

Exhibit A1. Characteristics of Duals and Non-Duals Residing in US Nursing Homes for Long-Term Care, 2008

	<b>Duals</b>	<b>Non-Duals</b>
N	981,009	556,247
age	80.2	82.7
female	71.1%	66.5%
high school degree or higher	40.7%	45.3%
college degree or higher	3.7%	9.8%
white	77.0%	90.7%
black	14.9%	5.6%
hispanic	5.1%	1.7%
asian/pacific islander	1.8%	0.7%
american indian/alaskan native	0.5%	0.2%
diabetes	28.3%	26.7%
stroke	17.5%	14.6%
depression	42.8%	36.0%
bipolar disorder	3.4%	1.5%
schizophrenia	3.5%	0.8%
diagnosis of dementia	50.1%	31.8%

Exhibit A2: Regression of 1-Star or 5-Star Nursing Home on Trends by Dual Status Over Time  
(Full Regression Results)

Variable	1-Star Nursing Home	5-Star Nursing Home
Dual	0.040** (16.17)	-0.015** (7.80)
Dual x 2009	0.003 (1.17)	-0.004 (1.82)
Dual x 2010	0.002 (0.65)	-0.014** (5.49)
2009	-0.027** (9.10)	0.015** (5.95)
2010	-0.065** (16.90)	0.036** (10.67)
Age	-0.002** (23.28)	0.001** (10.77)
Married	-0.001 (0.56)	-0.005** (5.45)
High school graduate	-0.005* (2.39)	0.002 (1.27)
College graduate	-0.036** (20.47)	0.030** (13.62)
Black	0.069** (11.50)	-0.021** (6.56)
Hispanic	-0.010 (1.29)	0.006 (0.83)
Asian	-0.033** (2.67)	0.032* (2.47)
Other race	-0.023 (1.92)	-0.001 (0.08)
ADL scale	0.001** (4.08)	-0.001** (6.71)
Diabetes	0.015** (12.98)	-0.010** (13.34)
Stroke	0.013** (8.11)	-0.005** (5.06)
Parkinson's disease	-0.009** (7.22)	0.004** (4.65)
Depression	0.009** (5.10)	-0.004** (2.89)
Bipolar disorder	0.026** (9.72)	-0.012** (6.83)
Schizophrenia	-0.002 (0.30)	0.013 (1.86)
Asthma	-0.014** (7.27)	0.005** (3.91)
COPD	0.014** (9.52)	-0.010** (10.68)
Cancer	-0.002 (1.00)	-0.004** (3.16)
Dementia	0.004** (2.69)	-0.001 (0.52)
Renal failure	0.012** (6.03)	-0.009** (6.40)
Constant	0.358 (42.76)**	0.053** (7.37)
<i>N</i>	16,065,677	16,065,677

Source: Authors' analysis of Nursing Home Compare, MDS 2.0, and Medicare Beneficiary Summary File data.

\*\*p<.01; \*p<.05; based on linear probability models. T-statistics in parentheses.

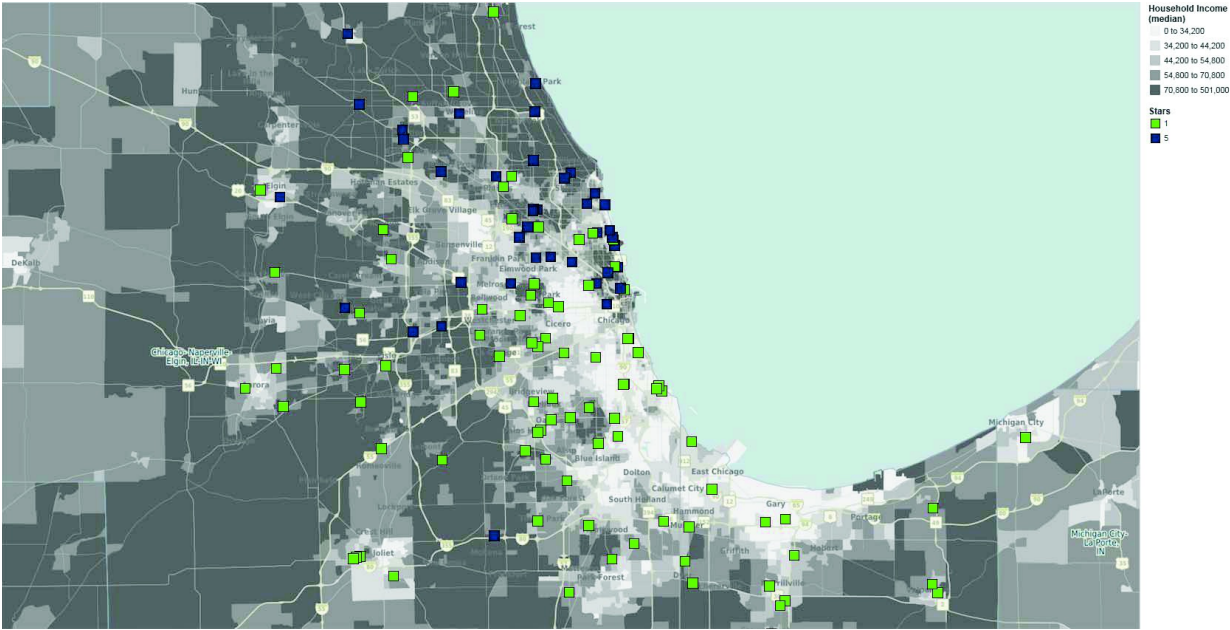
Exhibit A3. Stratified Regressions of 1-Star or 5-Star Nursing Home on Trends Over Time, Total Change vs Within-Provider Change (Regression Results Including T-statistics)

Variable	1-Star Nursing Home		5-Star Nursing Home	
	Without Nursing Home Fixed Effects (Total Change)	With Nursing Home Fixed Effects (Provider-Driven Change)	Without Nursing Home Fixed Effects (Total Change)	With Nursing Home Fixed Effects (Provider-Driven Change)
<i>Duals only</i>				
2009	-0.023*** (7.53)	-0.022*** (6.91)	0.010*** (5.38)	0.010*** (5.38)
2010	-0.062*** (15.36)	-0.059*** (14.73)	0.020*** (7.86)	0.020*** (7.87)
Constant	0.277*** (69.21)	0.275*** (134.53)	0.080*** (35.71)	0.080*** (62.76)
<i>Non-Duals only</i>				
2009	-0.027*** (9.04)	-0.020*** (6.61)	0.014*** (5.79)	0.012*** (4.78)
2010	-0.066*** (17.15)	-0.054*** (14.15)	0.035*** (10.53)	0.032*** (9.70)
Constant	0.222*** (59.06)	0.216*** (112.17)	0.099*** (36.09)	0.101*** (63.50)

Source: Authors' analysis of Nursing Home Compare, MDS 2.0, and Medicare Beneficiary Summary File data.

\*\*\*p<.01; based on linear probability models. T-statistics in parentheses.

Exhibit A4. Geographic distribution of one-star and five-star Nursing Homes in the Chicago area.



SOURCE: Authors' analysis from Nursing Home Compare December 2008 rating data.  
Notes: Green squares are nursing homes with a 1-star rating. Dark blue squares are nursing homes with a 5-star rating. Shaded areas depict Census-tract level median household income from the 2010 US Census.