



Chronic Shortage of SC Beds May Leave Rural Seniors Wanting

In this *CCHI Research* report, we examined the supply of community residential care facility (CRCF) beds to expected demand for personal care or healthcare services in South Carolina.

Methodology

We compared the supply of maximum licensed CRCF beds to estimated need for personal care and healthcare services for seniors. We acknowledged that some personal care and healthcare needs are met by in-home care providers (e.g., in-home care, home health agencies). However, we believe that as the baby boomers age, the market for out-of-the-home care services will increase. In its 2017 national health interview survey, the Center for Disease Control and Prevention’s National Center for Health Statistics (NCHS) reported that as Americans age, the more they need personal care services.

% of Age Group Need PCA Assistance Table	
<u>70 to 74</u>	3.7%
<u>75 to 79</u>	7.2%
<u>80 to 84</u>	7.2%
<u>85 and over</u>	21.5%

Source: NCHS, National Health Interview Survey, Jan- Mar 2017, Family Core component.

The adjacent chart shows the relationship the NCHS found between age and need for personal care services (Age-PCA Needs Matrix).

Using 2020 population data for the largest counties and cities (by population) in South Carolina¹, we applied the Age-PCA Needs Metric to derive the estimated demand for personal care and healthcare services for ages 70 and above. To determine the supply of CRCF beds, we summed the maximum licensed beds as authorized by South Carolina Department of Health and Environmental Control (DHEC)².

Findings

Chart 1 shows that estimated demand for adult care beds far exceeded the current supply of beds in the top 15 populated counties in South Carolina. Unmet market demand in the top 5 markets (i.e., Greenville, Richland, Charleston, Spartanburg, and Horry) range for 35% to half of total demand. In the remaining 10 top cities, unmet demand was worse ranging from 34% (Georgetown) to 88% (Cherokee) of total estimated market demand. The severe shortfall in bed inventory may be contributed to the explosive growth in in-home and at-home health related services for seniors. Rising residential home prices along with little or no homes for sale inventory has made it difficult for CRCF owners to expand and newcomers to enter the market. If bed inventory remains limited, we forecast that private pay rates and private room rates will rise significantly in the coming years.

In contrast to the counties, the major SC cities appear to have sufficient adult care bed inventory to accommodate estimated demand. Chart 2 shows estimated supply of CRCF beds in most of the top

¹ Data.census.gov
² <https://sc-dhec.maps.arcgis.com/apps/webappviewer/index.html?id=e8b4eea83cab491bb3e3663093e14656>

10 SC cities meets or exceeds estimated demand for adult care beds. Columbia (167%)³ and Greenville (342%) have excess bed capacity which probably supports the estimated bed shortages in their respective counties. Note that Hilton Head Island is woefully short of needed adult care beds (50%) while Summerville, Florence, and Spartanburg have more than adequate supplies of adult care beds.

Chart 1:

Estimated Demand for adult care beds and Current Supply of Beds in the top 15 populated counties in SC.

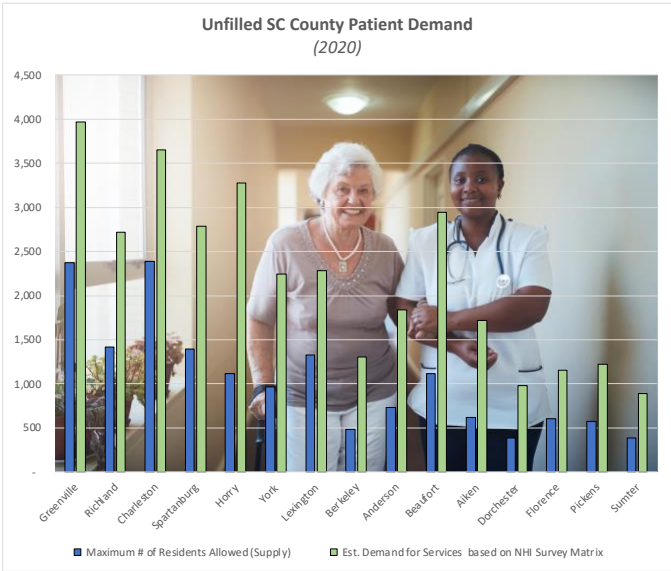
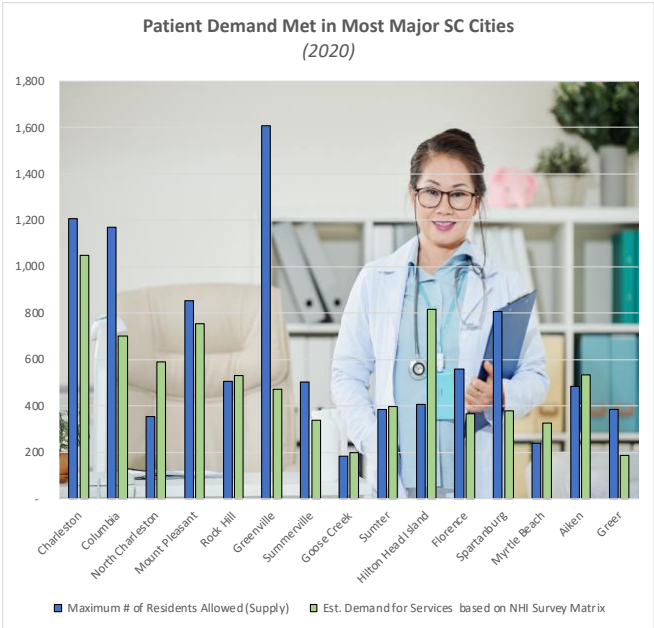


Chart 2:

Estimated Demand for adult care beds and Current Supply of beds in the top 15 populated cities in SC.



³ That is, Greenville’s bed supply is 167% of its estimated demand.