PPD — both well above the average food cost of \$1.52 PPD
- Washington Metro, Central and Non Metro regions all experienced increases but lower than the industry average at \$1.47 PPD, \$1.43 PPD and \$0.57 PPD

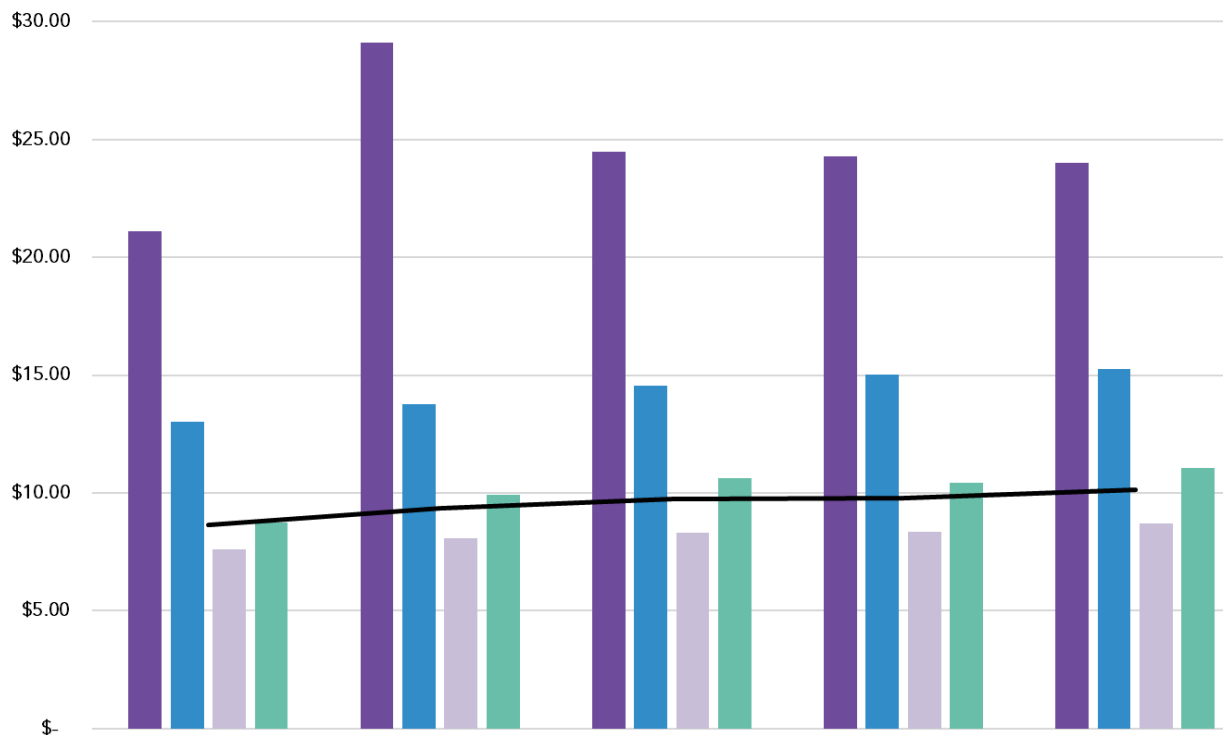
This indicates that while rural and non metro facilities have been more susceptible to sudden year-over-year price spikes, urban and metro areas have experienced more sustained upward pricing pressure over time, often due to higher labor, distribution and vendor costs.



Total Raw Food Cost Per Patient Day



Average Raw Food Cost PPD By Facility Size



Facility Size	2020	2021	2022	2023	2024
1 - 44 beds	\$21.12	\$29.12	\$24.47	\$24.27	\$24.02
45 - 99 beds	\$13.02	\$13.77	\$14.56	\$15.02	\$15.27
100 - 199 beds	\$7.59	\$8.06	\$8.33	\$8.35	\$8.71
200+ beds	\$8.73	\$9.91	\$10.64	\$10.44	\$11.06
Industry	\$8.63	\$9.36	\$9.75	\$9.78	\$10.15



Raw Food Cost Trends By Facility Size

Facility size continues to be a critical factor in food costs, with smaller facilities incurring disproportionately higher expenses. Facilities with 1 - 44 beds reported the highest average food costs of \$24.02 PPD and saw the largest five-year increase of \$2.90 PPD. Although these size facilities saw a decrease for the second year in a row (\$0.25 PPD in 2024 and \$0.20 PPD in 2023), the operational realities of smaller facilities, including fewer staff resources, less bulk purchasing power and fixed overhead costs spread across fewer residents, contribute to these elevated expenses.

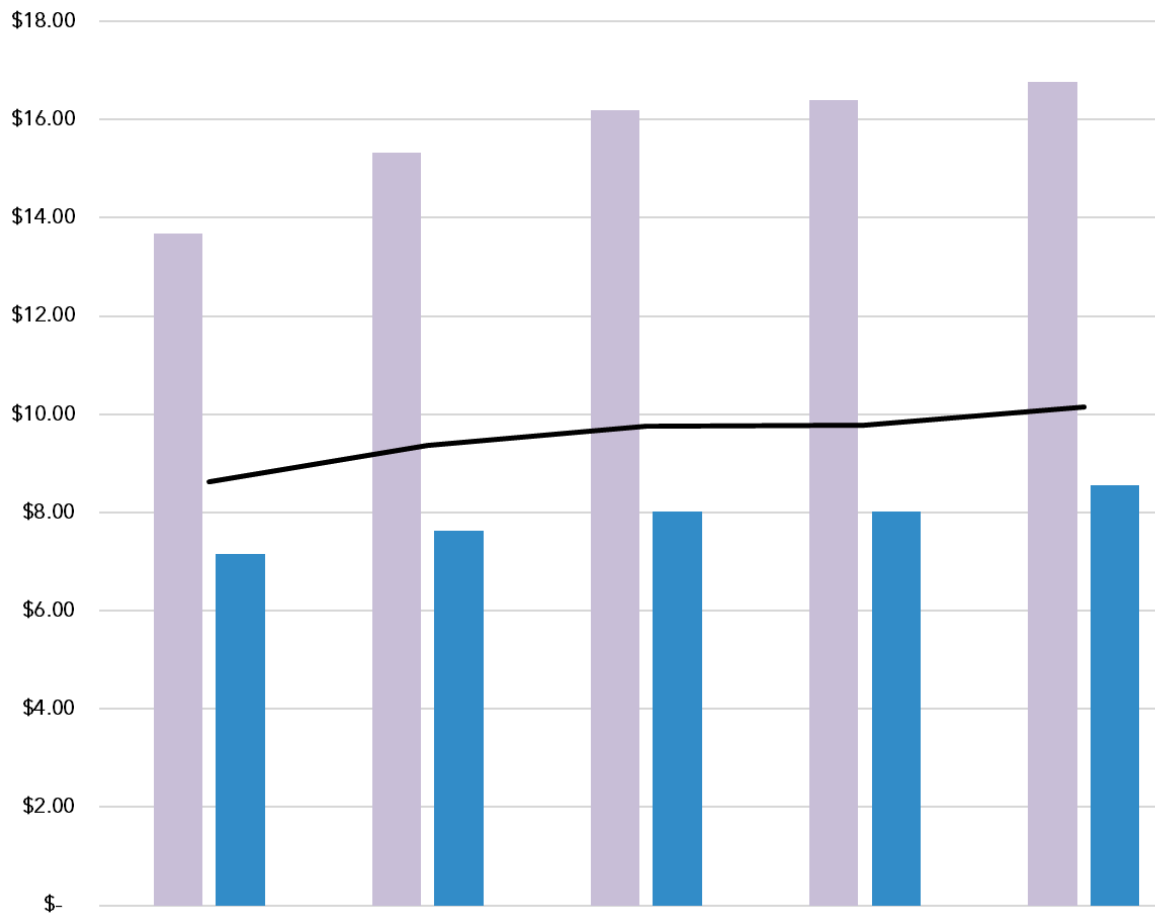
All other facilities saw increases in food costs when comparing 2024 to 2023:

- Facilities with 200+ beds saw the largest increase (\$0.62 PPD)
 - These facilities also saw the second largest increase since 2020 (\$2.33 PPD)
- Facilities with 45 - 99 beds saw the smallest increase (\$0.25 PPD)
- Facilities with 100 - 199 beds continue to have the lowest food costs of all size facilities at \$8.71 PPD — \$1.44 below the statewide average — and reporting only a modest \$0.36 PPD increase from 2023



Total Raw Food Cost Per Patient Day

Average Raw Food Cost PPD By Facility Type



Facility Size	2020	2021	2022	2023	2024
Nonprofit	\$13.68	\$15.32	\$16.20	\$16.39	\$16.76
For-Profit	\$7.16	\$7.62	\$8.02	\$8.03	\$8.56
Industry	\$8.63	\$9.36	\$9.75	\$9.78	\$10.15



Nonprofit vs. For-Profit Facilities

Over the last five years, nonprofits have seen food costs surge by \$3.08 PPD, compared to a \$1.40 PPD increase for for-profits, underscoring the long-term financial challenges faced by mission-driven organizations.

Nonprofits often operate under higher service expectations, including customized menus and more premium product sourcing, which contribute to this persistent cost disparity. For-profit operators, while generally more cost-conscious, are also not immune to inflation and supply chain disruptions, as reflected in their steady upward trend since 2020.

In both 2024 and 2023, nonprofit facilities saw food costs \$6.61 PPD lower than the industry average of \$10.15 and \$9.78 PPD in each year. Conversely, for-profit facilities have consistently averaged \$1.73 PPD below industry average since 2021 but decreased to \$1.59 PPD below the industry in 2024 due to a larger than normal increase of \$0.53 PPD in 2024.

Prepare For The Future

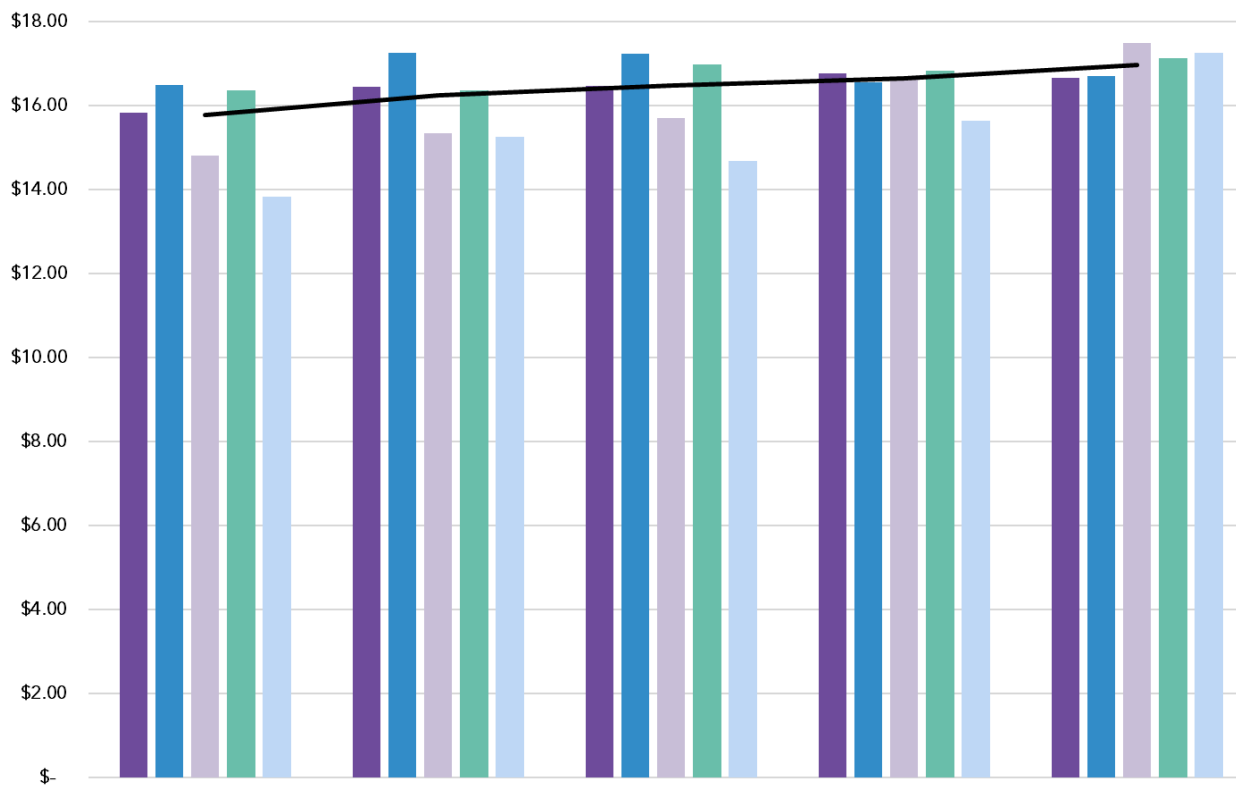
Looking forward, food costs are expected to remain volatile as inflation and tariffs continue to affect commodity pricing and supply chains face intermittent disruptions. Nationwide shortages in packaging materials, specialty dietary products and other essential supplies highlight the ongoing fragility of the food distribution network.

To mitigate these challenges, facilities may benefit from diversifying vendor relationships, participating in group purchasing organizations (GPOs) and implementing tighter inventory management practices to reduce waste. Additionally, benchmarking costs against regional peers and adopting flexible menu planning will be critical for navigating future price increases without compromising resident care or nutritional standards.

8 Total Dietary Cost Per Patient Day

A facility's total dietary cost per patient day (PPD) is determined by dividing the total dietary costs of the facility by the total resident days for the year. The total dietary cost PPD measures the total cost required to feed one resident for one day.

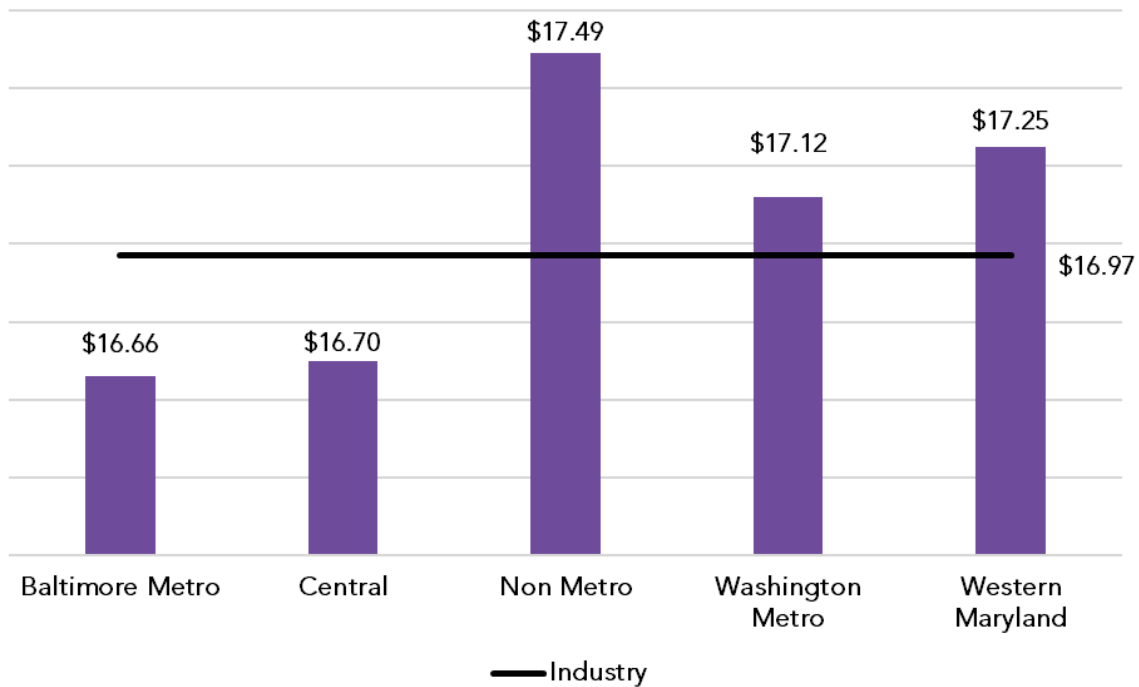
Dietary Cost PPD By Year



Region	2020	2021	2022	2023	2024
Baltimore Metro	\$15.83	\$16.44	\$16.46	\$16.77	\$16.66
Central	\$16.49	\$17.26	\$17.23	\$16.55	\$16.70
Non Metro	\$14.80	\$15.33	\$15.70	\$16.66	\$17.49
Washington Metro	\$16.36	\$16.36	\$16.97	\$16.82	\$17.12
Western Maryland	\$13.83	\$15.25	\$14.68	\$15.64	\$17.25
Industry	\$15.78	\$16.25	\$16.48	\$16.65	\$16.97



Regional Dietary Cost PPD (2024)



Industry-Wide Dietary Cost Trends

Another component of the cost to feed a resident is food preparation and related expenses, as reported under dietary. Dietary costs have steadily increased since 2020.

The pandemic affected dietary costs similarly to nursing. Dietary costs saw increases in salaries due to:

- Hazard pay or bonuses
- Need for temporary help due to staff shortages
- PPE and COVID-19 testing (depending on how accurately facilities allocated increased costs)

Increases were seen across the board, whether a facility operates its own kitchen or relies on an outside contractor.



