

BDO Corporate Finance Healthcare

Analysis of The National Treatment Purchase Fund (NTPF) Agreed Private & Voluntary Nursing Home Fair Deal Rate (FDR) Changes in September 2022.

Introduction

Every month, the HSE releases an update on the prevailing FDR for private and voluntary nursing homes operating under the Fair Deal Scheme across the country. This is the maximum price per week agreed between the nursing home and the HSE under the nursing home support scheme, providing an insight into not only the highest and lowest rates being achieved but also into the changes occurring on a monthly basis for each individual private and voluntary nursing home.

Nursing homes, under the FDR scheme allow for residents to pay only a portion of their cost of care and the remaining is paid by the HSE to the nursing home.

For the past number of years, our Healthcare Team in Corporate Finance has analysed these changes, noting trends and patterns on a county-by-county basis and an all-country basis. We have now prepared this report to highlight the changes in the rates between June 2022 and September 2022, assisting operators and healthcare providers across the country.



BDO's Healthcare Team provides the following Corporate Finance Services:

- Development financing and restructuring
- Financial due diligence
- Rescue, recovery & turnaround
- Mergers & acquisitions
- NTPF negotiations

If you would like to seek advice on taking action from this report, BDO's Corporate Finance Healthcare Team can assist you, contact us on (061) 464 822 or email:



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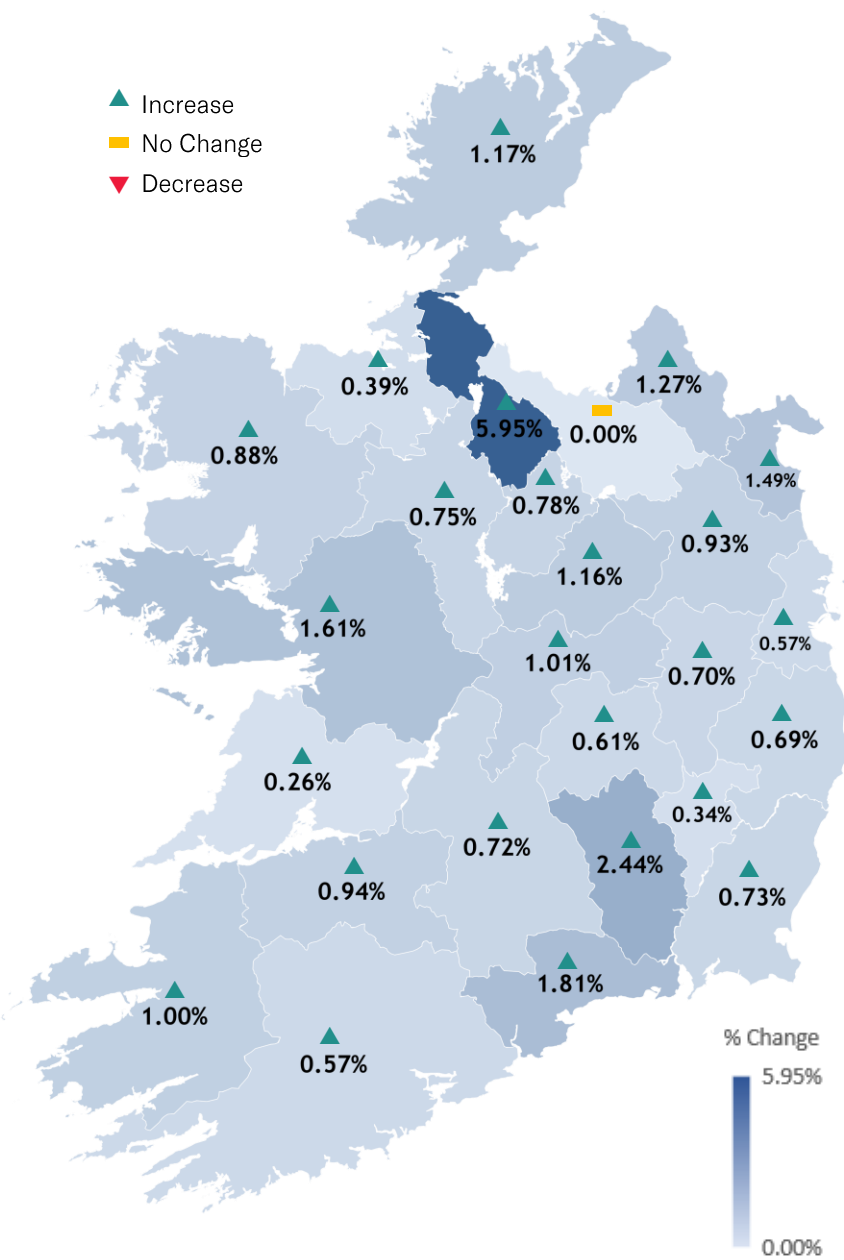


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NTPF Weekly Fair Deal Rates : Average Quarterly % Change (June 2022/September 2022)

