The number of South Dakota residents age 85 and older is projected to grow by nearly 40 percent by 2030.

South Dakota’s older population can be at greater risk for chronic illnesses and in need of long-term care. Fourteen percent of South Dakota’s population is age 65+ with nearly 21,000 residents age 85+. South Dakota’s age 85+ population – the age group that is most likely to need long-term care services – will grow 39% from 2007 to 2030. This makes South Dakota the 47th ranked state in the projected growth rate of the 85+ population.

Most prefer to receive long-term care at home; however, South Dakota spends almost all of the state’s Medicaid funds on institutional care.

The majority of Americans age 50+ (89%) want to stay in their homes for as long as they can. Over 118,000 South Dakotans rely on Medicaid, and 11% are age 65+. Home and community-based service (HCBS) waivers allow Medicaid recipients to receive Medicaid funding for in-home care. In South Dakota, Medicaid allows some to choose in-home care instead of nursing home care. In 2006, 915 South Dakotans 65+ received a waiver. There were no waiting lists for this group in 2008. On average, the Medicaid program can provide HCBS to three people for the cost of serving one person in a nursing home.

South Dakota spends almost all (93%) of its Medicaid long-term care dollars for older people and adults with physical disabilities on nursing home care – ranking it near the bottom (47th) in spending on home care services for this population.

In addition, 87,000 South Dakotans are providing family caregiving to a loved one at home. This care is valued at $920 million.

South Dakota has lower average nursing home private pay rates than many other states in the nation at $157 per day.

In 2008, South Dakota, relative to many other states, had some of the least expensive nursing homes in the country, with an average private pay daily rate of $157. In 2008, South Dakota’s average rate for home health aides ($19/hr private pay) was right at the national average, but it had some of the lowest rates for Medicare-certified home health aides ($21/hr) and adult day care ($15/day).

Over a third of South Dakota’s nursing homes rated above average in health inspections.

The Centers for Medicare and Medicaid Services (CMS) created a five-star quality rating to help consumers compare nursing homes. CMS rates nursing homes on health inspections, staffing, and quality measures.

The health inspection process is comprehensive and conducted by a trained team of objective surveyors. Recent studies have found that non-profit nursing homes generally deliver higher quality of care. In 2007, 34% of South Dakota’s nursing homes were for profit (61%, non-profit; 5%, government-owned).

Few Americans have long-term care insurance.

Nationally, about 7 million long-term care insurance policies were in effect in 2005, and the typical purchaser was age 61 with assets over $100,000. Cost is a major factor in the decision to purchase long-term care insurance. In 2008, premiums for a married couple in their sixties were about $3,000 a year. South Dakota has adopted the most recent long-term care insurance recommendations from the National Association of Insurance Commissioners (NAIC).
End Notes

The data utilized in this report is the most recent publicly available data collected for all states.


3Providing More Long-term Support and Services at Home: Why It’s Critical for Health Reform. AARP Public Policy Institute, June 2009. URL: http://www.aarp.org/research/ppi/ltc/hcbs/articles/fs_hcbs_hcr.html


5Ibid. Medicaid 1915(c) Home and Community-Based Service Waiver Participants, by Type of Waiver, 2006. Data Source: The Kaiser Commission on Medicaid and the Uninsured (KCMU) and The University of California at San Francisco's (UCSF) analysis based on The Centers for Medicare & Medicaid Services (CMS) Form 372, December 2009, Table 5. "Medicaid 1915(c) Home and Community-Based Service Programs: Data Update" available at http://www.kff.org/medicaid/7720.cfm. URL: http://www.statehealthfacts.org/comparetable.jsp?ind=241&cat=4


7Providing More Long-term Support and Services at Home: Why It’s Critical for Health Reform. AARP Public Policy Institute, June 2009. URL: http://www.aarp.org/research/ppi/ltc/hcbs/articles/fs_hcbs_hcr.html


9Ibid. Page 44.

10Ibid. Page 66.

11Ibid. Page 59.

12Ibid. Page 60.

13Centers for Medicare and Medicaid Services. Note: These data are updated monthly. Data for this brief was pulled on November 3, 2009. URL: http://www.medicare.gov/NHCompare/Include/DataSection/ProximitySearch.asp

14BMJ 2009 (British Medical Journal); 339:b2732. URL: www.pnhp.org/nursing_home