Regional Dietary Cost Trends

Dietary costs averaged \$16.97 PPD in 2024, a \$0.32 PPD increase from the prior year. Of the five regions in 2024:

- Non Metro and Western Maryland regions experienced the largest increases at \$0.83 PPD and \$1.61 PPD
- Central and Washington Metro regions saw less significant increases at \$0.15 PPD and \$0.30 PPD
- Baltimore Metro region saw the only decrease at \$0.11 PPD

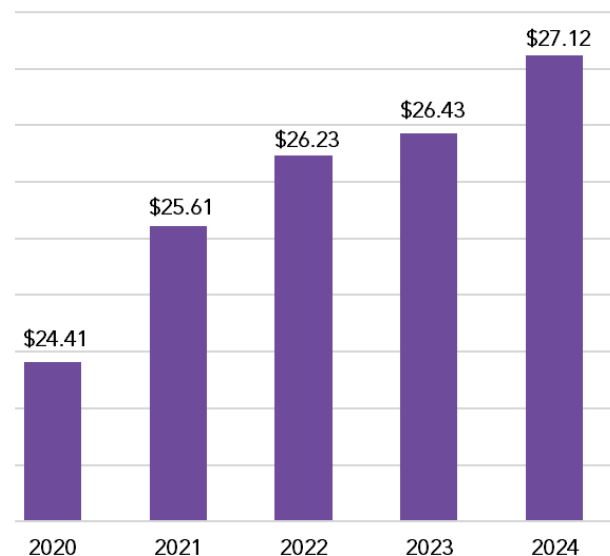
In the last five years, industry dietary costs have increased \$1.19 PPD. The Western Maryland region continues to see the most dramatic increase in dietary costs over the last five years, with an increase of \$3.42 PPD, while the Central region continues to be least impacted, with an overall increase of only \$0.21 PPD since 2020.

Between raw food and dietary costs, the average cost to feed a resident for 2024 was \$27.12 PPD — compared to \$26.43 PPD in 2023. This equates to an increase of \$0.69 PPD to feed and provide dietary services to a resident. Only one of the five regions is currently below the industry average: Baltimore Metro (\$26.37 PPD). Last year, two regions were below the industry average.

In the last five years, the average cost to feed a resident increased \$2.71 PPD. Although only one region had total dietary costs that fell below the industry average in 2024, two other regions had increases lower than the industry in the last five years: Washington Metro (\$2.23 PPD) and Central (\$1.64 PPD).

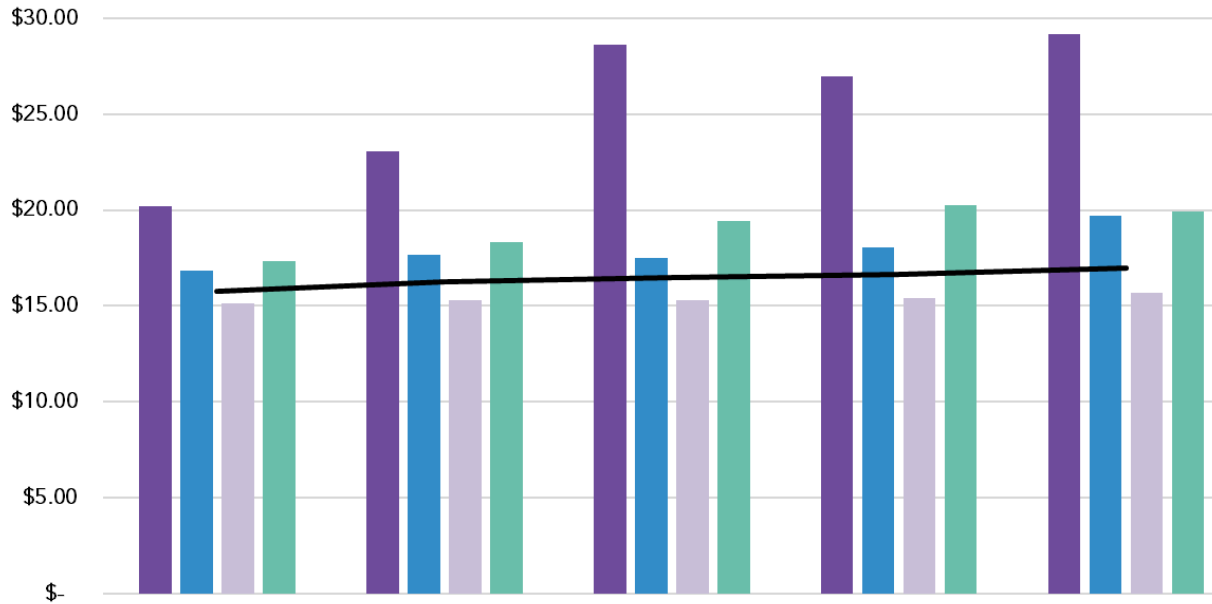
On the other hand, the Western Maryland region experienced a much higher impact on dietary costs over the past five years than the industry average, coming in at a \$5.15 PPD increase since 2020. The Western Maryland region is followed by the Non Metro and Baltimore Metro regions, which saw five-year increases of \$3.26 PPD and \$2.82 PPD since 2020.

Average Cost To Feed A Resident



Total Dietary Cost Per Patient Day

Dietary Cost PPD By Facility Size



Facility Size	2020	2021	2022	2023	2024
1 - 44 beds	\$20.22	\$23.04	\$28.64	\$26.97	\$29.20
45 - 99 beds	\$16.82	\$17.66	\$17.49	\$18.07	\$19.70
100 - 199 beds	\$15.11	\$15.31	\$15.32	\$15.43	\$15.66
200+ beds	\$17.32	\$18.34	\$19.45	\$20.24	\$19.90
Industry	\$15.78	\$16.25	\$16.48	\$16.65	\$16.97



Dietary Cost Trends By Facility Size

Small Facilities (1 - 44 Beds)

- Continue to have the largest dietary costs of all the facility sizes with the greatest five-year increase at \$8.98 PPD since 2020 (significantly higher than the industry average total five-year increase of \$1.19 PPD)
- Dietary costs averaged \$29.20 PPD in 2024
- Saw the largest increase of all facilities in 2024 with an increase of \$2.23 PPD

Mid-Size Facilities (45 - 99 Beds & 100 - 199 Beds)

- Facilities with 45 - 99 beds are the least impacted in terms of dietary costs since 2020 with only a \$0.55 PPD increase
- Facilities with 45 - 99 beds saw increases of \$1.63 PPD in 2024 — triple that of the \$0.58 PPD increase seen in 2023
- Facilities with 100 - 199 beds remain the most cost-efficient group — total combined food and dietary costs average \$24.37 PPD

- Facilities with 100 -199 beds are the only facilities to remain below the statewide combined average of \$27.12 PPD — reinforcing the operational advantages of mid-size facilities which benefit from a balance of scale, flexibility and vendor leverage

Large Facilities (200+ Beds)

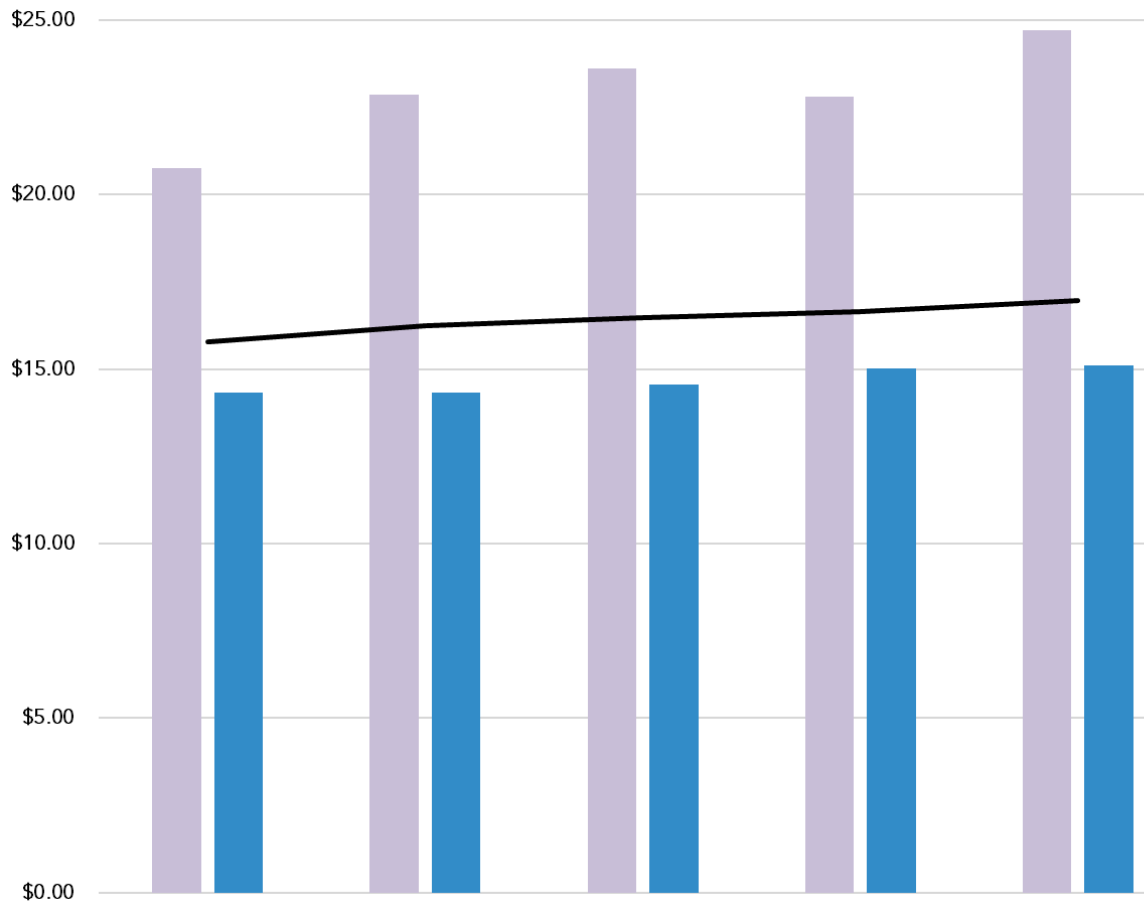
- Facilities with 200+ beds are the only facilities to experience a decrease in dietary costs during 2024 (\$0.34 PPD)
- Facilities with 200+ beds saw the smallest increase in combined costs to feed a resident at \$0.28 PPD

When comparing the last five years, the industry has seen an increase in total costs to feed and care for a resident of \$2.71 PPD. Facilities with 1 - 44 beds, 45 - 99 beds and 200+ beds have been the most affected over the last several years, with increased total dietary costs of \$11.88 PPD, \$5.13 PPD and \$4.91 PPD, all significantly higher than the industry increase. Facilities with 100 - 199 beds have been the least affected since 2020, with an increase of only \$1.67 PPD in these same total costs.

Total Dietary Cost Per Patient Day



Dietary Cost PPD By Facility Type



Facility Size	2020	2021	2022	2023	2024
Nonprofit	\$20.76	\$22.88	\$23.63	\$22.81	\$24.71
For-Profit	\$14.32	\$14.32	\$14.56	\$15.02	\$15.11
Industry	\$15.78	\$16.25	\$16.48	\$16.65	\$16.97



Nonprofit vs. For-Profit Facilities

In 2024, nonprofit facilities saw a significant increase in their dietary costs of \$1.90 PPD. For-profit facilities also saw an increase of \$0.09 PPD in their dietary costs, which was significantly less than the \$0.32 PPD increase seen in the overall industry. Nonprofit facilities are also averaging \$7.74 PPD higher than the overall industry, while for-profit facilities fell \$1.86 PPD below the industry.

Since 2020, total dietary average costs have increased \$1.19 PPD throughout the industry, but nonprofit facilities have seen an increase of \$3.95 PPD in the same five-year period. In comparison, for-profit facilities have only seen an increase of \$0.79 PPD in these same costs.

Total costs to care for a resident's dietary needs (combined food and dietary) for nonprofits were \$41.47 PPD in 2024, which was \$14.35 higher than the industry average of \$27.12 PPD. The total cost for for-profits was \$23.67 PPD, which was \$3.45 lower than the industry average.

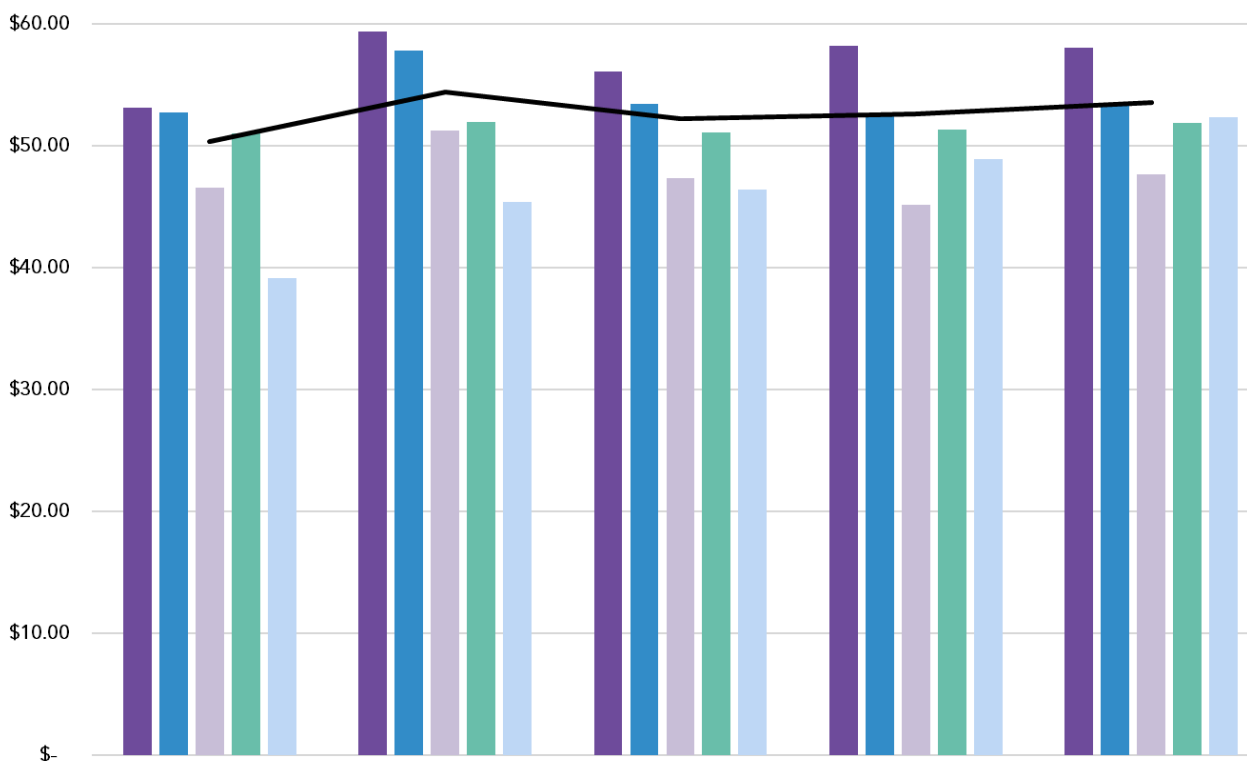
Nonprofit facilities continue to have higher total dietary resident costs in 2024 after experiencing a \$2.27 PPD increase compared to the small \$0.62 increase seen by for-profit facilities.



9 Total Administrative Cost Per Patient Day

A facility's total administrative cost per patient day (PPD) is determined by dividing the total administrative costs of the facility by the total resident days for the year. The total administrative cost PPD measures the administrative cost required to operate the administrative functions of the facility for one resident day.

Administrative Cost PPD By Year



Region	2020	2021	2022	2023	2024
Baltimore Metro	\$53.15	\$59.44	\$56.13	\$58.24	\$58.04
Central	\$51.74	\$57.83	\$53.48	\$52.49	\$53.35
Non Metro	\$46.61	\$51.31	\$47.37	\$45.14	\$47.70
Washington Metro	\$51.03	\$51.99	\$51.12	\$51.34	\$51.90
Western Maryland	\$39.14	\$45.38	\$46.43	\$48.89	\$52.38
Industry	\$50.35	\$54.42	\$52.21	\$52.62	\$53.59

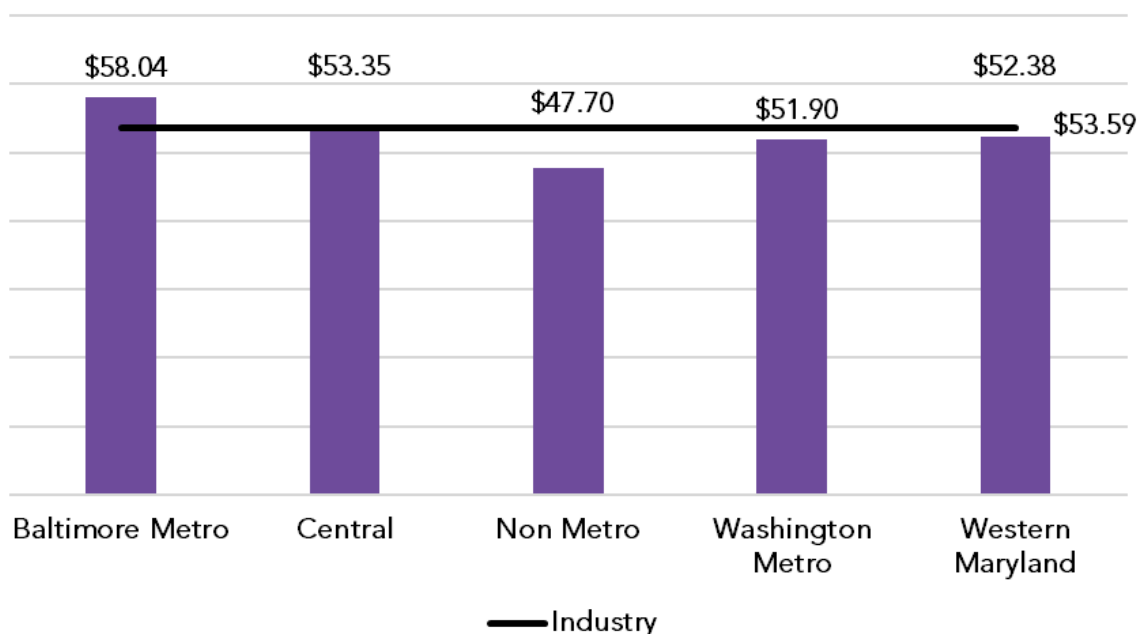


Industry-Wide Administrative Cost Trends

For 2024, the total industry administrative cost PPD was \$53.59, compared to \$52.62 in 2023, equating to a \$0.97 PPD increase. Since 2020, the total industry administrative cost PPD has increased \$3.24 PPD.