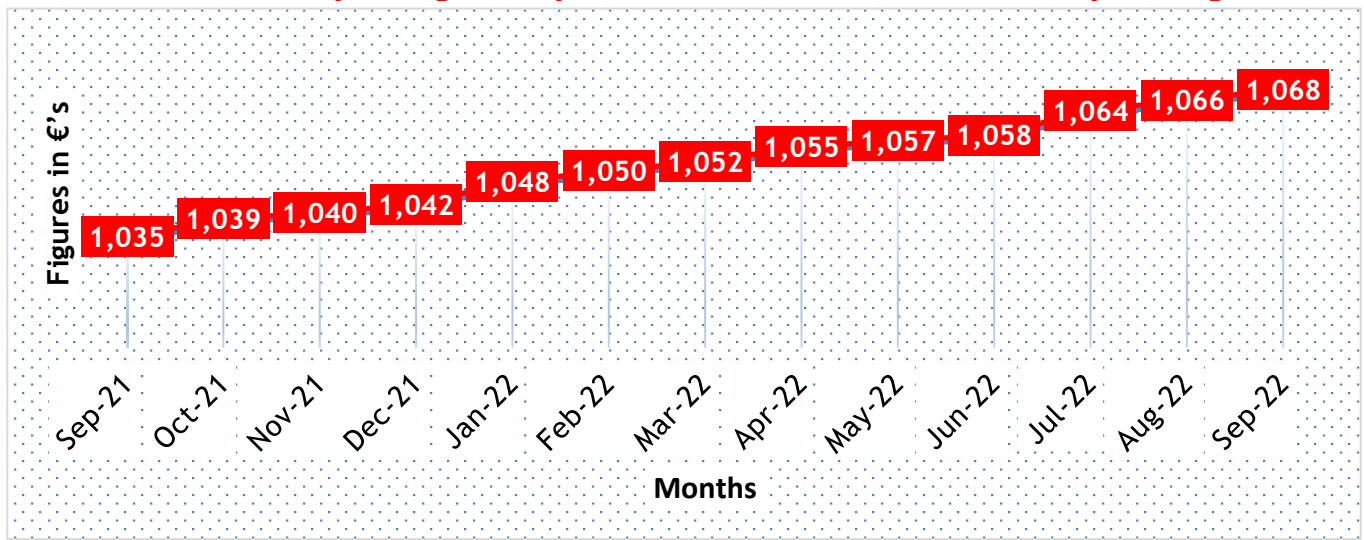


FDR comparison in June 2022 vs September 2022

This map shows the quarterly average % change in agreed NTPF Fair Deal rates by county in September 2022 compared to the rates in June 2022, of voluntary and private nursing homes:

- The FDR changes are a result of successful negotiations between individual nursing homes and the NTPF to agree on a maximum price that the nursing home charges under the nursing home support scheme on a weekly basis.
- The country average weekly rate has increased by .98% from €1,058.05 in June 2022 to €1,068.39 in September 2022.
- The majority of counties showed an increase in the weekly average NTPF rates in September compared to June with the highest rate increase of 5.95% in Leitrim, where the average rate increased from €982.50 to €1041.00. The lowest recorded increase of just over 0.26% was in Clare where the average weekly rate increased from €963.33 in June to €965.83 in September.
- One county showed no change in average rates compared to June 2022 FDR weekly rates.
- Over the period, there were two less homes on the scheme in Galway and one less home each in Kerry and Roscommon. Two further homes joined the scheme in Meath while one additional home joined in Dublin. Overall, there was one less home in September compared to June.

Last 12 months country average weekly FDR increases for Private & Voluntary Nursing Homes



NTPF Agreed Weekly Fair Deal Rates*

County	Jun-22	Sept-22		% Change	Sept-21	No. of Nursing Homes Under the FDR Scheme			
						Jun-22	Sept-22	Change	
Carlow	981	984	↑	0.34%	957	6	6	→	-
Cavan	1,019	1,019	→	0.00%	993	7	7	→	-
Clare	963	966	↑	0.26%	935	12	12	→	-
Cork	1,056	1,062	↑	0.57%	1,034	49	49	→	-
Donegal	959	970	↑	1.17%	934	14	14	→	-
Dublin	1,236	1,243	↑	0.57%	1,218	89	90	↑	1
Galway	969	985	↑	1.61%	943	35	33	↓	-2
Kerry	964	974	↑	1.00%	942	17	16	↓	-1
Kildare	1,108	1,116	↑	0.70%	1,091	21	21	→	-
Kilkenny	1,007	1,031	↑	2.44%	983	9	9	→	-
Laois	1,027	1,033	↑	0.61%	1,002	4	4	→	-
Leitrim	983	1,041	↑	5.95%	960	2	2	→	-
Limerick	978	987	↑	0.94%	950	22	22	→	-
Longford	979	987	↑	0.78%	965	3	3	→	-
Louth	1,056	1,072	↑	1.49%	1,041	8	8	→	-
Mayo	977	986	↑	0.88%	948	18	18	→	-
Meath	1,075	1,085	↑	0.93%	1,055	18	20	↑	2
Monaghan	1,026	1,039	↑	1.27%	1,000	4	4	→	-
Offaly	994	1,004	↑	1.01%	963	5	5	→	-
Roscommon	970	977	↑	0.75%	937	10	9	↓	-1
Sligo	1,068	1,073	↑	0.39%	1,043	6	6	→	-
Tipperary	967	974	↑	0.72%	943	25	25	→	-
Waterford	1,018	1,036	↑	1.81%	997	9	9	→	-
Westmeath	962	973	↑	1.16%	937	9	9	→	-
Wexford	980	987	↑	0.73%	953	14	14	→	-
Wicklow	1,114	1,121	↑	0.69%	1,095	18	18	→	-
Country Average**	1,058.05	1,068.39	↑	0.98%	1,035.05	434	433	↓	-1

* Figures are rounded

** Country average includes all private & voluntary homes under Fair Deal Scheme

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Source of Information
Health Service Executive(HSE) :
<https://www2.hse.ie/services/fair-deal-scheme/about-the-fair-deal-scheme.html>