

On a square footage basis, the median cost for the 20 homes Hill-Burton aid was \$12.90 per square foot and for those with such assistance, \$15.27. When the total unit area was considered, however, the unit costs per square foot among the homes showed a measure of agreement.

(b) *Operating Costs*

Operating cost data are available only from widely scattered sources conducted usually by State or local groups. Such surveys indicate a wide spread in operating costs per patient day. A variety of factors account for this spread, including size of the facility, staffing, comprehensiveness of care provided and economic status of community.

A sample survey of 133 homes was conducted in California late in 1963 by the California Association of Nursing Homes, Sanitariums, Rest Homes, & Homes for the Aged.⁷ The total operating cost of 133 homes averaged \$10.81 per patient day. The range reported was wide, however, from \$6.98 per day to \$19.91. Wage costs averaged \$6.08 per patient day—56.3 percent of the total costs. Food costs per day accounted for another \$0.94, or 8.7 percent of all costs. Again, the ranges within the averages were wide.

In Illinois in 1964 a survey undertaken at the request of the Illinois Nursing Home Association, showed similar wide variations in operating costs among the 26 homes studied.⁸ Total operating cost averaged from an average of \$5.24 per patient day in counties with a low living index to \$12.34 per day in counties with a high cost index. As expected, salaries comprised the major portion of cost—55 percent in low economic areas and 50 percent in the high economic areas. Food costs ranged from a low of \$0.48 to a high of \$1.15 per patient day and accounted, on the average, for just 10 percent of the total per diem costs. Plant operation and maintenance costs reported by the 26 homes ranged from 6.3 percent in operating costs in homes in the high economic areas to 9.3 percent in low economic areas. Housekeeping and laundry and linen costs combined generally accounted for 6 to 9 percent of total costs.

A nationwide survey conducted in 1965 by staff of the *Professional Nursing Home* obtained operating cost data which indicated similar wide ranges in average daily operating costs.⁹ In proprietary homes of 100 beds or more, operating costs per day averaged \$8.86 compared with \$7.76 in homes with fewer than 50 beds. For nonprofit homes the average ranged from \$8.03 per day in facilities with fewer than 50 to \$7.24 per day in facilities with 50 to 99 beds. Nonprofit homes having 100 beds or more reported an average daily operating cost of \$7.84. No data were reported on breakdown of operating costs such as food, salaries, and main

⁷ California Association of Nursing Homes, Sanitariums, Rest Homes & Homes for the Aged, Inc. *Report of Patient Care in California Nursing and Convalescent Homes*. Sacramento, Calif., June 1964, 50 pp.

⁸ DeBruyn, Joseph P., Illinois Nursing Homes report on costs. *Nursing Home Administrator*, December 1965, pp. 52-57.

⁹ Planning guide. *Professional Nursing Home*, December 1965, p. 23.