



39<sup>th</sup> Annual State Symposium  
March 23, 2011  
Successful LTC Workforce Strategies

## **WorkForce21**

*Innovative Strategies for the 21st Century*

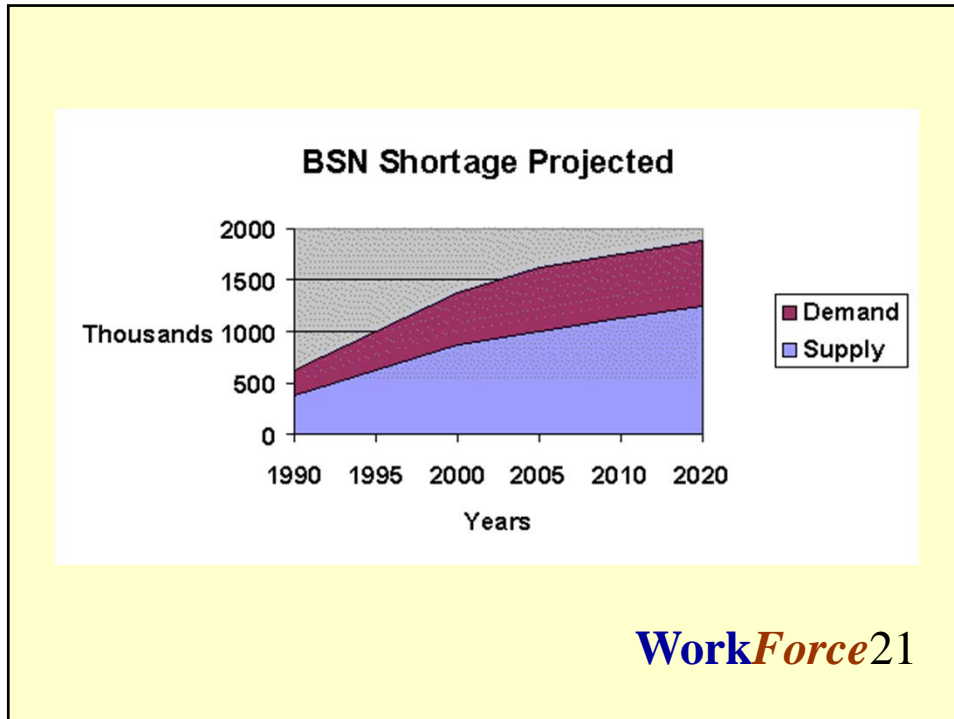
### **GLOBAL LTC WORKFORCE DATA**

The American Health Care Association estimates that long term care occupations represent 4.5 million workers in over 16,000 nursing facilities and 39,000 assisted living facilities in the U.S.

For 2011, BLS projects that this workforce will expand by 800,000 jobs for direct care workers alone in long term care settings.

AHCA also estimates that nearly 110,000 vacancies currently exist in long term care settings.

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### NEW JERSEY LTC WORKFORCE DATA

- The NJ education and healthcare services sector is the largest growing sector by number of new jobs added (131,500) and by percentage of all new jobs added (50%).
- NJ nursing positions are projected to expand 22% in Long Term Care.
- In select NJ counties current growth has been as much as 40% in professional nursing and 43% in nursing assistant and home health occupations.

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## NEW JERSEY LTC WORKFORCE DATA

- Registered Nurses are the number one occupation category that require post-secondary education with the most openings in NJ.
- Nursing and Allied Services Assistants combined are number two.
- Licensed Practical Nurses are number four.

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In New Jersey, the 2000 census estimated that 1.4 million people were over age 60. This represented an increase of 43 percent since 1970. By the year 2020, it is estimated that over 27 percent of NJ population will be over age 60. This will be 1 out of every 3.7 people.

However, these trends are severely contrasted by reverse trends in the projected shortage of workers to care for this population. In 1970, the elderly caregiver population was 21 persons to one person over age 85. In 1990 this ratio reduced to 11:1. By 2030 this ratio will be only 6:1.

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## LTC WORKFORCE CHALLENGES

### NJ LTC ANNUAL TURNOVER AND VACANCY

T/O RN 27.2%; LPN 28.1%; CNA 37.6%.