Administrator and office staff wages resulted in \$21.02 PPD of the total administrative costs for the industry in 2024, while \$4.75 PPD is related to non-property insurance. The total of these categories equates to \$25.77 PPD, which represents 48.09% of the total administrative cost of \$53.59 PPD for the industry, an increase from 47.02% in the prior year. When also factoring in benefits, the total increases to \$30.02 PPD or 56.02% of total administrative costs of \$53.59 PPD.

Regional Administrative Cost PPD (2024)



Regional Administrative Cost Trends

In 2024:

- Baltimore Metro region continues to experience the largest administrative cost PPD at \$58.04 even though it saw a decrease of \$0.20 PPD when comparing 2024 to 2023



- Washington Metro, Non Metro, Central and Western Maryland regions' administrative cost PPD continued to fall below the industry average of \$53.59 PPD even though these regions all saw increases during 2024
- Western Maryland region experienced the largest increase at \$3.49 PPD
- Washington Metro region saw the smallest increase at \$0.56 PPD
- Western Maryland region has seen the greatest five-year increase since 2020 (\$13.24 PPD) while the Central region has seen the smallest five-year increase (\$0.61 PPD)

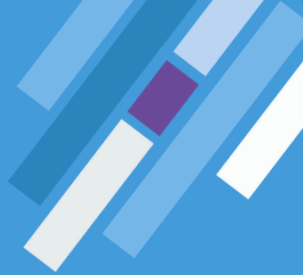
All regions, except Baltimore Metro, saw an increase in the average industry totals for all three categories (compensation, benefits and insurance). Increases ranged from \$0.85 PPD to \$2.45 PPD. The Baltimore Metro region saw a small decrease at \$0.40 PPD. The Baltimore Metro and Central regions are the only regions experiencing higher than average industry totals for all three categories at \$34.15 PPD and 30.58 PPD, respectively. The remaining three regions all fell below the current industry average during the current year.

The Western Maryland region continues to experience the lowest totals for these three categories at \$23.91 PPD. Due to the size of the workforce available in Western Maryland, facilities in the region can often be less competitive in the salary and benefits offered to administrative employees.

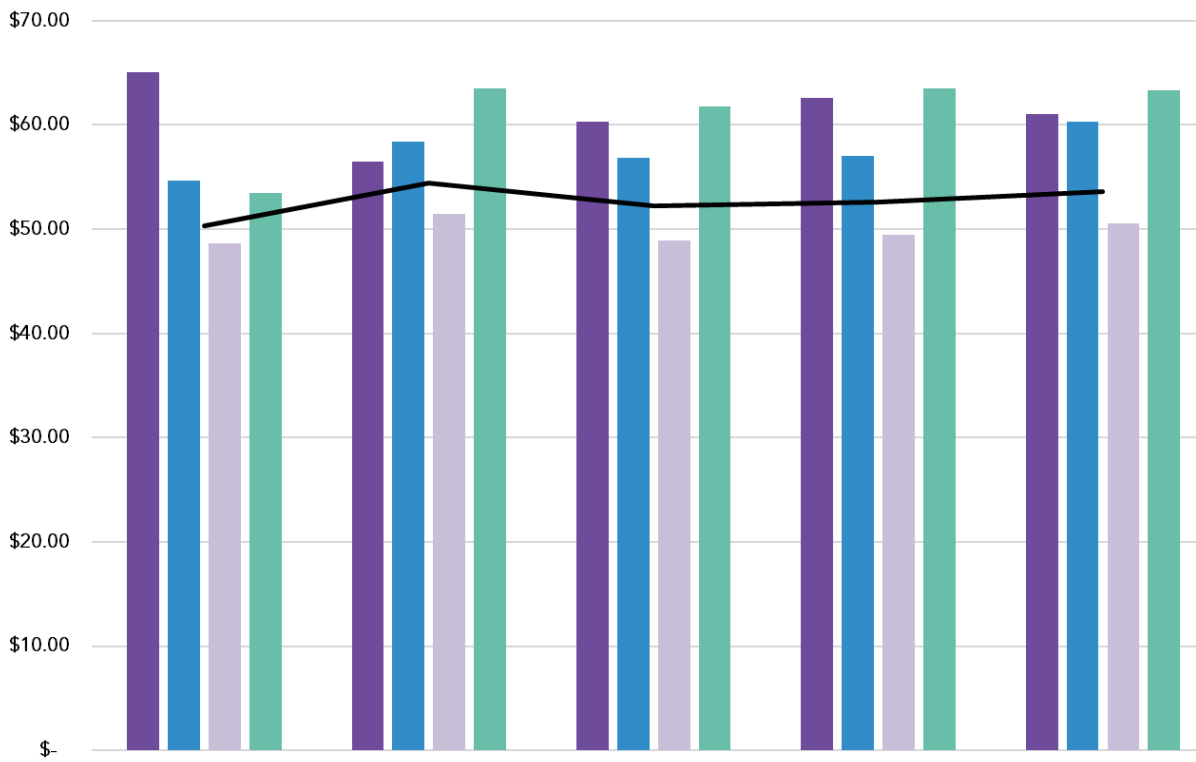
In the last five years, totals for the three largest cost centers have increased \$2.94 PPD overall in the industry. The Western Maryland region has seen the largest five-year increase of \$5.36 PPD, while the Washington Metro region has seen the smallest increase at \$2.27 PPD.



Total Administrative Cost Per Patient Day



Administrative Cost PPD By Facility Size



Facility Size	2020	2021	2022	2023	2024
1 - 44 beds	\$65.08	\$56.50	\$60.36	\$32.64	\$61.01
45 - 99 beds	\$54.70	\$58.39	\$56.89	\$57.07	\$60.35
100 - 199 beds	\$48.67	\$51.51	\$48.96	\$49.45	\$50.53
200+ beds	\$53.49	\$63.52	\$61.77	\$63.55	\$63.32
Industry	\$50.35	\$54.42	\$52.21	\$52.62	\$53.59



Administrative Cost Trends By Facility Size

Facilities with 200+ beds continue to have the largest total administrative costs of all size facilities at \$63.32 PPD. Facilities with 1 - 44 beds follow closely behind at \$61.01. The two types of facilities have had polar opposite changes since 2020, with 200+ beds facilities increasing \$9.83 PPD and 1 - 44 bed facilities decreasing \$4.07 PPD.

The difference between the two is in the makeup of the costs. Facilities with 1 - 44 beds spend, on average, \$50.62 of that total on administrator and office staff salaries, benefits and non-property insurance. These three categories represent 82.97% of the total administrative costs for facilities with 1 - 44 beds. In contrast, these three categories only account for \$34.97 PPD for facilities with 200+ beds and represent 55.23% of the total administrative cost.

There can be several reasons for this difference in the components of administrative costs:

- 200+ bed facilities that are part of a chain could be using a centralized billing office as well as other centralized administrative staff

- These costs are reflected in management fees and/or central office overhead costs instead of compensation

- 200+ bed facilities would typically have other significant costs, such as marketing and advertising, not typically found in smaller facilities

All these costs would be included in the administrative cost center.

Since 2020:

- Facilities with 100 - 199 beds have seen the smallest increase with \$1.86 PPD with most of that increase in the current year (\$1.08 PPD)
- Facilities with 45 - 99 beds saw the largest — and only other — increase in 2024 with a \$3.28 PPD increase
- Facilities with 1 - 44 beds and 200+ beds saw decreases in their administrative costs in 2024 of \$1.63 PPD and \$0.23 PPD

Total Administrative Cost Per Patient Day





Nonprofit vs. For-Profit Facilities

The higher costs PPD for nonprofit facilities continue with administrative costs. In 2024, the total administrative costs for nonprofit facilities were \$73.25 PPD compared to \$48.85 PPD for for-profit facilities.

This represents a \$24.40 PPD difference between the two types of facilities and is significantly higher than the \$15.96 PPD difference seen in 2020. Nonprofit facilities have seen a \$10.54 PPD increase since 2020. For-profit facilities fared far better than nonprofit facilities with an increase of only \$2.10 PPD since 2020. The majority of this increase in for-profit facilities was seen in the last year (\$1.56 PPD or approximately 74%). Nonprofit facilities saw a much smaller increase in 2024 (\$0.48 PPD).

The same disparity exists when comparing the three major categories of administrative costs for nonprofits versus for-profits, as it does when comparing facilities by size. As mentioned earlier, these three categories represent \$30.02 PPD or 56.02% of total administrative costs for the industry. For nonprofit facilities, these same costs represent \$49.08 PPD or 67.00%, while for-profits total only \$25.42 PPD or 52.04%. This wide range is attributable to most for-profit facilities being composed of multiple facilities, which tend to share office support between locations. Most nonprofit facilities, on the other hand, are standalone facilities.

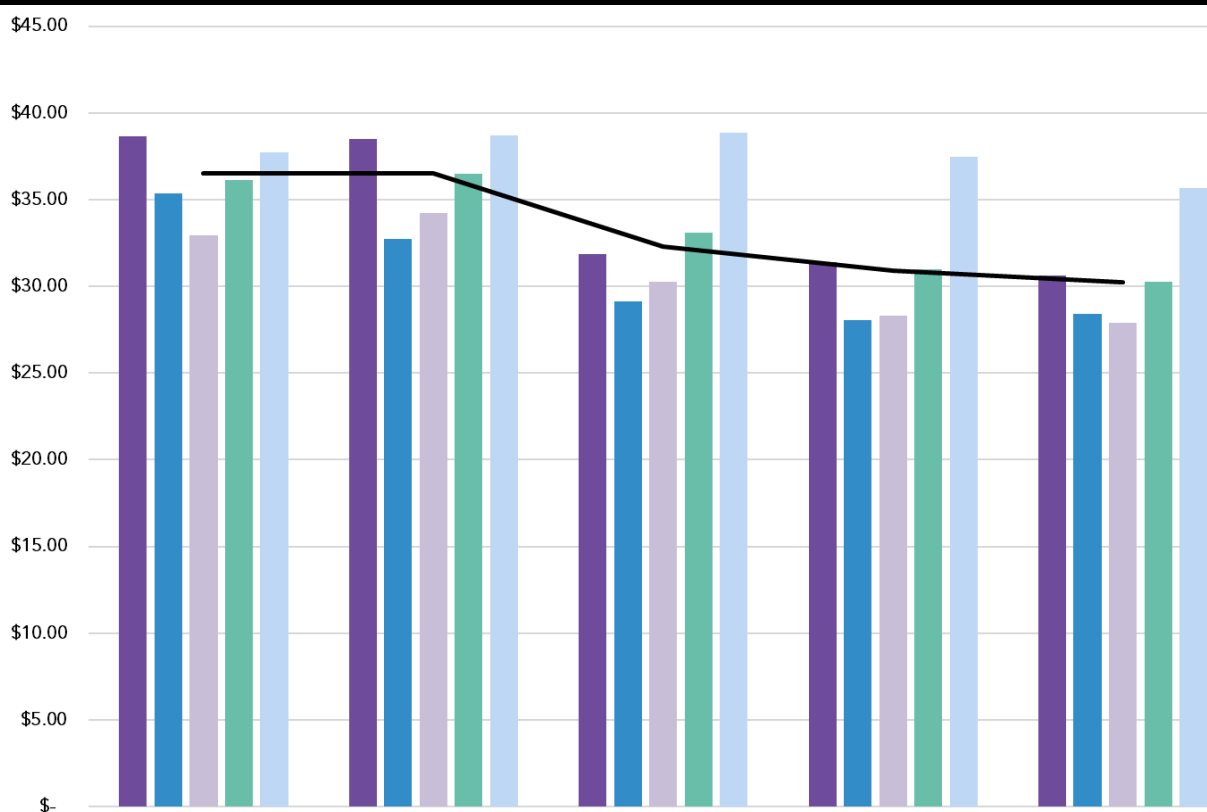
When analyzing the impact of the past five years, the three major categories of administrative costs for the industry increased \$2.94 PPD since 2020. Nonprofit facilities saw a steeper dollar impact, with an increase of \$8.71, while for-profit facilities saw a much lower financial impact with their costs only increasing \$2.23 PPD.



10 Total Employee Benefits Per Patient Day

A facility's total employee benefits cost per patient day (PPD) is determined by dividing the total employee benefits for all cost centers (nursing, OPC, routine and administrative) of the facility by the total resident days for the year. The total employee benefits PPD measures the employee benefits paid on behalf of all employees within the nursing facility per patient day.

Total Benefits Cost PPD By Year



Region	2020	2021	2022	2023	2024
Baltimore Metro	\$38.64	\$38.50	\$31.87	\$31.40	\$30.65
Central	\$35.38	\$32.74	\$29.14	\$28.05	\$28.39
Non Metro	\$32.95	\$34.23	\$30.24	\$28.32	\$27.88
Washington Metro	\$36.13	\$36.47	\$33.10	\$30.97	\$30.29
Western Maryland	\$37.72	\$38.72	\$38.86	\$37.47	\$35.65
Industry	\$36.54	\$36.54	\$32.28	\$30.91	\$30.22

Industry-Wide Total Employee Benefits Trends

As noted in the total cost per patient day section of this report, the average total cost PPD in 2024 to care for a resident was \$365.32 PPD.

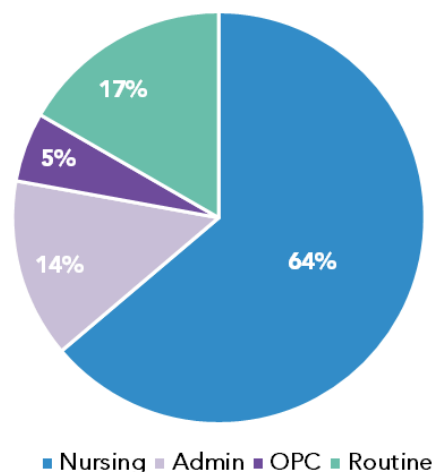
Of this \$365.32, \$30.22 is directly attributable to employee benefits paid for all employees within a facility. This represents approximately 8.27% of the average total cost (a decrease from 8.55% seen in the prior year). Of the \$30.22 PPD, approximately 63.81% (\$19.29 PPD) of that is due to nursing employee benefits, while administrative and routine benefits make up 14.06% and 16.68%, with OPC representing only 5.45% of total employee benefits paid.

Since nursing comprises the majority of a facility's employees, it should come as no surprise that benefits paid to the nursing cost center make up the largest percentage. Total nursing employee benefits have been routinely decreasing since 2019, with 2024 being no exception (\$0.58 PPD decrease).

