

Factors for Consideration

Factor 1: The Need for Capacity in the Hospital and Nursing Home Systems

The need for capacity in the hospital and nursing home systems in New York State is determined by bed need methodologies which govern the number and distribution of hospital and nursing home beds in New York State.

The need methodology for hospital (acute care) beds (10 NYCRR section 709.2) is based principally on hospital discharge rates by diagnostic category by sex and age group, and on projected changes in such rates based on demographic and epidemiological considerations. The methodology projects need for three main bed categories: medical/surgical, pediatric and obstetric. Hospital specialty beds such as those for physical medicine and rehabilitation (PM&R), neonatal intensive care and AIDS are addressed in separate need methodologies that are more heavily weighted toward the specific diagnoses pertaining to these categories. An additional factor in bed need methodologies is that of access, which is most often expressed in terms of distance and travel time to care for the affected population. The hospital bed need methodology was last updated in 1993, using a planning target year of 1996.

The need methodology for residential health care facility (nursing home) beds (10 NYCRR section 709.3) is based mainly on the projected numbers of older people in each county and on the likely degree of dependency for activities of daily living (ADL) in that population. The need methodology further takes into account the use of non-institutional services such as home health care, assisted living and supportive housing and their effect on the demand for nursing home beds. The bed need numbers for each county represent an average of statewide and county-specific utilization patterns projected by the need methodology. The nursing home bed need methodology was last revised in 2004, using a planning target year of 2007.

In recent years, accelerated progress in medical treatment and technology that have reduced the need for hospitalization and enabled older New Yorkers to live longer in less restricted settings have made it difficult for need methodologies to anticipate the demand for hospital and nursing home beds. This is especially true in the long-term care sector, where the growth of home health care, assisted living, continuing care retirement communities and other non-institutional services have helped bring about a decline in nursing home occupancy throughout the State. Although the proportion of elderly in the State's population is growing, and this will accelerate as the members of the Baby Boom generation enter their retirement years, the development of home and community-based care may well keep pace with this trend, further reducing the need for nursing home beds. Because the complexity of the nursing home bed need methodology precludes the frequent revision that would allow it to reflect rapid changes in health care and noninstitutional services, it has limitations as a predictor of the demand for nursing home beds.