Vacancy RN 11%; LPN 12.6%; CNA 7.2%.

[Source: 2007 Survey Nursing Staff Vacancy and Turnover in Nursing Facilities, American Health Care Association.]

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Substantial data has documented primary causes for turnover are:

- *Inadequate preparation to perform job functions*
- *Working conditions, including lack of respect by supervisors*
- *Inadequate pay (based on the difficulty of the job and comparable pay in competing jobs elsewhere)*
- *Lack of opportunity for advancement to achieve self-sufficient wages, and*
- *Personal barriers to employment including inadequate child care coverage, inadequate health insurance, poorly managed family issues and inadequate transportation*

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Cost of turnover is staggering. Accounting for direct costs, such as separation, vacancy, recruitment of replacement, new employee training and orientation, and then adding indirect costs from lost productivity, reduced quality of care and decreased employee morale, costs can be as high as 100% of annual salary. Cost projections range from a conservative low of \$2,500 per worker at the CNA level (direct costs only) to over \$74,000 (including indirect costs) for an RN.

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There are approximately 15,500 Long Term Care facilities in the United States; 363 in NJ. Using a blended figure, *the cost estimate by AHCA incurred nationally by LTC facilities due to turnover is over \$4 billion a year. This can be upward estimated at over \$250,000/facility, and most directly divides over costs for recruiting replacements, training for new workers, excessive overtime, excessive premium agency replacement labor and other related costs. Costs from resident care impact are not included. The cost impact from excessive turnover in NJ is estimated at \$91 million.*

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*Resident care IS severely compromised based not just on the loss of continuity of care, but also by inadequate skills preparation. A recent California jury awarded \$677 million in damages.*

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**Successful Workforce**  
**Development Strategies**

“Those who do not learn from history are condemned to repeat it.”

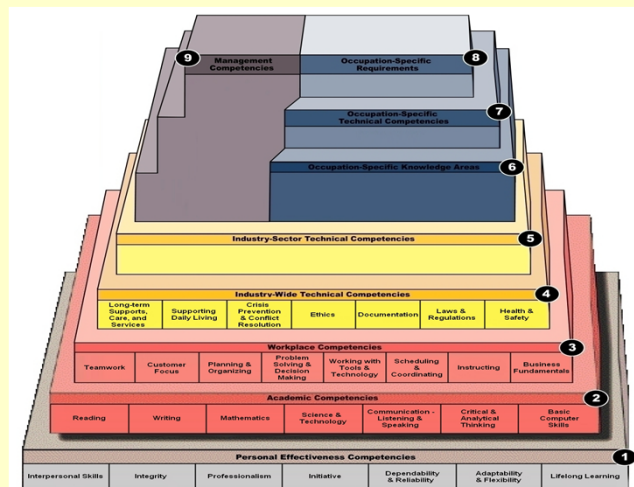
**George Santayana**

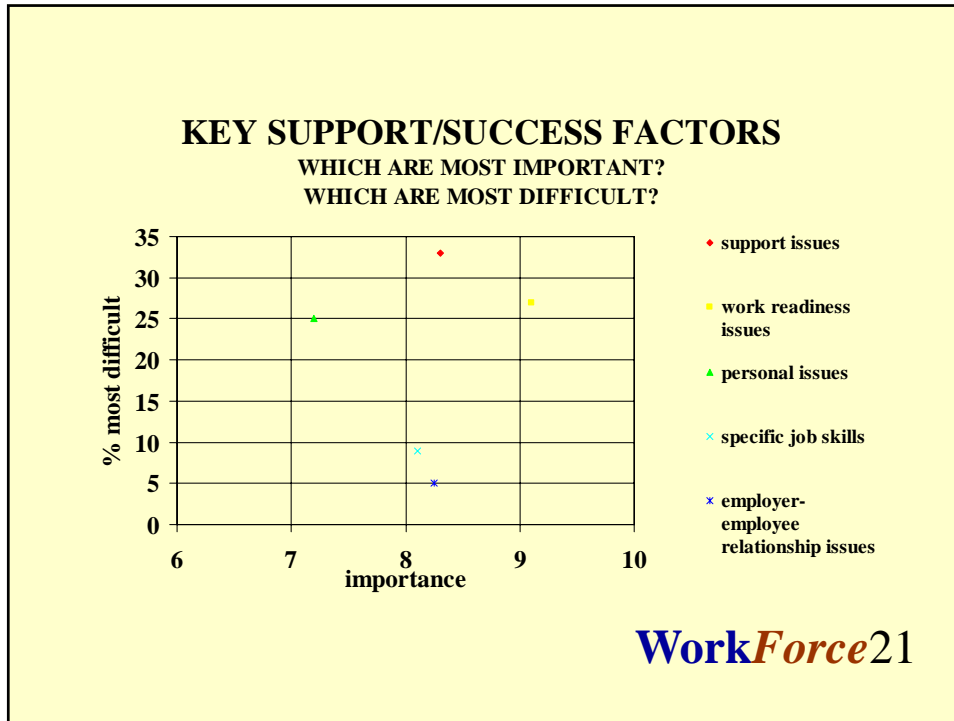
## Successful Recruitment/Retention Strategies