These continual decreases suggest one of two things:

1. Facilities have been adjusting the ever-increasing cost of nursing benefits to combat the cost of rising nursing wages, or
2. Facilities are relying on more and more agency nursing every year — resulting in less benefits needing to be paid

Benefits By Cost Center (2024)



Regional Total Employee Benefits Trends

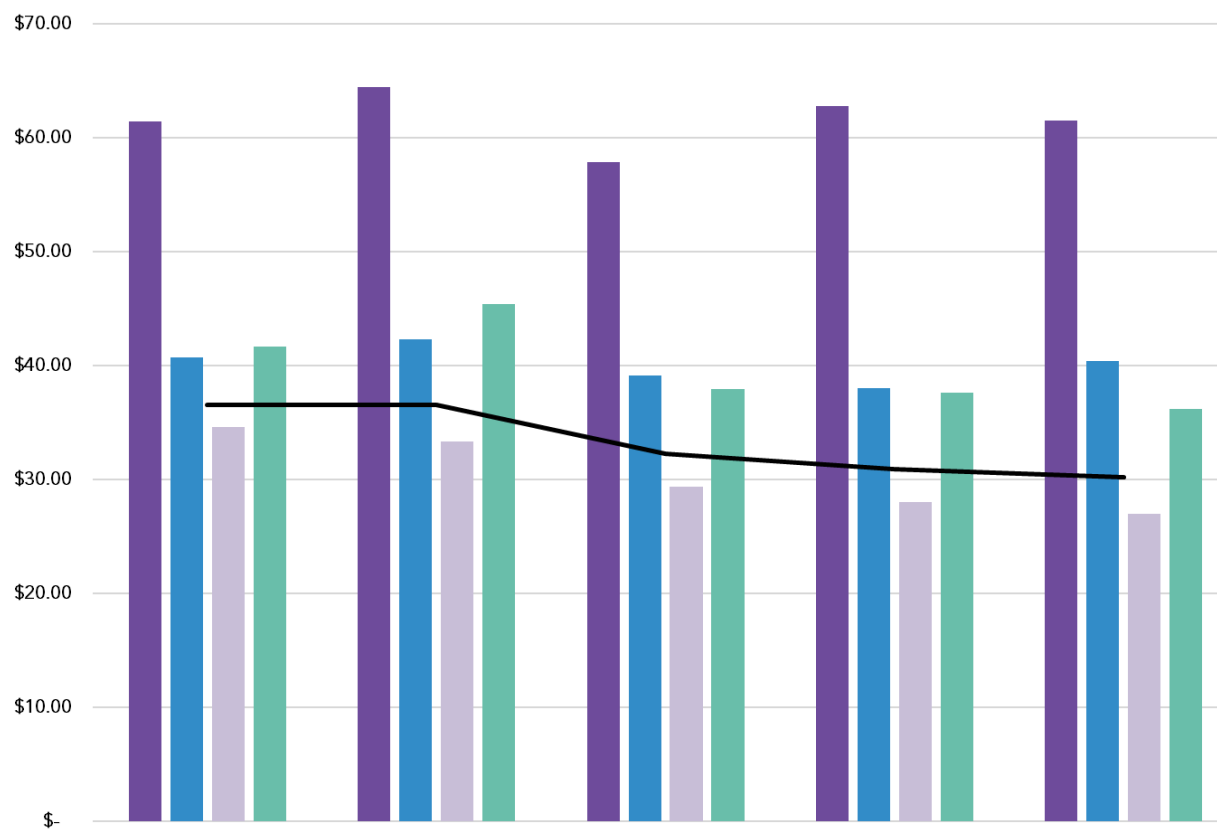
All five regions — except the Central region — continued to see decreases, with the Western Maryland region showing the highest decrease of \$1.82 PPD. The remaining regions decreased between \$0.44 PPD and \$0.75 PPD. The Central region saw an increase of \$0.34 PPD.

As a result of these decreases, all regions have continued to see current year total employee benefit costs below pre-pandemic costs. All regions have seen five-year decreases between \$2.07 PPD and \$7.99 PPD, with the Western Maryland region seeing the lowest decreases and the Baltimore Metro region seeing the highest decreases. The Baltimore Metro and Central regions both saw decreases higher than that of the industry average increase of \$6.32 PPD.

Total Employee Benefits Per Patient Day



Total Benefits Cost PPD By Facility Size



Facility Size	2020	2021	2022	2023	2024
1 - 44 beds	\$61.43	\$64.42	\$57.85	\$62.74	\$61.52
45 - 99 beds	\$40.68	\$42.30	\$39.10	\$37.99	\$40.39
100 - 199 beds	\$34.62	\$33.36	\$29.37	\$28.05	\$27.00
200+ beds	\$41.64	\$42.45	\$37.96	\$37.63	\$36.18
Industry	\$36.54	\$36.54	\$32.28	\$30.91	\$30.22



Employee Benefits Trends By Facility Size

In terms of facility size, 1 - 44 bed facilities pay much higher benefits PPD than those facilities with beds that range from 45 - 99, 100 - 199 and 200+.

In 2024:

- Facilities with 1 - 44 beds have total employee benefit costs of \$61.52 PPD versus the industry average of \$30.22 (\$31.30 PPD higher)
- Facilities with 100 - 199 beds pay the least in employee benefits at \$27.00 PPD
 - The only facility size that falls below the industry average by \$3.22 PPD

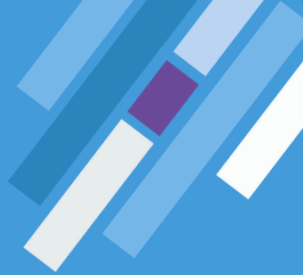
When comparing to 2020:

- Facilities with 1 - 44 beds have seen the only five-year increase at \$0.09 PPD
- Facilities with 100 - 199 beds have seen the largest five-year decrease at \$7.62 PPD
- Facilities with 45 - 99 beds have seen the smallest five-year decrease at \$0.29 PPD
- Facilities with 200+ beds have seen a five-year decrease of \$5.46 PPD

These statistics are again indicative of facilities with 100 - 199 beds being the ideal facility size.



Total Employee Benefits Per Patient Day





Nonprofit vs. For-Profit Facilities

Nonprofits consistently experience far higher costs than for-profits as shown throughout this report, and employee benefits are no exception. In 2024, nonprofits paid \$54.34 PPD for employee benefits, while for-profits only paid \$24.42 PPD.

Both types of entities have seen decreases since 2020, with for-profit facilities seeing decreases of \$6.33 PPD over the last five years and nonprofit facilities seeing a decrease of \$2.08 PPD. Though moderate, for-profit facilities saw their first increase in 2024 with costs rising \$0.03 PPD.

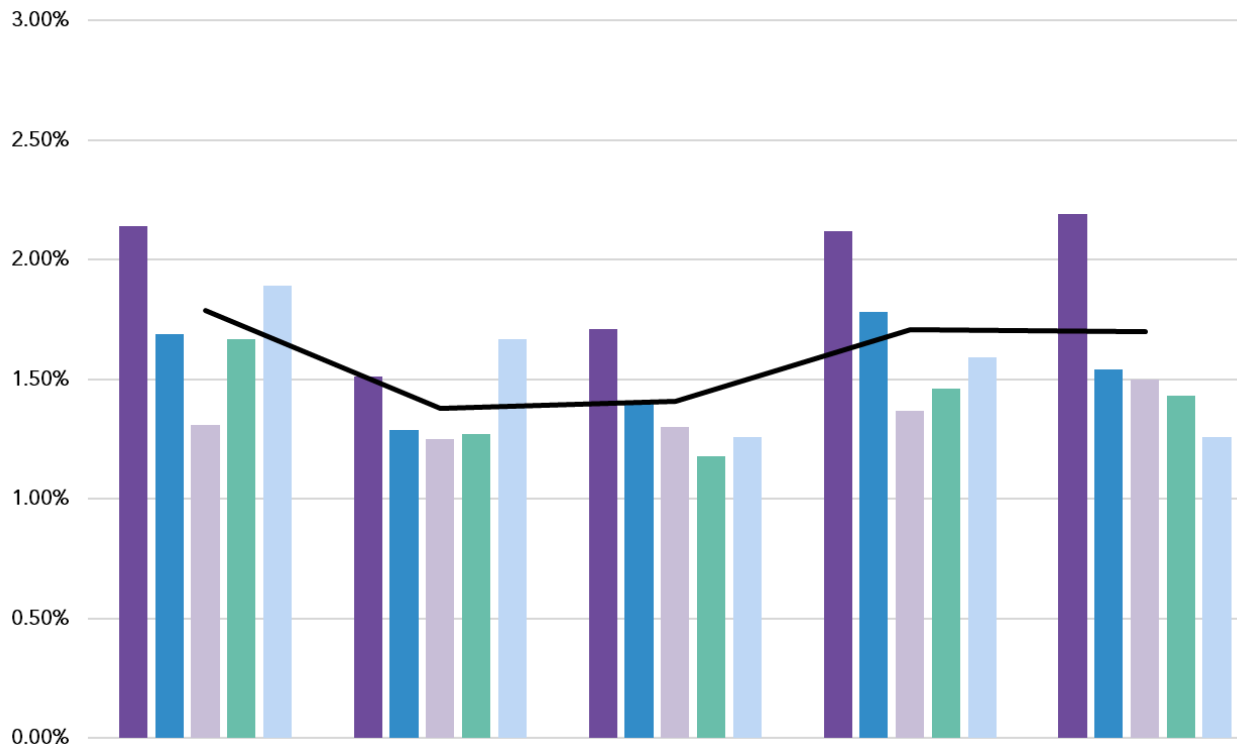


11

Bad Debts As A Percentage Of Revenue

A facility's bad debts percentage as a percentage of revenue is determined by dividing the total bad debt expense by the total patient service revenue per year (exclusive of non-operating revenue) for the same year.

Bad Debts As A Percentage Of Revenue By Year



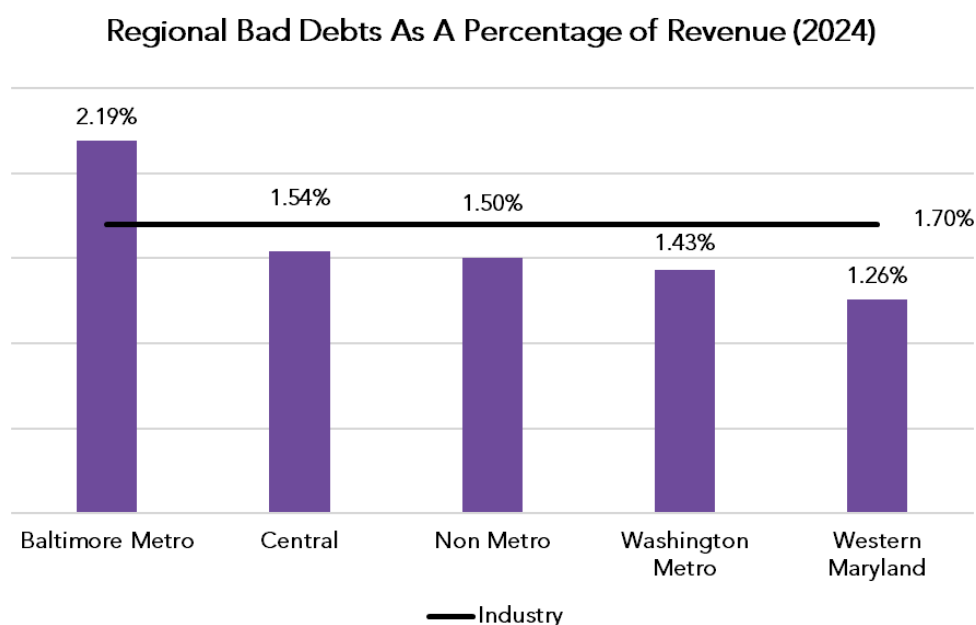
Region	2020	2021	2022	2023	2024
Baltimore Metro	2.14%	1.51%	1.71%	2.12%	2.19%
Central	1.69%	1.29%	1.41%	1.78%	1.54%
Non Metro	1.31%	1.25%	1.30%	1.37%	1.50%
Washington Metro	1.67%	1.27%	1.18%	1.46%	1.43%
Western Maryland	1.89%	1.67%	1.26%	1.59%	1.26%
Industry	1.79%	1.38%	1.41%	1.71%	1.70%



Industry-Wide Bad Debts Trends

Based on the graph below, the question is: “How does my facility’s bad debt expense as a percentage of revenue compare to industry averages and my region?”

In 2024, the industry bad debt expense as a percentage of revenue (as reported on the cost report) was 1.70%, showing a 0.01% decrease from 2023. The current year’s bad debt percentage equates to lost cash of approximately \$1,700 for every \$100,000 of revenue earned.



Regional Bad Debts Trends

The Baltimore Metro region continues to experience the highest bad debt percentage at 2.19%, exceeding the industry average by 0.49% in 2024. The four remaining regions experienced below the industry average by at least 0.16% and up to 0.44%.

Two regions saw an increase in bad debts as a percentage of total revenue in 2024:

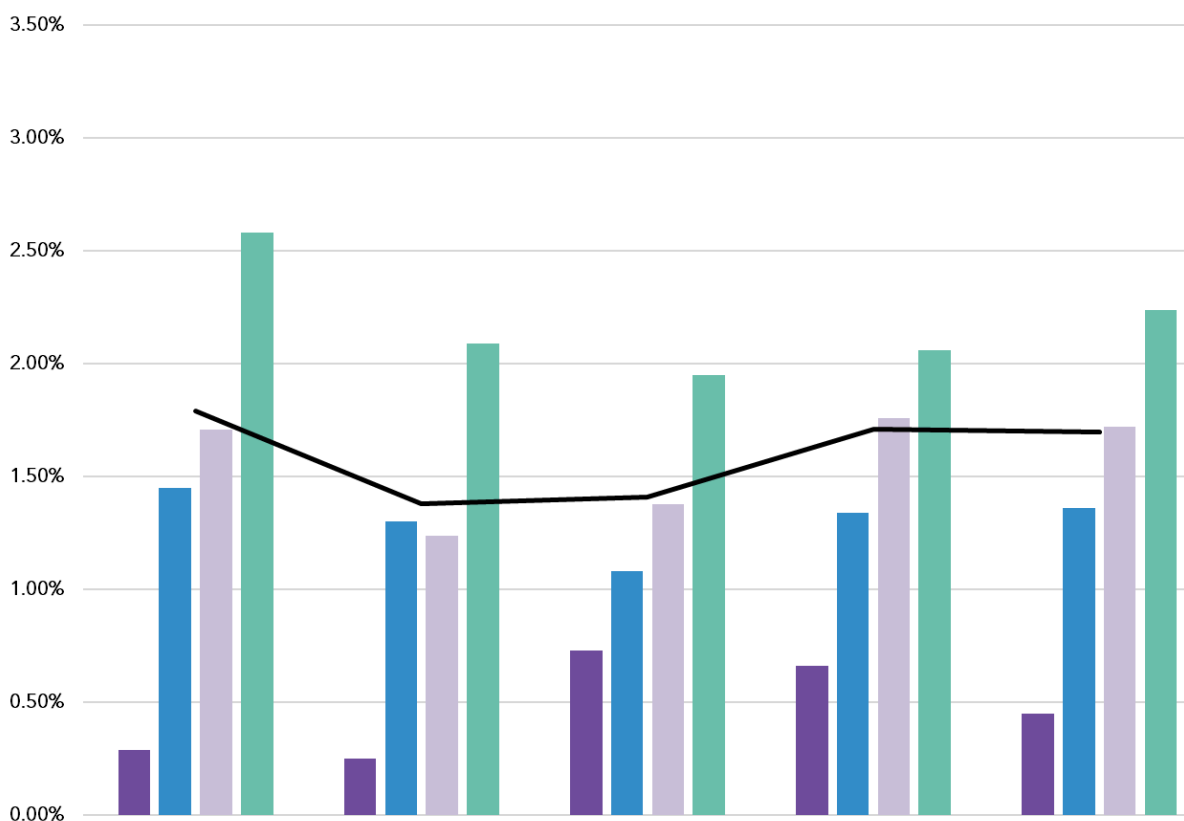
- Non Metro region saw the largest increase at 0.13%
- Baltimore Metro region saw the smallest increase at 0.07%

The remaining three regions saw a decrease in bad debts as a percentage of total revenue in 2024:

- Western Maryland region experienced the largest decrease of 0.33%
- Washington Metro region experienced the smallest decrease at 0.03%

Bad Debts As A Percentage Of Revenue

Bad Debts As A Percentage Of Revenue By Facility Size



Facility Size	2020	2021	2022	2023	2024
1 - 44 beds	0.29%	0.25%	0.73%	0.66%	0.45%
45 - 99 beds	1.45%	1.30%	1.08%	1.34%	1.36%
100 - 199 beds	1.71%	1.24%	1.38%	1.76%	1.72%
200+ beds	2.58%	2.09%	1.95%	2.06%	2.24%
Industry	1.79%	1.38%	1.41%	1.71%	1.70%



Bad Debts By Facility Size

In 2024:

- Facilities with 1 - 44 beds continue to experience the lowest bad debt percentage at 0.45% (1.25% below industry)
- Facilities with 200+ beds experienced the highest percentage at 2.24% (0.54% above industry)
- Facilities with 45 - 99 beds and 200+ beds both saw increases in their bad debt as a percentage of revenue with increases of 0.02% and 0.18%
- Facilities with 1 - 44 beds and 100 - 199 beds saw decreases in their bad debt as a percentage of revenue with decreases of 0.21% and 0.04%

Based on the total revenue of the facility, the number of census days a facility has per year does not affect this area. Historically, facilities with 1 - 44 beds have consistently experienced the smallest percentage of bad debts. The reason smaller facilities can have a lower percentage of bad debt is because of the type of census mix these types of facilities maintain.

As noted earlier, facilities with 1 - 44 beds tend to have a higher census percentage of private pay residents. They also tend to have the lowest percentage of Medicare utilization. These types of residents are least likely to contribute to bad debt expense, unlike a Medicaid pending resident whose eligibility could be denied for a portion of their stay.

In general, the data shows that facilities with 100 - 199 beds and 200+ beds have a greater dependency on residents funded by government agencies, which means their risk of bad debt is greater than other facilities. However, it is important to note for any size facility the importance of monitoring the financial capability of private pay residents. A resident might start out as private pay but quickly exhaust their financial resources. The sooner this is determined, the sooner the Medicaid eligibility process can start.

Bad Debts As A Percentage Of Revenue





Nonprofit vs. For-Profit Facilities

In 2024, nonprofit facilities saw an increase in their bad debts as a percentage of revenue of 0.34%, while for-profit facilities saw a decrease in their bad debts as a percentage of revenue of 0.15%.

Nonprofit facilities continue to maintain bad debt percentages below the industry average with the current year variance being 0.27% less than the industry. In contrast, for-profit facilities continually see rates higher than that of the industry with 2024 being no exception at 0.09% more than the industry average.

How Does My Facility Stack Up?

There are various reasons why one facility's bad debt percentage might differ from that of another facility, even one that is right down the road. After all, it is up to the individual facility's management to determine what and how much gets written off. In other words, collection philosophies vary.

