

## Requirements for Market Analysis

Based on the following criteria:

1. The project will include a minimum of 40 percent for those with incomes at or below 40 percent of area median income for the county, with the remainder of clients drawn from appropriate populations as required to create a financially viable project (based on cash flow and standard underwriting criteria).
2. The project must be analyzed at the Medicaid, moderate income and upper income level categories, including individuals' willingness to receive services with persons with varying socio-economic backgrounds.
3. The project will provide a variety of service levels (adult day and respite only).

### ***The market analysis shall address:***

1. Establish a realistic market area for the proposed project based on:
  - a. Program and mission specifics (e.g. goals, special population targets, service level, services scope, inclusion of dementia care, other related services, etc.)
  - b. Geographic, physical, economic, social and cultural barriers.
  - c. Established market principles (travel radius, referral sources, competition, etc.)
  - d. Demographics of the defined area, to include at a minimum:
    - i. Total population
    - ii. Population by age breakdown
    - iii. Health status of population
    - iv. Disability status of population
2. Describe the market area and perform the related demographic analysis (by age and income) for:
  - a. Individuals who are eligible for the state's Medicaid waiver program;
  - b. Individuals who are at 40% AMI, but are not eligible for Medicaid
  - c. Individuals who are willing and able to pay privately for the services
3. Analyze the local competition based on existing and planned competing provider types in market area (nursing homes, home care, etc.). This information will likely come from conversations with health care providers, social service agencies, local government officials, and identified competitors, to include:
  - a. Service type
  - b. Applicable market area



- c. Income levels
  - d. Amenities
  - e. Non-profit status
  - f. Occupancy rates (if applicable)
4. Based upon the information above, describe the following:
- a. Target clients
  - b. Physical location
  - c. Income mix (Opportunity for private pay, Medicaid percentage)
  - d. Service package costs
  - e. Suggested program amenities (transportation, meals, etc.)
  - f. Marketing strategies required to achieve and maintain adequate participation for recommended project size and mix