- CareerWorks/Enhanced Health Support Specialist Retention-Based Apprenticeship Training
- Alternative Recruitment
- Active use of County Workforce Investment Act One-Stop Centers
- New Hire Credit Reinvestments
- Use of TEA-21 Transportation Credits
- Varied Non-Profit Partnerships
- Use of Quality Workforce Intermediaries

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## Competency Model Long Term Care Supports and Services





### Successful Recruitment/Retention Strategies

CareerWorks is first a workforce support and development model with substantial track record that integrates best practices support services that dramatically increase EE disposable income without an increase in wages or nursing costs. This acts as a powerful retention tool. It helps achieve EE family self-sufficiency as a logical mate to wage growth through enhanced education and productivity.

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## Successful Recruitment/Retention Strategies

CareerWorks is second directly linked to an apprenticeship based curriculum called "Health Support Specialist (HSS). The Health Support Specialist Registered Apprenticeship Program allows adult care facilities to assist new and current employees through a career ladder to become "Universal Workers". Apprentices are able to begin the career ladder while being employed full time at the facility in three different areas involving healthcare. This allows the apprentice to work under the direction of a mentor and licensed nurse (an employee whom is deemed skilled by the participating facility apprenticeship committee in his or her area) to increase their skills and knowledge through additional on-the-job training. Health Support Specialist Apprentices become involved with the residents from a person-centered approach, working with residents together as a team.

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## Successful Recruitment/Retention Strategies

The HSS curriculum has these key features:

- An "open entry/open exit" format
- Interdepartmental coordination and participation (nursing and non-nursing)
- The focus on highly localized delivery and the use of evolving educational technology
- Complete flexibility for labor-management cooperation, and passive or active involvement as might be chosen as needed to fit varied settings

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### **Successful Recruitment/Retention Strategies**

- Encouraged use of facility nurses as instructors to assist with professional career growth, supplemental compensation and facility educational integration
- Typically 2,500 On-the-Job Training hours with an advanced 800 hour supplement
- The opportunity for each HSS apprentice to receive up to 15 college credits
- Inclusion of a Certified Medication Aide component
- A customized approach to overall delivery that is not “one size fits all”

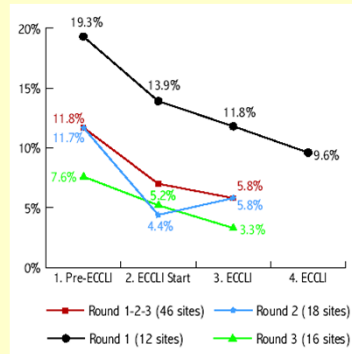
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### **Apprenticeship-Based Training Results**

As an example, in an MA statewide application called the Extended Care Career Ladder Initiative (ECCLI) the core apprenticeship has been used in 158 nursing homes and home health agencies and combined they have trained over 7,500 individuals. Substantial outcome data has documented significant improvements in worker retention rates, business cost reductions while improving the quality of patient care. Direct-care workers who completed at least one training module have received a wage increase at an average of \$1.00/hour without a support services component.