If your bad debt percentage is above industry averages:

1. You may be managing receivables ineffectively.
2. You may not be adequately vetting potential new residents for "collectability."
3. You may be more worried about the short-term benefits of just filling beds, without enough thought about the long-term concern of collecting receivables. (In other words, you might be too optimistic about the ability to resolve potential or known Medicaid eligibility issues.) The pandemic clearly affected census, but it is better to take the time to vet a potential resident now than to find out later that you are providing services without any payments.

If your bad debt percentage is lower than industry averages:

1. You may have a low turnover rate with residents (minimal or no new Medicaid pending residents).
2. You are most likely doing a good job staying on top of receivables.

Thoughts From Jennifer Rock, CPA, MFS

Director Of Gross Mendelsohn's Healthcare Group



When looking at these bad debt percentages, keep in mind not all facilities are reporting bad debt expense in the same categories on the cost report. We continue to hear that some facilities net bad debt expense with revenue — which distorts these percentages. This seems to be true when we note that there is no bad debt expense reported, and yet a facility has Medicare revenue. A Medicaid resident with Medicare coverage typically has bad debt related to the co-pay. Even though Medicare currently reimburses a portion of this bad debt through the Medicare cost report and interim payments, there is always some bad debt related to Medicare co-pay. We tried to account for this anomaly in computing this bad debt percentage.

12 Case Mix Index

As everyone in the industry knows, under the current Maryland Medicaid reimbursement methodology, a significant portion of each skilled nursing facility's daily Medicaid rate is derived by its Case Mix Index (CMI). The other components of the rate are fixed for all providers in a region, except for the impact of a facility's appraised value as well as the reimbursement received by for-profit entities for real estate taxes paid. Therefore, CMI is the only portion of the Medicaid rate that is still facility specific and technically under a facility's control.

How CMI Is Calculated

A facility's CMI is computed by the Maryland Department of Health (the Department) based on information submitted by all Maryland skilled nursing facilities through each facility's Minimum Data Set (MDS). The CMI used to determine a facility's quarterly rate is based on the MDS submitted during the quarter that ended two prior quarters.

Therefore, Medicaid rates that are effective for the period of July 1 through September 30 are based on the information received through the MDS from January 1 through March 31. Another way to look at this is that a facility is paid a rate today for services rendered to its residents based on the level of services it had to provide in the past.

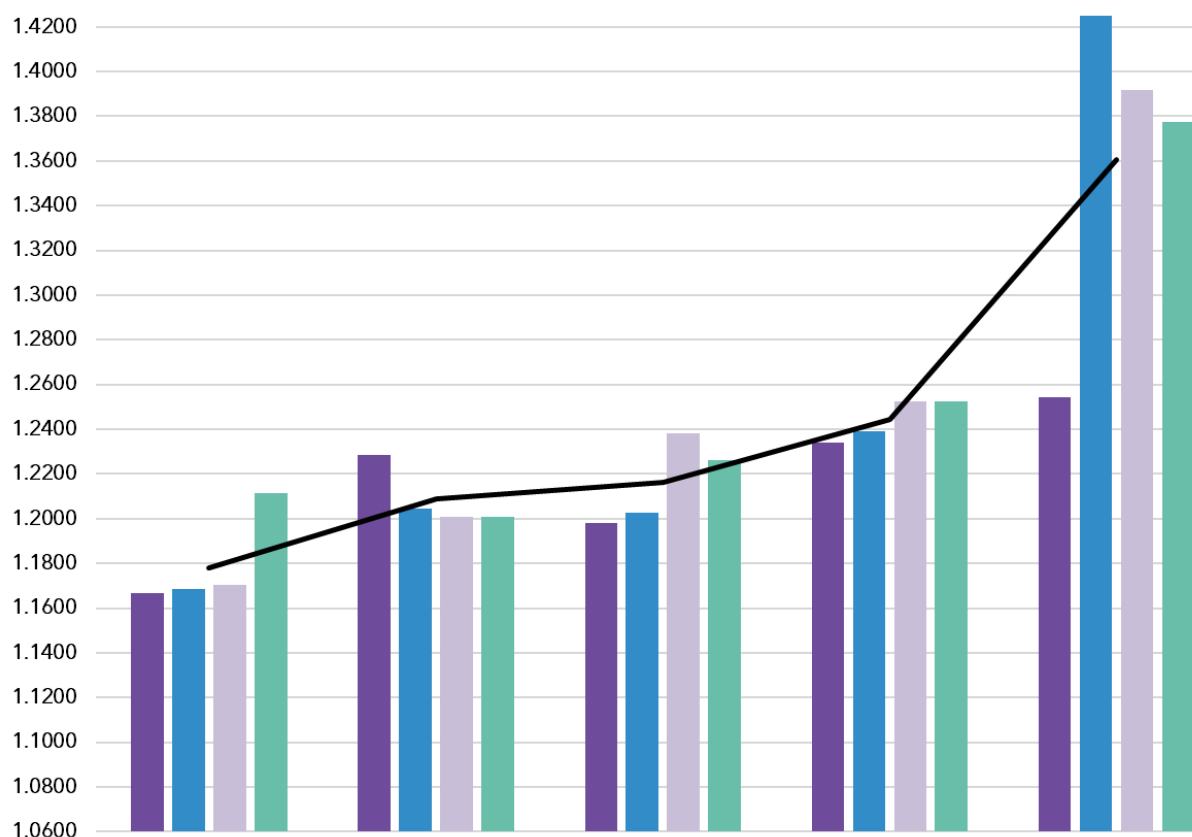
Each resident included on the MDS is scored based on their current Resource Utilization Groups IV (RUG-IV) level and the number of days at that specific RUG-IV level. The assigned RUG-IV level is multiplied by the number of days the resident was at the RUG-IV level. All resident scores are then added together to calculate the facility's Medicaid points.

The total Medicaid points are then divided by the total number of Medicaid days for the quarter to determine a facility's individual CMI each quarter. A facility's CMI rate is then multiplied by the current calculated rate of the facility's region to determine the specific nursing portion of the facility's Medicaid reimbursement rate.

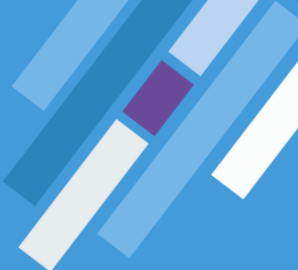
The chart on page 76 summarizes the industry's average Medicaid CMI for the state of Maryland, beginning January 1, 2020, and broken out by quarter. The black line indicates the average for all four quarters of 2020 through 2024.

Case Mix Index

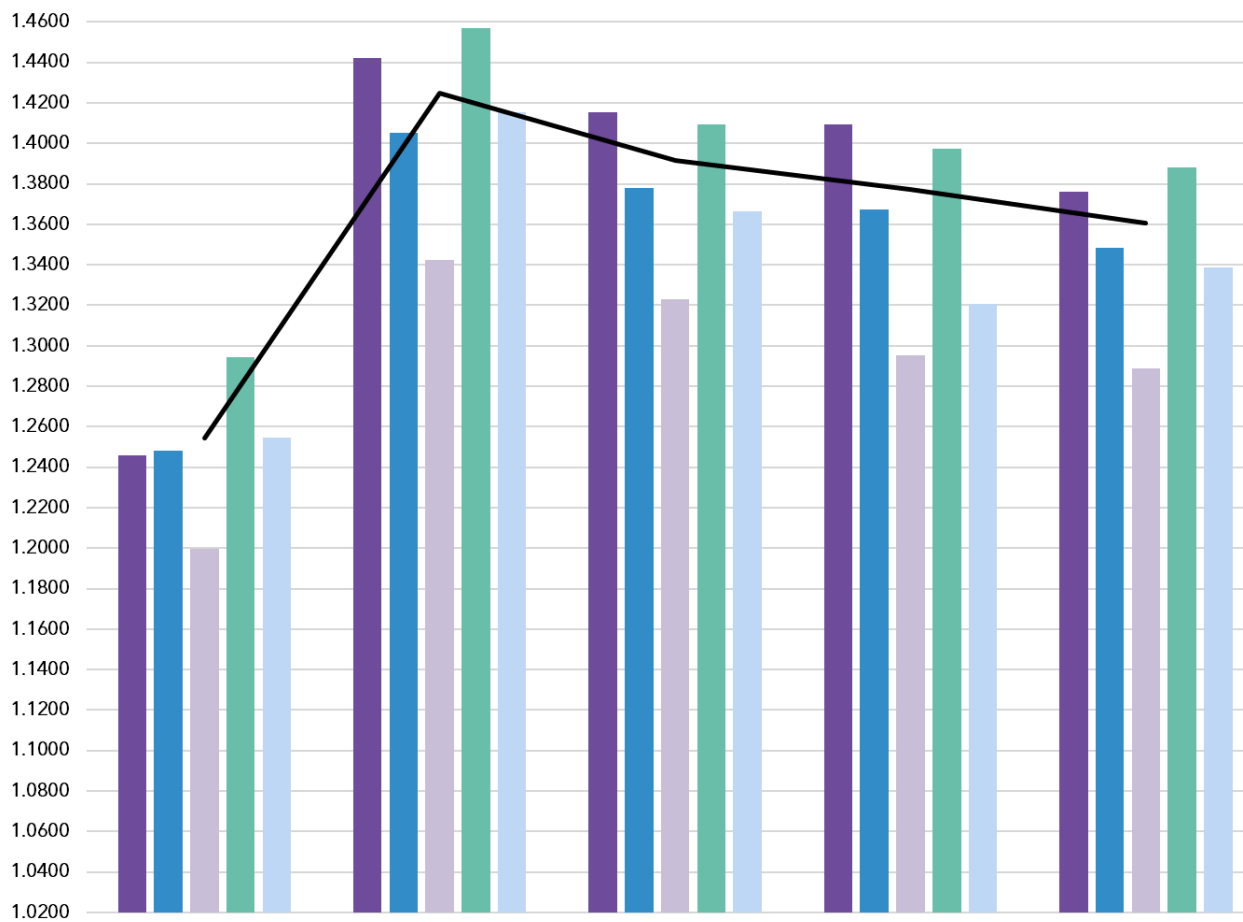
Case Mix Index By Quarter And Year



Case Mix Index



Case Mix Index By Region And Year



Region	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	2024
Baltimore Metro	1.2457	1.4423	1.4155	1.4096	1.3763
Central	1.2481	1.4050	1.3779	1.3675	1.3842
Non Metro	1.1998	1.3422	1.3232	1.2951	1.2889
Washington Metro	1.2943	1.4569	1.4092	1.3976	1.3881
Western Maryland	1.2545	1.4154	1.3662	1.3208	1.3387
Industry	1.2542	1.4250	1.3917	1.3775	1.3606



2024 Regional CMI Trends

When comparing regions within the state for 2024, as outlined in the chart above, the five regions fall either above or below the industry average CMI for the year. In the current year, both the Washington Metro and Baltimore Metro fall above industry averages while the Central, Western Maryland and Non Metro regions fall below industry averages.

CMI Audit & Penalty Program

Since CMI has the largest impact on a facility's reimbursement rate, it is imperative that facilities assess residents at the proper RUG-IV level. Maryland's utilization agent, Telligen, began performing audit verifications of facilities' CMI data in 2017.

Beginning in 2018, any facilities that fail the expanded audits will be subject to a penalty audit and a penalty/reduction to their Medicaid rate. Per the Department, when the penalty audit is above a 20% negative error rate, the following penalties are levied:

1. The facility rate for the following two quarters (after the penalty audit) is reduced by an average rate per CMI point based on the change in Medicaid CMI between the pre-audit CMI and the audit-based CMI.
2. The facility is charged the cost of the MDS Penalty Audit as a mass adjustment for future claims. The cost is equal to the established per review rate for MDS Validation in the Department's contract with the Utilization Control Agent.

In addition, the Department will submit formal documentation of its findings to the Office of Health Care Quality regarding the facility's deficient record-keeping. Penalty audits will continue approximately every six months until the negative error rate (less than 20%) no longer triggers a penalty.

2024 Audit Snapshot

Based on information available for 2024, 191 audits were performed, with nine requiring a follow-up audit. Of the 2024 audits, four had to undergo a penalty audit.

2025 Audit Snapshot

At the time of this report, 114 audits have been performed through July 30, 2025, with 13 requiring a follow-up audit. Of the 2025 audits completed to date, 21 had to undergo a penalty audit.

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About Gross Mendelsohn

Gross, Mendelsohn & Associates is a full-service, Maryland-based CPA and consulting firm serving the complete financial needs of long-term care organizations, privately-held businesses, nonprofits and families in the Mid-Atlantic area.

The firm's Healthcare Group can help you with financial statement audits, Medicaid and Medicare cost report preparation, cost report review and analysis, Medicaid reimbursement consulting, employee benefit plan audits, EHR system implementation, managed IT services, cyber security and more.

Interested in more information about our firm and services for skilled nursing facilities? Contact a member of our Healthcare Group. Their contact information is listed below.



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APPENDIX

Industry Benchmarks For Skilled Nursing Facilities In Maryland

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Net Resident Service Revenue	2024	2023	2022	2021	2020
Private Revenue PPD	\$446.43	\$430.15	\$392.75	\$377.28	\$437.04
Medicaid Revenue PPD	\$360.40	\$329.36	\$315.23	\$306.88	\$304.09
Medicare Revenue PPD	\$507.24	\$458.84	\$462.84	\$411.99	\$385.69
Total Revenue PPD	\$399.22	\$367.21	\$356.23	\$335.61	\$335.40

Expenditures	2024	2023	2022	2021	2020
Nursing PPD	\$164.36	\$167.17	\$163.86	\$156.40	\$149.34
Other Patient Care PPD	\$21.02	\$20.16	\$19.71	\$19.62	\$19.16
Food PPD	\$10.15	\$9.78	\$9.75	\$9.36	\$8.63
Routine PPD	\$53.31	\$51.97	\$51.09	\$51.24	\$48.05
Dietary PPD	\$16.97	\$16.65	\$16.48	\$16.25	\$15.78
Laundry PPD	\$4.88	\$4.93	\$4.70	\$4.72	\$4.60
Housekeeping PPD	\$9.76	\$9.36	\$9.04	\$9.20	\$8.71
Maintenance PPD	\$16.66	\$15.86	\$15.85	\$15.62	\$14.27
Administrative PPD	\$53.59	\$52.62	\$52.21	\$54.42	\$50.35
Administrative Wages PPD	\$4.22	\$4.14	\$4.11	\$4.21	\$3.87
Office Staff Wages PPD	\$16.80	\$16.05	\$15.91	\$16.18	\$14.87
Non-Property Insurance PPD	\$4.75	\$4.55	\$4.43	\$5.06	\$3.92
Capital/Property Service PPD	\$40.46	\$39.39	\$34.08	\$33.85	\$31.70
Capital Value Rental PPD	\$32.58	\$30.11	\$26.80	\$25.98	\$27.19
Total Cost PPD	\$365.32	\$361.42	\$347.75	\$341.51	\$325.80

Employee Benefits	2024	2023	2022	2021	2020
Nursing PPD	\$19.29	\$19.87	\$21.30	\$24.42	\$25.59
Other Patient Care PPD	\$1.65	\$1.66	\$1.64	\$1.80	\$1.83
Routine PPD	\$5.04	\$5.17	\$5.02	\$5.45	\$4.69
Administrative PPD	\$4.25	\$4.21	\$4.31	\$4.86	\$4.42
Total Benefits PPD	\$30.22	\$30.91	\$32.28	\$36.54	\$36.54

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Census Data	2024	2023	2022	2021	2020
Private Mix	11.89%	11.26%	10.89%	10.72%	10.68%
Medicaid Mix	66.42%	66.73%	65.54%	66.50%	67.58%
Medicare Mix	21.69%	22.01%	23.58%	22.78%	21.73%
Average Occupancy	84.72%	82.82%	80.07%	74.90%	79.10%

Receivables and Bad Debt	2024	2023	2022	2021	2020
Receivables as % of Revenue	17.66%	15.91%	15.74%	14.56%	13.73%
Bad Debts as % of Revenue	1.70%	1.71%	1.41%	1.38%	1.79%
Receivable Turnover (Days)	63.57	57.27	56.65	52.43	49.42

Medicaid Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2542	1.4250	1.3917	1.3775	1.3606
2023	1.2342	1.2389	1.2527	1.2523	1.2445
2022	1.1979	1.2026	1.2381	1.2264	1.2161
2021	1.2287	1.2045	1.2006	1.2006	1.2087
2020	1.1668	1.1685	1.1703	1.1215	1.1782
Medicare Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.3803	1.6571	1.7135	1.6733	1.6131
2023	1.3883	1.3845	1.3976	1.3831	1.3885
2022	1.3563	1.3652	1.3912	1.3786	1.3734
2021	1.4089	1.4014	1.3773	1.3773	1.3909
2020	1.3653	1.3779	1.3774	1.4077	1.3814
Other Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.1569	1.4292	1.3735	1.3656	1.3372
2023	1.1560	1.1506	1.1612	1.1504	1.1545
2022	1.1499	1.1426	1.1636	1.1495	1.1514
2021	1.1763	1.1583	1.1595	1.1595	1.1633
2020	1.1485	1.1495	1.1530	1.1555	1.1514

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Total Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2568	1.4616	1.4468	1.4258	1.3978
2023	1.2503	1.2521	1.2658	1.2579	1.2565
2022	1.2193	1.2226	1.2576	1.2427	1.2355
2021	1.2517	1.2341	1.2268	1.2268	1.2348
2020	1.1977	1.2002	1.2031	1.2376	1.2087



APPENDIX

Regional Benchmarks For Skilled Nursing Facilities In Maryland

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Baltimore Metro

Net Resident Service Revenue	2024	2023	2022	2021	2020
Private Revenue PPD	\$438.69	\$426.02	\$378.58	\$382.30	\$468.59
Medicaid Revenue PPD	\$377.38	\$344.20	\$329.08	\$313.22	\$319.48
Medicare Revenue PPD	\$557.96	\$504.20	\$507.77	\$488.27	\$435.86
Total Revenue PPD	\$412.16	\$378.03	\$366.42	\$352.40	\$351.83

Expenditures	2024	2023	2022	2021	2020
Nursing PPD	\$169.91	\$173.73	\$173.42	\$168.97	\$156.68
Other Patient Care PPD	\$21.92	\$21.09	\$20.29	\$20.15	\$19.62
Food PPD	\$9.71	\$9.67	\$9.32	\$8.68	\$7.72
Routine PPD	\$56.20	\$55.95	\$54.12	\$54.63	\$50.76
Dietary PPD	\$16.66	\$16.77	\$16.46	\$16.44	\$15.83
Laundry PPD	\$5.11	\$5.42	\$5.08	\$5.00	\$4.95
Housekeeping PPD	\$10.48	\$10.54	\$10.04	\$10.35	\$9.79
Maintenance PPD	\$18.83	\$17.85	\$17.52	\$17.06	\$15.19
Administrative PPD	\$58.04	\$58.24	\$56.13	\$59.44	\$53.15
Administrative Wages PPD	\$3.62	\$3.48	\$3.53	\$3.61	\$3.24
Office Staff Wages PPD	\$20.47	\$20.76	\$19.46	\$20.31	\$18.36
Non-Property Insurance PPD	\$5.21	\$5.29	\$5.31	\$6.14	\$4.78
Capital/Property Service PPD	\$36.13	\$35.73	\$32.53	\$31.12	\$29.28
Capital Value Rental PPD	\$30.28	\$25.88	\$21.17	\$20.32	\$20.95
Total Cost PPD	\$372.48	\$370.61	\$357.66	\$354.63	\$330.43

Employee Benefits	2024	2023	2022	2021	2020
Nursing PPD	\$18.90	\$19.25	\$20.37	\$25.13	\$26.61
Other Patient Care PPD	\$1.77	\$1.76	\$1.66	\$1.90	\$1.96
Routine PPD	\$5.12	\$5.37	\$5.02	\$5.78	\$4.99
Administrative PPD	\$4.85	\$5.02	\$4.83	\$5.70	\$5.08
Total Benefits PPD	\$30.65	\$31.40	\$31.87	\$38.50	\$38.64

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Baltimore Metro

Census Data	2024	2023	2022	2021	2020
Private Mix	11.73%	11.01%	10.53%	10.20%	9.07%
Medicaid Mix	73.09%	73.32%	70.94%	71.84%	72.37%
Medicare Mix	15.18%	15.67%	18.53%	17.96%	18.56%
Average Occupancy	87.23%	85.39%	82.56%	77.03%	81.31%

Receivables and Bad Debt	2024	2023	2022	2021	2020
Receivables as % of Revenue	18.56%	16.78%	16.42%	16.73%	14.16%
Bad Debts as % of Revenue	2.19%	2.12%	1.71%	1.51%	2.14%
Receivable Turnover (Days)	66.82	60.42	59.11	60.21	50.97

Medicaid Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2457	1.4423	1.4155	1.4096	1.3763
2023	1.2534	1.2529	1.2684	1.2543	1.2572
2022	1.2094	1.2176	1.2532	1.2392	1.2297
2021	1.2420	1.2076	1.2078	1.2078	1.2163
2020	1.1742	1.1851	1.1848	1.2320	1.1929
Medicare Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.3686	1.6175	1.6761	1.6422	1.5856
2023	1.3967	1.3982	1.4003	1.3737	1.3928
2022	1.3551	1.3632	1.3770	1.3744	1.3677
2021	1.3934	1.3894	1.3793	1.3793	1.3854
2020	1.3536	1.3580	1.3539	1.3775	1.3603
Other Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.1806	1.4223	1.3863	1.3958	1.3564
2023	1.2396	1.2253	1.2142	1.1985	1.2193
2022	1.1979	1.1877	1.2263	1.2284	1.2104
2021	1.1908	1.2351	1.2355	1.2355	1.1956
2020	1.1736	1.1855	1.1871	1.1691	1.1793

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Baltimore Metro

Total Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2537	1.4633	1.4524	1.4430	1.4036
2023	1.2741	1.2733	1.2841	1.2646	1.2740
2022	1.2316	1.2378	1.2723	1.2593	1.2503
2021	1.2616	1.2351	1.2355	1.2355	1.2419
2020	1.2021	1.2109	1.2107	1.2483	1.2170

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Central

Net Resident Service Revenue	2024	2023	2022	2021	2020
Private Revenue PPD	\$498.48	\$433.42	\$413.53	\$394.34	\$516.96
Medicaid Revenue PPD	\$361.38	\$333.16	\$314.14	\$300.25	\$317.32
Medicare Revenue PPD	\$470.22	\$448.81	\$447.56	\$331.20	\$330.20
Total Revenue PPD	\$402.34	\$374.06	\$359.42	\$318.26	\$338.51

Expenditures	2024	2023	2022	2021	2020
Nursing PPD	\$170.33	\$174.87	\$175.42	\$162.59	\$156.57
Other Patient Care PPD	\$20.46	\$19.98	\$20.57	\$21.01	\$20.11
Food PPD	\$10.58	\$10.10	\$10.67	\$10.34	\$9.15
Routine PPD	\$52.01	\$50.84	\$50.29	\$50.39	\$46.58
Dietary PPD	\$16.70	\$16.55	\$17.23	\$17.26	\$16.49
Laundry PPD	\$4.89	\$4.91	\$4.59	\$4.77	\$4.47
Housekeeping PPD	\$9.87	\$9.57	\$9.13	\$9.08	\$8.16
Maintenance PPD	\$15.89	\$15.07	\$14.65	\$14.80	\$13.81
Administrative PPD	\$53.35	\$52.49	\$53.48	\$57.83	\$52.74
Administrative Wages PPD	\$6.14	\$6.25	\$6.41	\$6.03	\$5.95
Office Staff Wages PPD	\$14.63	\$13.43	\$13.54	\$13.62	\$12.56
Non-Property Insurance PPD	\$5.57	\$4.97	\$4.84	\$6.10	\$4.45
Capital/Property Service PPD	\$42.75	\$41.21	\$32.64	\$34.89	\$33.66
Capital Value Rental PPD	\$33.91	\$36.81	\$32.22	\$29.12	\$33.52
Total Cost PPD	\$372.81	\$376.20	\$364.61	\$355.83	\$343.17

Employee Benefits	2024	2023	2022	2021	2020
Nursing PPD	\$17.94	\$17.57	\$18.87	\$22.56	\$25.82
Other Patient Care PPD	\$1.55	\$1.53	\$1.49	\$1.59	\$1.69
Routine PPD	\$4.65	\$4.73	\$4.70	\$4.48	\$3.66
Administrative PPD	\$4.24	\$4.21	\$4.09	\$4.10	\$4.21
Total Benefits PPD	\$28.39	\$28.05	\$29.14	\$32.74	\$35.38

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Central

Census Data	2024	2023	2022	2021	2020
Private Mix	12.30%	12.77%	12.52%	11.12%	10.64%
Medicaid Mix	67.36%	65.76%	64.24%	66.36%	67.77%
Medicare Mix	20.34%	21.47%	23.24%	22.52%	21.59%
Average Occupancy	85.15%	83.31%	79.85%	75.33%	77.88%

Receivables and Bad Debt	2024	2023	2022	2021	2020
Receivables as % of Revenue	14.59%	13.20%	16.20%	14.22%	12.56%
Bad Debts as % of Revenue	1.54%	1.78%	1.41%	1.29%	1.68%
Receivable Turnover (Days)	52.53	47.51	58.34	51.18	45.20

Medicaid Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2481	1.4050	1.3779	1.3675	1.3482
2023	1.2509	1.2510	1.2597	1.2611	1.2557
2022	1.1930	1.1821	1.2077	1.2218	1.2011
2021	1.2451	1.2059	1.1979	1.1979	1.2116
2020	1.1675	1.1637	1.1670	1.2518	1.1850
Medicare Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.3527	1.6966	1.7096	1.6764	1.6122
2023	1.3732	1.3886	1.4287	1.3816	1.3932
2022	1.3660	1.3677	1.3607	1.3663	1.3651
2021	1.4118	1.4283	1.3927	1.3927	1.4059
2020	1.3588	1.3688	1.3695	1.4320	1.3790
Other Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2215	1.4985	1.4246	1.4096	1.3932
2023	1.2100	1.2384	1.2627	1.2360	1.2372
2022	1.2309	1.2118	1.2099	1.1849	1.2099
2021	1.2517	1.2383	1.2286	1.2286	1.2363
2020	1.2082	1.2353	1.2296	1.2454	1.2281

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Central

Total Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2648	1.4737	1.4583	1.4366	1.4078
2023	1.2733	1.2813	1.2985	1.2835	1.2841
2022	1.2371	1.2243	1.2449	1.2514	1.2395
2021	1.2797	1.2573	1.2448	1.2448	1.2564
2020	1.2141	1.2144	1.2182	1.2864	1.2306

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Non Metro

Net Resident Service Revenue	2024	2023	2022	2021	2020
Private Revenue PPD	\$357.57	\$373.18	\$340.54	\$327.85	\$347.93
Medicaid Revenue PPD	\$340.32	\$311.48	\$296.36	\$286.19	\$287.58
Medicare Revenue PPD	\$461.43	\$388.42	\$368.11	\$316.24	\$337.09
Total Revenue PPD	\$368.70	\$336.18	\$322.32	\$303.45	\$308.39

Expenditures	2024	2023	2022	2021	2020
Nursing PPD	\$156.65	\$160.13	\$155.55	\$145.85	\$138.27
Other Patient Care PPD	\$19.59	\$18.55	\$18.94	\$19.17	\$19.09
Food PPD	\$10.02	\$9.22	\$10.06	\$9.58	\$9.45
Routine PPD	\$50.53	\$48.23	\$48.64	\$48.65	\$44.43
Dietary PPD	\$17.49	\$16.66	\$15.70	\$15.33	\$14.80
Laundry PPD	\$4.62	\$4.47	\$4.36	\$4.32	\$4.14
Housekeeping PPD	\$9.30	\$8.55	\$8.41	\$8.31	\$7.71
Maintenance PPD	\$14.50	\$13.92	\$15.45	\$15.34	\$13.58
Administrative PPD	\$47.70	\$45.14	\$47.37	\$51.31	\$46.61
Administrative Wages PPD	\$5.11	\$4.60	\$4.91	\$4.86	\$4.37
Office Staff Wages PPD	\$12.04	\$10.12	\$10.90	\$11.58	\$10.54
Non-Property Insurance PPD	\$4.16	\$4.31	\$3.98	\$4.36	\$3.55
Capital/Property Service PPD	\$51.81	\$46.56	\$39.27	\$38.80	\$34.53
Capital Value Rental PPD	\$35.38	\$30.33	\$22.54	\$22.51	\$23.49
Total Cost PPD	\$361.64	\$348.95	\$332.31	\$326.29	\$306.43

Employee Benefits	2024	2023	2022	2021	2020
Nursing PPD	\$18.83	\$19.31	\$20.32	\$22.60	\$23.51
Other Patient Care PPD	\$1.24	\$1.34	\$1.48	\$1.69	\$1.66
Routine PPD	\$4.61	\$4.64	\$4.72	\$5.34	\$4.19
Administrative PPD	\$3.20	\$3.03	\$3.71	\$4.60	\$3.59
Total Benefits PPD	\$27.88	\$28.32	\$30.24	\$34.23	\$32.95

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Non Metro

Census Data	2024	2023	2022	2021	2020
Private Mix	12.11%	10.72%	12.23%	11.40%	11.22%
Medicaid Mix	69.74%	69.06%	65.11%	66.01%	66.25%
Medicare Mix	18.15%	20.22%	22.65%	22.60%	22.53%
Average Occupancy	78.14%	77.19%	73.55%	68.89%	74.49%

Receivables and Bad Debt	2024	2023	2022	2021	2020
Receivables as % of Revenue	18.88%	16.02%	16.56%	12.76%	14.15%
Bad Debts as % of Revenue	1.50%	1.37%	1.30%	1.25%	1.31%
Receivable Turnover (Days)	67.97	57.66	59.60	45.93	50.95

Medicaid Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.1998	1.3422	1.3232	1.2951	1.2889
2023	1.1681	1.1784	1.1892	1.2020	1.1846
2022	1.1213	1.1316	1.1714	1.1583	1.1454
2021	1.1579	1.1414	1.1381	1.1381	1.1442
2020	1.1147	1.1127	1.1199	1.1347	1.1200
Medicare Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.3442	1.6372	1.6854	1.6216	1.5774
2023	1.3300	1.3137	1.3080	1.3250	1.3190
2022	1.3189	1.3311	1.3507	1.3306	1.3336
2021	1.3510	1.3843	1.3412	1.3412	1.3552
2020	1.3386	1.3478	1.3613	1.3268	1.3441
Other Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.1146	1.3903	1.3189	1.3125	1.2841
2023	1.1518	1.1249	1.1098	1.1159	1.1253
2022	1.1268	1.1240	1.1557	1.1495	1.1388
2021	1.1547	1.1439	1.1384	1.1384	1.1437
2020	1.0916	1.0879	1.0963	1.1135	1.0968

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Non Metro

Total Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2067	1.3949	1.3889	1.3530	1.3347
2023	1.1999	1.1973	1.2013	1.2103	1.2022
2022	1.1599	1.1709	1.2111	1.1942	1.1841
2021	1.1894	1.1951	1.1797	1.1797	1.1860
2020	1.1483	1.1485	1.1599	1.1670	1.1556

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Washington Metro

Net Resident Service Revenue	2024	2023	2022	2021	2020
Private Revenue PPD	\$494.39	\$480.43	\$441.75	\$408.57	\$462.75
Medicaid Revenue PPD	\$360.82	\$333.33	\$319.20	\$325.93	\$305.20
Medicare Revenue PPD	\$511.67	\$462.67	\$477.66	\$436.70	\$395.54
Total Revenue PPD	\$408.50	\$379.09	\$369.27	\$351.23	\$345.73

Expenditures	2024	2023	2022	2021	2020
Nursing PPD	\$160.80	\$162.39	\$156.78	\$149.97	\$148.59
Other Patient Care PPD	\$20.45	\$19.64	\$18.97	\$18.83	\$18.66
Food PPD	\$10.38	\$9.82	\$9.64	\$9.51	\$8.91
Routine PPD	\$52.32	\$50.71	\$50.09	\$50.15	\$48.41
Dietary PPD	\$17.12	\$16.82	\$16.97	\$16.36	\$16.36
Laundry PPD	\$4.63	\$4.56	\$4.38	\$4.45	\$4.40
Housekeeping PPD	\$9.28	\$8.67	\$8.47	\$8.70	\$8.42
Maintenance PPD	\$15.97	\$15.24	\$15.10	\$15.04	\$14.28
Administrative PPD	\$51.90	\$51.34	\$51.12	\$51.99	\$51.03
Administrative Wages PPD	\$3.69	\$3.72	\$3.66	\$3.70	\$3.49
Office Staff Wages PPD	\$16.96	\$16.48	\$16.36	\$16.50	\$15.60
Non-Property Insurance PPD	\$4.39	\$4.06	\$3.98	\$4.31	\$3.41
Capital/Property Service PPD	\$40.18	\$38.63	\$33.12	\$33.92	\$32.09
Capital Value Rental PPD	\$33.30	\$32.61	\$30.73	\$30.22	\$32.21
Total Cost PPD	\$358.95	\$355.31	\$340.80	\$335.07	\$330.98

Employee Benefits	2024	2023	2022	2021	2020
Nursing PPD	\$19.15	\$19.81	\$22.08	\$24.39	\$24.96
Other Patient Care PPD	\$1.69	\$1.68	\$1.67	\$1.82	\$1.84
Routine PPD	\$5.32	\$5.42	\$5.17	\$5.60	\$4.94
Administrative PPD	\$4.12	\$4.05	\$4.19	\$4.65	\$4.39
Total Benefits PPD	\$30.29	\$30.97	\$33.10	\$36.47	\$36.13

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Washington Metro

Census Data	2024	2023	2022	2021	2020
Private Mix	11.42%	10.85%	10.03%	10.56%	11.81%
Medicaid Mix	57.83%	59.14%	60.00%	61.01%	62.49%
Medicare Mix	30.75%	30.00%	29.98%	28.43%	25.70%
Average Occupancy	87.19%	84.70%	82.05%	76.72%	79.40%

Receivables and Bad Debt	2024	2023	2022	2021	2020
Receivables as % of Revenue	17.26%	16.85%	14.86%	13.58%	13.68%
Bad Debts as % of Revenue	1.43%	1.46%	1.18%	1.27%	1.67%
Receivable Turnover (Days)	62.13	60.67	53.48	48.89	49.23