## Apprenticeship-Based Training Results

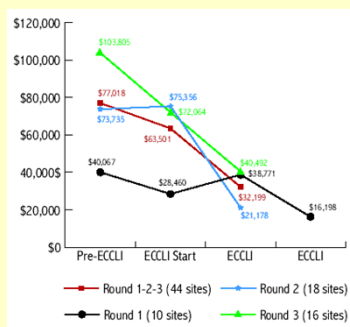
Six-Month Average Vacancy Rates for ECCLI for the Entire Initiative (Rounds 1-3) and by Funding Round



Using data from ECCLI rounds 1-3, vacancy rates decreased from 19.3% to 9.6% for a decrease of slightly over 50%

## Apprenticeship-Based Training Results

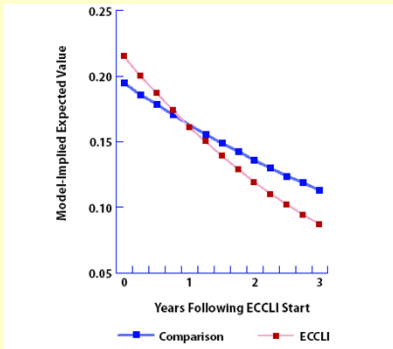
Six-Month Average Agency Expense per Facility for ECCLI for the Entire Initiative (Rounds 1-3) and by Funding Round



Lower secondary employee costs (call-outs, overtime, temps, agency fees) Again using Round 1-3 data, the average agency expense per facility declined from \$77,018 to \$32,199 for a decrease of \$44,819/facility or a decrease of 58%. (For this total group of 44 facilities, total agency cost savings were \$1,972,036.

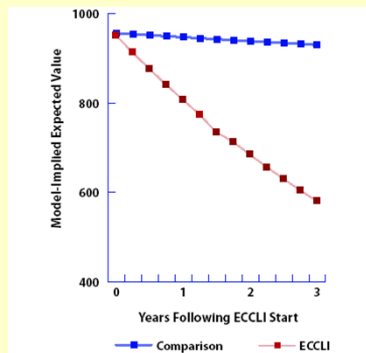
## Apprenticeship-Based Training Results

*Behavioral Worsening Quality Indicator*



## Apprenticeship-Based Training Results

*Conflict with Staff (per 100,000 residents)*



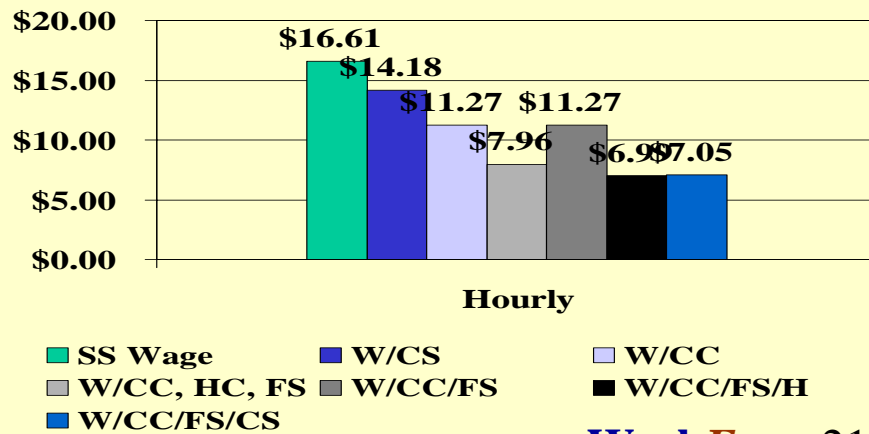
### Successful Recruitment/Retention Strategies

- Screening Assistance
- Pre-Employment Training/Life Skills
- Child Care
- Transportation Assistance
- Job Coaching
- Mentoring
- Case Management
- FSA

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### Successful Recruitment/Retention Strategies

With Child Care Subsidies, Child Support, Health Care Support, Food Stamps and Housing Assistance, the varied effects are as follows:



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### Next Steps

- Funding (leading national workforce lobbyist is under national contract)
- A minimum of six states have been identified for new or expanded program implementation
- NJ is the core demonstration state
- In NJ, approximately eight counties have been selected for focus demonstrations
- An NJ planning partnership group is being assembled in active cooperation with HCANJ

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