Medicaid Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2943	1.4569	1.4092	1.3976	1.3881
2023	1.2382	1.2466	1.2658	1.2733	1.2560
2022	1.2189	1.2247	1.2582	1.2356	1.2341
2021	1.2538	1.2321	1.2154	1.2154	1.2292
2020	1.1813	1.1700	1.1711	1.2155	1.1833
Medicare Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.4073	1.6906	1.7558	1.7257	1.6532
2023	1.4164	1.4106	1.4230	1.4123	1.4157
2022	1.3656	1.3838	1.4342	1.4091	1.3987
2021	1.4467	1.4228	1.3828	1.3828	1.4076
2020	1.3872	1.4031	1.3975	1.4597	1.4107
Other Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.1393	1.4208	1.3704	1.3574	1.3278
2023	1.1029	1.1001	1.1208	1.1133	1.1092
2022	1.1119	1.1043	1.1142	1.0958	1.1065
2021	1.1509	1.1274	1.1168	1.1168	1.1277
2020	1.1303	1.1211	1.1263	1.1337	1.1276

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Washington Metro

Total Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2753	1.4849	1.4650	1.4472	1.4186
2023	1.2420	1.2448	1.2643	1.2610	1.2530
2022	1.2221	1.2272	1.2621	1.2373	1.2371
2021	1.2652	1.2425	1.2248	1.2248	1.2391
2020	1.2067	1.1997	1.2011	1.2440	1.2117

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Western Maryland

Net Resident Service Revenue	2024	2023	2022	2021	2020
Private Revenue PPD	\$393.87	\$372.13	\$343.77	\$325.50	\$310.03
Medicaid Revenue PPD	\$309.15	\$280.72	\$269.51	\$254.83	\$245.06
Medicare Revenue PPD	\$430.13	\$436.19	\$423.65	\$363.80	\$327.02
Total Revenue PPD	\$342.15	\$320.16	\$307.35	\$283.97	\$267.94

Expenditures	2024	2023	2022	2021	2020
Nursing PPD	\$160.15	\$161.76	\$150.98	\$143.90	\$131.45
Other Patient Care PPD	\$23.33	\$21.72	\$20.58	\$19.73	\$18.11
Food PPD	\$10.74	\$10.53	\$10.29	\$9.59	\$9.01
Routine PPD	\$51.92	\$49.67	\$47.62	\$48.24	\$43.96
Dietary PPD	\$17.25	\$15.64	\$14.68	\$15.25	\$13.83
Laundry PPD	\$5.57	\$5.33	\$5.25	\$5.40	\$4.96
Housekeeping PPD	\$9.31	\$8.69	\$8.11	\$8.54	\$8.03
Maintenance PPD	\$15.09	\$15.07	\$14.23	\$13.94	\$12.31
Administrative PPD	\$52.38	\$48.89	\$46.43	\$45.38	\$39.14
Administrative Wages PPD	\$4.88	\$4.56	\$4.00	\$5.02	\$4.20
Office Staff Wages PPD	\$11.05	\$9.84	\$10.35	\$10.27	\$8.39
Non-Property Insurance PPD	\$4.03	\$3.44	\$2.70	\$3.68	\$2.33
Capital/Property Service PPD	\$36.73	\$41.80	\$38.12	\$33.91	\$32.26
Capital Value Rental PPD	\$32.44	\$26.33	\$34.39	\$32.47	\$29.70
Total Cost PPD	\$356.95	\$350.16	\$338.13	\$323.64	\$294.61

Employee Benefits	2024	2023	2022	2021	2020
Nursing PPD	\$25.20	\$26.86	\$27.54	\$27.82	\$27.46
Other Patient Care PPD	\$1.80	\$1.95	\$1.97	\$1.83	\$1.80
Routine PPD	\$4.70	\$4.95	\$5.36	\$5.10	\$4.83
Administrative PPD	\$3.95	\$3.71	\$4.00	\$3.96	\$3.63
Total Benefits PPD	\$35.65	\$37.47	\$38.86	\$38.72	\$37.72

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Western Maryland

Census Data	2024	2023	2022	2021	2020
Private Mix	14.04%	12.66%	11.55%	11.74%	11.76%
Medicaid Mix	69.51%	69.09%	69.14%	69.78%	71.14%
Medicare Mix	16.45%	18.26%	19.31%	18.48%	17.09%
Average Occupancy	74.88%	75.89%	74.13%	70.53%	79.56%

Receivables and Bad Debt	2024	2023	2022	2021	2020
Receivables as % of Revenue	18.74%	11.96%	14.39%	13.63%	13.06%
Bad Debts as % of Revenue	1.26%	1.59%	1.26%	1.67%	1.89%
Receivable Turnover (Days)	67.46	43.04	51.81	49.08	47.01

Medicaid Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2545	1.4154	1.3662	1.3208	1.3387
2023	1.2250	1.2354	1.2328	1.2440	1.2344
2022	1.2087	1.2040	1.2526	1.2608	1.2312
2021	1.1925	1.1934	1.2261	1.2261	1.2086
2020	1.1748	1.1989	1.2000	1.1949	1.1921
Medicare Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.4157	1.6166	1.7152	1.6168	1.5942
2023	1.3832	1.3549	1.3990	1.4001	1.3843
2022	1.3708	1.3524	1.3968	1.3861	1.3775
2021	1.4038	1.3538	1.3926	1.3926	1.3838
2020	1.3743	1.4176	1.4260	1.4137	1.4080
Other Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2062	1.5017	1.3667	1.3402	1.3571
2023	1.1801	1.1990	1.2368	1.2032	1.2040
2022	1.2045	1.2035	1.2297	1.2087	1.2112
2021	1.2587	1.2456	1.2579	1.2579	1.2556
2020	1.2026	1.2096	1.2254	1.2336	1.2169

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Western Maryland

Total Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2727	1.4602	1.4287	1.3690	1.3825
2023	1.2464	1.2525	1.2654	1.2672	1.2579
2022	1.2370	1.2303	1.2808	1.2752	1.2558
2021	1.2314	1.2316	1.2598	1.2598	1.2452
2020	1.2084	1.2324	1.2386	1.2333	1.2280



APPENDIX

Facility Size Benchmarks For Skilled Nursing Facilities In Maryland

Industry Benchmarks for Skilled Nursing Facilities in Maryland

1 - 44 Beds

Net Resident Service Revenue	2024	2023	2022	2021	2020
Private Revenue PPD	\$419.36	\$388.56	\$365.86	\$334.28	\$332.67
Medicaid Revenue PPD	\$291.31	\$275.27	\$269.27	\$268.47	\$254.20
Medicare Revenue PPD	\$414.73	\$354.17	\$397.02	\$277.25	\$256.58
Total Revenue PPD	\$366.27	\$332.20	\$327.98	\$297.22	\$284.64

Expenditures	2024	2023	2022	2021	2020
Nursing PPD	\$189.45	\$189.54	\$180.27	\$198.30	\$194.90
Other Patient Care PPD	\$30.03	\$31.47	\$29.37	\$28.95	\$24.20
Food PPD	\$24.02	\$24.27	\$24.47	\$29.12	\$21.12
Routine PPD	\$78.62	\$77.12	\$79.83	\$80.63	\$66.13
Dietary PPD	\$29.20	\$26.97	\$28.64	\$23.04	\$20.22
Laundry PPD	\$6.19	\$6.72	\$5.28	\$6.75	\$6.10
Housekeeping PPD	\$8.75	\$8.40	\$13.03	\$10.13	\$9.24
Maintenance PPD	\$19.37	\$20.22	\$18.97	\$22.42	\$18.58
Administrative PPD	\$61.01	\$62.64	\$60.36	\$56.50	\$65.08
Administrative Wages PPD	\$12.75	\$12.30	\$10.90	\$12.08	\$9.59
Office Staff Wages PPD	\$26.90	\$27.92	\$25.53	\$26.12	\$22.85
Non-Property Insurance PPD	\$4.15	\$3.78	\$4.41	\$5.64	\$7.07
Capital/Property Service PPD	\$15.11	\$7.75	\$7.15	\$4.57	\$2.32
Capital Value Rental PPD	\$23.19	\$19.22	\$22.28	\$25.49	\$26.82
Total Cost PPD	\$397.41	\$387.73	\$379.27	\$394.43	\$379.45

Employee Benefits	2024	2023	2022	2021	2020
Nursing PPD	\$36.30	\$37.37	\$34.29	\$35.79	\$36.96
Other Patient Care PPD	\$3.27	\$3.39	\$2.98	\$3.61	\$3.61
Routine PPD	\$15.12	\$14.81	\$13.90	\$18.29	\$12.00
Administrative PPD	\$6.82	\$7.17	\$6.68	\$6.74	\$8.87
Total Benefits PPD	\$61.52	\$62.74	\$57.85	\$64.42	\$61.43

Industry Benchmarks for Skilled Nursing Facilities in Maryland

1 - 44 Beds

Census Data	2024	2023	2022	2021	2020
Private Mix	36.74%	38.04%	38.89%	41.37%	36.79%
Medicaid Mix	44.11%	47.38%	44.94%	47.81%	53.50%
Medicare Mix	19.15%	14.57%	16.17%	10.83%	9.71%
Average Occupancy	86.90%	84.42%	76.40%	74.34%	77.41%

Receivables and Bad Debt	2024	2023	2022	2021	2020
Receivables as % of Revenue	9.19%	7.40%	7.19%	7.67%	10.56%
Bad Debts as % of Revenue	0.45%	0.66%	0.73%	0.25%	0.29%
Receivable Turnover (Days)	33.09	26.64	25.90	27.63	38.01

Medicaid Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	0.8688	1.1380	1.0923	1.0935	1.0466
2023	0.8778	0.9107	0.9216	0.9009	0.9019
2022	0.9864	0.9644	0.9752	0.9706	0.9697
2021	0.9871	1.0094	0.9566	0.9566	0.9782
2020	0.9436	0.9487	0.9922	0.9941	0.9690
Medicare Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2348	1.5665	1.5644	1.5161	1.4885
2023	1.4125	1.4101	1.3849	1.3572	1.3912
2022	1.4359	1.4266	1.4865	1.5141	1.4691
2021	1.4603	1.3770	1.3881	1.3881	1.3996
2020	1.3792	1.3918	1.4013	1.3553	1.3845
Other Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	0.9988	1.2635	1.2540	1.2208	1.1851
2023	1.0175	0.9918	1.0253	1.0135	1.0107
2022	0.9875	0.9414	0.9784	1.0015	0.9766
2021	0.9876	0.9724	1.0098	1.0098	0.9940
2020	1.0038	1.0048	1.0290	0.9995	1.0100

Industry Benchmarks for Skilled Nursing Facilities in Maryland

1 - 44 Beds

Total Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	0.9643	1.2559	1.2319	1.2043	1.1657
2023	1.0079	1.0161	1.0388	1.0168	1.0191
2022	1.0328	1.0175	1.0613	1.0700	1.0451
2021	1.0218	1.0337	1.0198	1.0198	1.0240
2020	1.0097	1.0161	1.0474	1.0229	1.0242

Industry Benchmarks for Skilled Nursing Facilities in Maryland

45 - 99 Beds

Net Resident Service Revenue	2024	2023	2022	2021	2020
Private Revenue PPD	\$474.80	\$428.45	\$388.13	\$377.79	\$356.07
Medicaid Revenue PPD	\$347.12	\$319.32	\$306.19	\$302.21	\$296.08
Medicare Revenue PPD	\$436.31	\$418.28	\$416.85	\$354.43	\$349.55
Total Revenue PPD	\$385.88	\$356.90	\$344.84	\$323.14	\$317.36

Expenditures	2024	2023	2022	2021	2020
Nursing PPD	\$173.08	\$172.07	\$163.30	\$158.65	\$151.28
Other Patient Care PPD	\$23.85	\$22.24	\$21.53	\$21.54	\$20.79
Food PPD	\$15.27	\$15.02	\$14.56	\$13.77	\$13.02
Routine PPD	\$60.63	\$57.73	\$54.97	\$55.55	\$52.10
Dietary PPD	\$19.70	\$18.07	\$17.49	\$17.66	\$16.82
Laundry PPD	\$5.30	\$5.26	\$4.91	\$4.68	\$4.44
Housekeeping PPD	\$9.81	\$9.16	\$8.55	\$9.19	\$9.10
Maintenance PPD	\$17.10	\$16.70	\$15.71	\$15.06	\$14.21
Administrative PPD	\$60.35	\$57.07	\$56.89	\$58.39	\$54.70
Administrative Wages PPD	\$7.40	\$7.21	\$7.34	\$7.31	\$6.77
Office Staff Wages PPD	\$17.97	\$16.84	\$17.26	\$17.99	\$15.96
Non-Property Insurance PPD	\$6.18	\$5.68	\$5.16	\$6.09	\$4.77
Capital/Property Service PPD	\$39.65	\$42.40	\$36.76	\$34.61	\$34.51
Capital Value Rental PPD	\$30.61	\$24.87	\$23.63	\$23.24	\$29.13
Total Cost PPD	\$388.17	\$376.39	\$357.08	\$351.98	\$342.52

Employee Benefits	2024	2023	2022	2021	2020
Nursing PPD	\$24.33	\$22.66	\$23.83	\$24.94	\$25.92
Other Patient Care PPD	\$2.05	\$1.98	\$1.94	\$2.22	\$2.15
Routine PPD	\$8.72	\$8.54	\$8.31	\$8.96	\$7.53
Administrative PPD	\$5.28	\$4.81	\$5.02	\$6.18	\$5.08
Total Benefits PPD	\$40.39	\$37.99	\$39.10	\$42.30	\$40.68

Industry Benchmarks for Skilled Nursing Facilities in Maryland

45 - 99 Beds

Census Data	2024	2023	2022	2021	2020
Private Mix	13.76%	13.94%	13.66%	14.01%	13.49%
Medicaid Mix	63.52%	64.06%	61.13%	62.24%	66.34%
Medicare Mix	22.72%	22.00%	25.20%	23.75%	20.18%
Average Occupancy	85.18%	84.10%	80.71%	74.41%	75.98%

Receivables and Bad Debt	2024	2023	2022	2021	2020
Receivables as % of Revenue	14.41%	13.60%	15.02%	11.72%	12.39%
Bad Debts as % of Revenue	1.36%	1.34%	1.08%	1.30%	1.45%
Receivable Turnover (Days)	51.89	48.97	54.06	42.18	44.59

Medicaid Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2320	1.4079	1.3714	1.3631	1.3422
2023	1.2449	1.2206	1.2152	1.2187	1.2252
2022	1.1935	1.1997	1.2310	1.2279	1.2128
2021	1.1996	1.1996	1.1899	1.1899	1.1949
2020	1.1243	1.1401	1.1486	1.1973	1.1511
Medicare Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.3791	1.5517	1.5992	1.5559	1.5246
2023	1.3937	1.3741	1.3683	1.3625	1.3753
2022	1.3406	1.3391	1.3700	1.3603	1.3533
2021	1.4020	1.4129	1.3723	1.3723	1.3887
2020	1.3656	1.3707	1.3793	1.4336	1.3838
Other Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.1492	1.3934	1.3376	1.3088	1.2974
2023	1.1557	1.1511	1.1520	1.1369	1.1489
2022	1.1492	1.1474	1.1677	1.1530	1.1544
2021	1.1698	1.1564	1.1650	1.1650	1.1641
2020	1.1266	1.1434	1.1586	1.1610	1.1470

Industry Benchmarks for Skilled Nursing Facilities in Maryland

45 - 99 Beds

Total Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2413	1.4303	1.4116	1.3891	1.3674
2023	1.2623	1.2427	1.2382	1.2318	1.2441
2022	1.2164	1.2196	1.2533	1.2438	1.2333
2021	1.2271	1.2305	1.2229	1.2229	1.2258
2020	1.1702	1.1821	1.1939	1.2274	1.1919

Industry Benchmarks for Skilled Nursing Facilities in Maryland

100 - 199 Beds

Net Resident Service Revenue	2024	2023	2022	2021	2020
Private Revenue PPD	\$432.97	\$424.54	\$393.63	\$376.47	\$468.40
Medicaid Revenue PPD	\$364.31	\$331.02	\$317.01	\$304.13	\$306.64
Medicare Revenue PPD	\$522.21	\$470.40	\$480.04	\$431.93	\$408.26
Total Revenue PPD	\$401.36	\$369.09	\$359.01	\$336.90	\$341.22

Expenditures	2024	2023	2022	2021	2020
Nursing PPD	\$159.51	\$162.46	\$161.24	\$152.76	\$146.11
Other Patient Care PPD	\$19.94	\$19.13	\$18.64	\$18.55	\$18.44
Food PPD	\$8.71	\$8.35	\$8.33	\$8.06	\$7.59
Routine PPD	\$49.73	\$48.01	\$47.55	\$48.15	\$45.67
Dietary PPD	\$15.66	\$15.43	\$15.32	\$15.31	\$15.11
Laundry PPD	\$4.70	\$4.71	\$4.53	\$4.59	\$4.60
Housekeeping PPD	\$9.52	\$9.09	\$8.80	\$9.00	\$8.43
Maintenance PPD	\$15.85	\$14.59	\$14.78	\$14.79	\$13.57
Administrative PPD	\$50.53	\$49.45	\$48.96	\$51.51	\$48.67
Administrative Wages PPD	\$3.63	\$3.64	\$3.60	\$3.77	\$3.54
Office Staff Wages PPD	\$15.67	\$14.55	\$14.31	\$14.55	\$13.67
Non-Property Insurance PPD	\$4.48	\$4.14	\$4.11	\$4.62	\$3.54
Capital/Property Service PPD	\$42.51	\$41.68	\$35.95	\$36.15	\$33.51
Capital Value Rental PPD	\$33.90	\$31.76	\$27.49	\$26.24	\$27.59
Total Cost PPD	\$356.12	\$352.49	\$339.82	\$333.37	\$320.00

Employee Benefits	2024	2023	2022	2021	2020
Nursing PPD	\$17.59	\$18.45	\$19.85	\$22.93	\$24.84
Other Patient Care PPD	\$1.56	\$1.59	\$1.57	\$1.70	\$1.77
Routine PPD	\$3.99	\$4.20	\$4.13	\$4.46	\$3.96
Administrative PPD	\$3.87	\$3.81	\$3.83	\$4.27	\$4.05
Total Benefits PPD	\$27.00	\$28.05	\$29.37	\$33.36	\$34.62

Industry Benchmarks for Skilled Nursing Facilities in Maryland

100 - 199 Beds

Census Data	2024	2023	2022	2021	2020
Private Mix	11.20%	10.47%	9.89%	9.70%	9.91%
Medicaid Mix	67.75%	67.76%	66.95%	67.86%	68.29%
Medicare Mix	21.04%	21.76%	23.17%	22.43%	21.79%
Average Occupancy	85.10%	83.21%	80.59%	74.75%	78.89%

Receivables and Bad Debt	2024	2023	2022	2021	2020
Receivables as % of Revenue	19.13%	17.36%	17.29%	15.96%	14.65%
Bad Debts as % of Revenue	1.72%	1.76%	1.38%	1.24%	1.71%
Receivable Turnover (Days)	68.86	62.51	62.24	57.46	52.73

Medicaid Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2514	1.4168	1.3825	1.3702	1.3537
2023	1.2192	1.2261	1.2409	1.2443	1.2326
2022	1.1908	1.1899	1.2253	1.2178	1.2055
2021	1.2100	1.1828	1.1807	1.1807	1.1887
2020	1.1483	1.1490	1.1494	1.1891	1.1577
Medicare Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.3883	1.6504	1.7103	1.6774	1.6117
2023	1.3802	1.3835	1.4054	1.3887	1.3896
2022	1.3627	1.3718	1.4012	1.3776	1.3788
2021	1.3899	1.4027	1.3743	1.3743	1.3853
2020	1.3517	1.3710	1.3710	1.3872	1.3694
Other Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.1728	1.4310	1.3744	1.3719	1.3422
2023	1.1673	1.1641	1.1698	1.1650	1.1666
2022	1.1575	1.1491	1.1700	1.1614	1.1594
2021	1.1858	1.1724	1.1715	1.1715	1.1751
2020	1.1569	1.1543	1.1625	1.1653	1.1592

Industry Benchmarks for Skilled Nursing Facilities in Maryland

100 - 199 Beds

Total Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2596	1.4549	1.4396	1.4215	1.3934
2023	1.2403	1.2458	1.2613	1.2565	1.2509
2022	1.2171	1.2160	1.2523	1.2383	1.2307
2021	1.2368	1.2216	1.2144	1.2144	1.2218
2020	1.1837	1.1864	1.1898	1.2200	1.1938

Industry Benchmarks for Skilled Nursing Facilities in Maryland

200+ Beds

Net Resident Service Revenue	2024	2023	2022	2021	2020
Private Revenue PPD	\$476.44	\$475.67	\$405.27	\$392.38	\$427.82
Medicaid Revenue PPD	\$373.93	\$348.06	\$332.40	\$340.12	\$314.08
Medicare Revenue PPD	\$550.02	\$471.08	\$444.78	\$399.82	\$329.22
Total Revenue PPD	\$416.68	\$380.60	\$366.08	\$355.55	\$338.52

Expenditures	2024	2023	2022	2021	2020
Nursing PPD	\$184.97	\$188.39	\$178.16	\$173.34	\$164.22
Other Patient Care PPD	\$23.45	\$22.67	\$22.35	\$22.44	\$21.04
Food PPD	\$11.06	\$10.44	\$10.64	\$9.91	\$8.73
Routine PPD	\$63.78	\$64.64	\$61.52	\$59.49	\$54.71
Dietary PPD	\$19.90	\$20.24	\$19.45	\$18.34	\$17.32
Laundry PPD	\$5.39	\$5.66	\$5.38	\$5.29	\$4.73
Housekeeping PPD	\$11.45	\$11.35	\$10.38	\$10.10	\$9.79
Maintenance PPD	\$20.95	\$21.29	\$20.93	\$19.71	\$17.52
Administrative PPD	\$63.32	\$63.55	\$61.77	\$63.52	\$53.49
Administrative Wages PPD	\$2.45	\$2.27	\$2.50	\$2.38	\$2.12
Office Staff Wages PPD	\$22.52	\$23.25	\$22.07	\$22.41	\$20.02
Non-Property Insurance PPD	\$4.96	\$5.76	\$5.61	\$6.25	\$4.92
Capital/Property Service PPD	\$29.49	\$25.76	\$24.33	\$23.60	\$21.91
Capital Value Rental PPD	\$24.45	\$24.87	\$24.37	\$25.10	\$21.61
Total Cost PPD	\$389.47	\$389.88	\$372.50	\$367.50	\$336.98

Employee Benefits	2024	2023	2022	2021	2020
Nursing PPD	\$23.48	\$24.56	\$25.42	\$31.39	\$29.24
Other Patient Care PPD	\$1.55	\$1.53	\$1.57	\$1.77	\$1.71
Routine PPD	\$6.10	\$6.10	\$5.38	\$6.06	\$5.35
Administrative PPD	\$5.04	\$5.44	\$5.59	\$6.20	\$5.33
Total Benefits PPD	\$36.18	\$37.63	\$37.96	\$45.42	\$41.64

Industry Benchmarks for Skilled Nursing Facilities in Maryland

200+ Beds

Census Data	2024	2023	2022	2021	2020
Private Mix	11.15%	10.10%	10.54%	10.41%	9.70%
Medicaid Mix	66.07%	67.49%	66.49%	66.58%	67.34%
Medicare Mix	22.78%	22.41%	22.97%	23.01%	22.96%
Average Occupancy	82.71%	80.38%	78.45%	77.47%	83.79%

Receivables and Bad Debt	2024	2023	2022	2021	2020
Receivables as % of Revenue	15.47%	12.80%	11.73%	12.72%	11.90%
Bad Debts as % of Revenue	2.24%	2.06%	1.95%	2.09%	2.58%
Receivable Turnover (Days)	55.70	46.10	42.23	45.81	42.85

Medicaid Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2493	1.5183	1.4668	1.4377	1.4159
2023	1.2499	1.2589	1.2773	1.2391	1.2560
2022	1.2207	1.2358	1.2684	1.2458	1.2423
2021	1.2534	1.2051	1.1846	1.1846	1.2074
2020	1.1675	1.1661	1.1618	1.2296	1.1798
Medicare Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.3283	1.6224	1.6460	1.6404	1.5644
2023	1.3961	1.3801	1.3572	1.3464	1.3708
2022	1.3620	1.3701	1.3858	1.4024	1.3808
2021	1.4265	1.3890	1.3532	1.3532	1.3800
2020	1.3964	1.3850	1.3779	1.4363	1.3971
Other Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.1317	1.4360	1.4023	1.4034	1.3502
2023	1.1156	1.0951	1.1195	1.1055	1.1088
2022	1.1568	1.1370	1.1304	1.1243	1.1372
2021	1.0861	1.0763	1.0918	1.0918	1.0866
2020	1.0942	1.0991	1.0994	1.0691	1.0915

Industry Benchmarks for Skilled Nursing Facilities in Maryland

200+ Beds

Total Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2406	1.5175	1.4837	1.4636	1.4262
2023	1.2474	1.2483	1.2615	1.2308	1.2470
2022	1.2294	1.2355	1.2613	1.2478	1.2433
2021	1.2473	1.2076	1.1917	1.1917	1.2096
2020	1.1880	1.1833	1.1786	1.2260	1.1928



APPENDIX

Facility Type Benchmarks For Skilled Nursing Facilities In Maryland

Industry Benchmarks for Skilled Nursing Facilities in Maryland

For Profit

Net Resident Service Revenue	2024	2023	2022	2021	2020
Private Revenue PPD	\$427.20	\$421.41	\$384.09	\$375.12	\$510.01
Medicaid Revenue PPD	\$365.88	\$334.54	\$321.17	\$313.40	\$311.25
Medicare Revenue PPD	\$520.61	\$468.84	\$473.38	\$418.77	\$405.98
Total Revenue PPD	\$427.49	\$369.09	\$360.04	\$338.00	\$343.96

Expenditures	2024	2023	2022	2021	2020
Nursing PPD	\$157.88	\$159.88	\$157.64	\$149.98	\$143.32
Other Patient Care PPD	\$19.16	\$18.35	\$17.87	\$17.69	\$17.49
Food PPD	\$8.56	\$8.03	\$8.02	\$7.62	\$7.16
Routine PPD	\$47.68	\$46.56	\$45.54	\$45.69	\$43.23
Dietary PPD	\$15.11	\$15.02	\$14.56	\$14.32	\$14.32
Laundry PPD	\$4.86	\$4.85	\$4.63	\$4.54	\$4.43
Housekeeping PPD	\$9.36	\$9.02	\$8.63	\$8.82	\$8.23
Maintenance PPD	\$15.19	\$14.48	\$14.66	\$14.71	\$13.34
Administrative PPD	\$48.85	\$47.29	\$47.33	\$49.84	\$46.75
Administrative Wages PPD	\$4.20	\$4.12	\$4.10	\$4.11	\$3.89
Office Staff Wages PPD	\$13.19	\$12.21	\$12.12	\$12.59	\$11.77
Non-Property Insurance PPD	\$4.66	\$4.39	\$4.28	\$5.08	\$3.88
Capital/Property Service PPD	\$45.27	\$44.83	\$38.41	\$38.28	\$35.60
Capital Value Rental PPD	\$34.72	\$32.39	\$27.48	\$26.64	\$28.76
Total Cost PPD	\$353.57	\$349.29	\$334.27	\$328.12	\$315.14

Employee Benefits	2024	2023	2022	2021	2020
Nursing PPD	\$16.63	\$16.69	\$18.37	\$21.05	\$22.76
Other Patient Care PPD	\$1.27	\$1.24	\$1.21	\$1.33	\$1.43
Routine PPD	\$3.15	\$3.19	\$3.05	\$3.30	\$2.90
Administrative PPD	\$3.37	\$3.27	\$3.34	\$3.77	\$3.65
Total Benefits PPD	\$24.42	\$24.39	\$25.98	\$29.45	\$30.75

Industry Benchmarks for Skilled Nursing Facilities in Maryland

For Profit

Census Data	2024	2023	2022	2021	2020
Private Mix	9.46%	8.65%	8.20%	8.06%	7.35%
Medicaid Mix	68.98%	69.27%	67.76%	68.63%	69.89%
Medicare Mix	21.56%	22.08%	24.04%	23.31%	22.76%
Average Occupancy	86.28%	84.31%	81.36%	75.52%	79.04%

Receivables and Bad Debt	2024	2023	2022	2021	2020
Receivables as % of Revenue	18.67%	17.26%	17.09%	15.31%	14.35%
Bad Debts as % of Revenue	1.79%	1.94%	1.50%	1.38%	1.80%
Receivable Turnover (Days)	67.21	62.15	61.52	55.12	51.67

Medicaid Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2737	1.4300	1.3950	1.3848	1.3696
2023	1.2481	1.2529	1.2653	1.2686	1.2588
2022	1.2118	1.2172	1.2518	1.2387	1.2298
2021	1.2430	1.2166	1.2143	1.2143	1.2221
2020	1.1832	1.1838	1.1854	1.2270	1.1937
Medicare Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.3870	1.6924	1.7489	1.7129	1.6427
2023	1.3900	1.3847	1.3970	1.3910	1.3907
2022	1.3626	1.3777	1.3911	1.3814	1.3786
2021	1.4094	1.4021	1.3841	1.3841	1.3948
2020	1.3682	1.3810	1.3797	1.4015	1.3822
Other Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.1950	1.4516	1.3846	1.3823	1.3608
2023	1.1813	1.1824	1.1822	1.1755	1.1803
2022	1.1815	1.1674	1.1903	1.1714	1.1778
2021	1.2161	1.1910	1.1904	1.1904	1.1964
2020	1.1900	1.1870	1.1935	1.2060	1.1934

Industry Benchmarks for Skilled Nursing Facilities in Maryland

For Profit

Total Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.2791	1.4726	1.4556	1.4378	1.4115
2023	1.2645	1.2673	1.2783	1.2754	1.2714
2022	1.2349	1.2391	1.2715	1.2552	1.2502
2021	1.2686	1.2478	1.2417	1.2417	1.2498
2020	1.2153	1.2163	1.2192	1.2562	1.2257

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Non-Profit

Net Resident Service Revenue	2024	2023	2022	2021	2020
Private Revenue PPD	\$465.59	\$438.00	\$400.74	\$379.37	\$369.30
Medicaid Revenue PPD	\$333.10	\$306.26	\$289.74	\$281.42	\$275.61
Medicare Revenue PPD	\$456.58	\$421.49	\$421.60	\$387.73	\$307.20
Total Revenue PPD	\$441.56	\$360.10	\$342.04	\$327.37	\$306.04

Expenditures	2024	2023	2022	2021	2020
Nursing PPD	\$191.21	\$194.69	\$186.98	\$178.46	\$170.00
Other Patient Care PPD	\$28.71	\$27.01	\$26.53	\$26.25	\$24.92
Food PPD	\$16.76	\$16.39	\$16.20	\$15.32	\$13.68
Routine PPD	\$76.70	\$72.44	\$71.76	\$70.28	\$64.59
Dietary PPD	\$24.71	\$22.81	\$23.63	\$22.88	\$20.76
Laundry PPD	\$4.96	\$5.24	\$4.95	\$5.33	\$5.17
Housekeeping PPD	\$11.38	\$10.66	\$10.55	\$10.49	\$10.37
Maintenance PPD	\$22.75	\$21.08	\$20.28	\$18.74	\$17.46
Administrative PPD	\$73.25	\$72.77	\$70.38	\$70.13	\$62.71
Administrative Wages PPD	\$4.30	\$4.21	\$4.15	\$4.56	\$3.80
Office Staff Wages PPD	\$31.80	\$30.56	\$29.99	\$28.51	\$25.47
Non-Property Insurance PPD	\$5.10	\$5.17	\$5.01	\$5.00	\$4.03
Capital/Property Service PPD	\$20.46	\$18.82	\$18.00	\$18.64	\$18.36
Capital Value Rental PPD	\$23.71	\$21.48	\$24.28	\$23.72	\$21.81
Total Cost PPD	\$414.04	\$407.22	\$397.92	\$387.48	\$362.38

Employee Benefits	2024	2023	2022	2021	2020
Nursing PPD	\$30.35	\$31.89	\$32.21	\$36.02	\$35.31
Other Patient Care PPD	\$3.24	\$3.27	\$3.25	\$3.43	\$3.20
Routine PPD	\$12.88	\$12.66	\$12.35	\$12.85	\$10.84
Administrative PPD	\$7.88	\$7.77	\$7.93	\$8.62	\$7.07
Total Benefits PPD	\$54.34	\$55.58	\$55.74	\$60.91	\$56.42

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Non-Profit

Census Data	2024	2023	2022	2021	2020
Private Mix	22.00%	21.15%	20.88%	19.86%	22.12%
Medicaid Mix	55.78%	57.12%	57.26%	59.17%	59.67%
Medicare Mix	22.22%	21.73%	21.86%	20.97%	18.21%
Average Occupancy	78.78%	77.63%	75.62%	72.85%	79.31%

Receivables and Bad Debt	2024	2023	2022	2021	2020
Receivables as % of Revenue	14.63%	12.23%	12.08%	12.64%	12.07%
Bad Debts as % of Revenue	1.43%	1.09%	1.16%	1.36%	1.78%
Receivable Turnover (Days)	52.69	44.03	43.49	45.52	43.46

Medicaid Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.1595	1.4007	1.3752	1.3399	1.3158
2023	1.1676	1.1701	1.1905	1.1707	1.1746
2022	1.1369	1.1383	1.1749	1.1674	1.1538
2021	1.1720	1.1547	1.1408	1.1408	1.1526
2020	1.0986	1.1017	1.1057	1.1516	1.1138
Medicare Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.3578	1.5435	1.5902	1.5477	1.5150
2023	1.3826	1.3836	1.3997	1.3573	1.3811
2022	1.3345	1.3219	1.3914	1.3695	1.3552
2021	1.4072	1.3992	1.3556	1.3556	1.3780
2020	1.3561	1.3679	1.3700	1.4317	1.3784
Other Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2019	1.0796	1.3767	1.3443	1.3215	1.2805
2023	1.1019	1.0806	1.1122	1.0936	1.0969
2022	1.0812	1.0899	1.1011	1.1014	1.0932
2021	1.1064	1.0935	1.0927	1.0927	1.0965
2020	1.0759	1.0830	1.0850	1.0757	1.0801

Industry Benchmarks for Skilled Nursing Facilities in Maryland

Non-Profit

Total Case Mix Index	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Average
2024	1.1710	1.4193	1.4113	1.3776	1.3438
2023	1.1957	1.1925	1.2163	1.1886	1.1982
2022	1.1616	1.1620	1.2039	1.1948	1.1802
2021	1.1953	1.1862	1.1732	1.0732	1.1822
2020	1.1386	1.1438	1.1480	1.0757	1.1510