

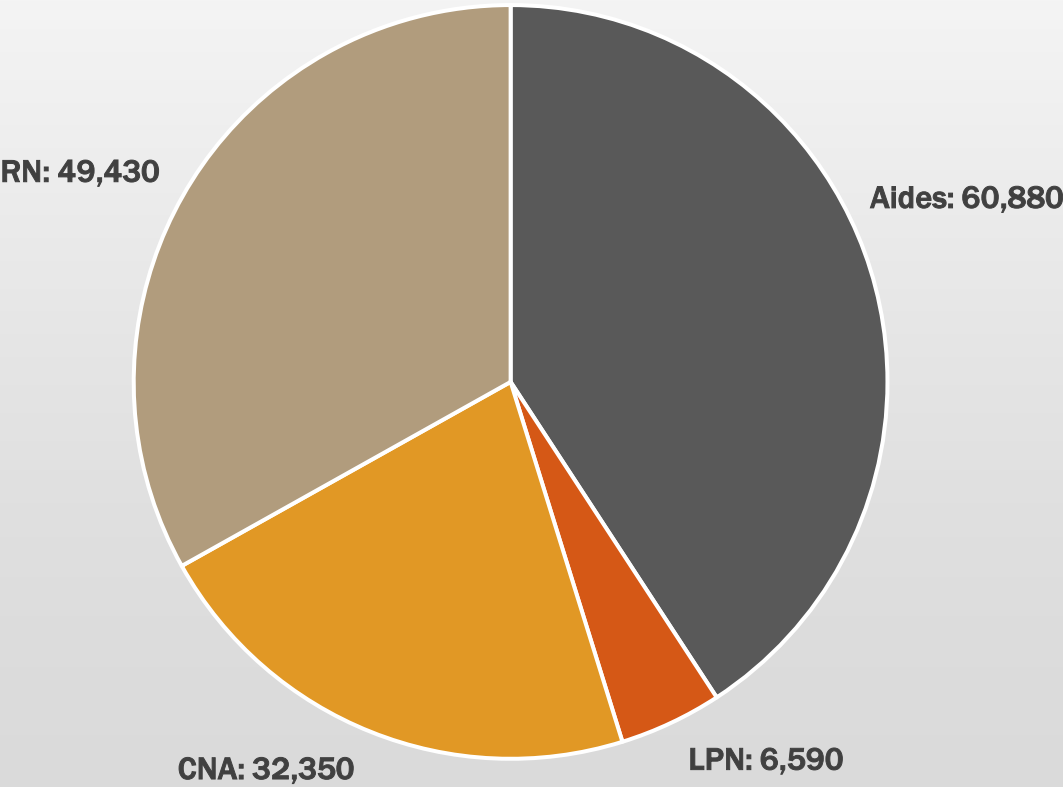
# A Critical Hour for Long-Term Care

A DATA DRIVEN REVIEW:  
DIRECT CARE WORKFORCE  
JANUARY 2021

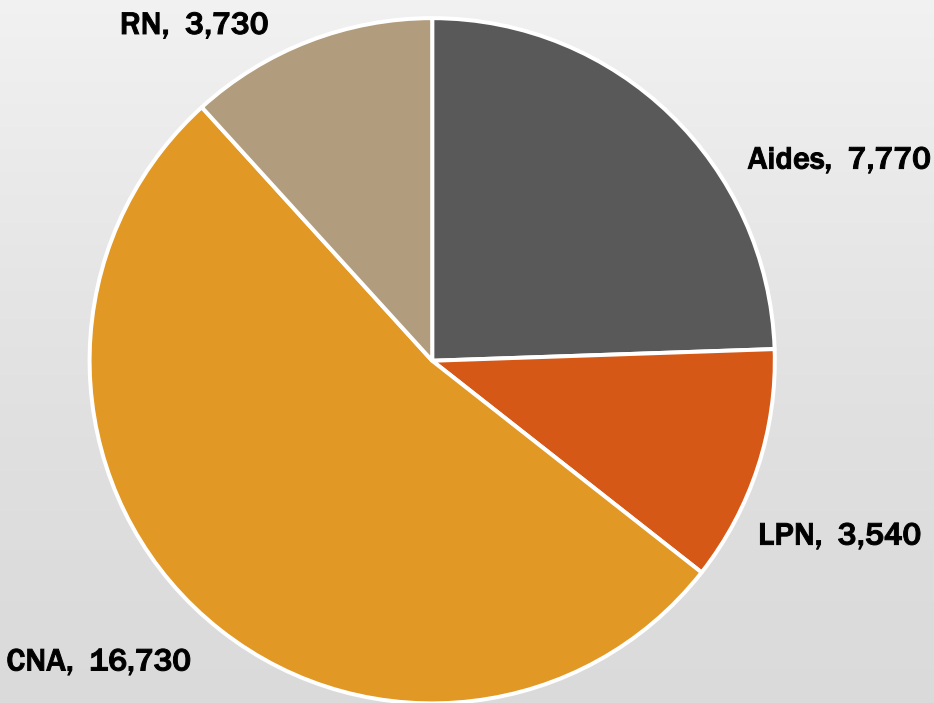


# Skilled Nursing Facilities (SNFs) & Assisted Living (AL) Account for 21% of Washington’s Direct Care Workforce

150,000 Washington (WA) Workers Deliver Direct  
Care in Healthcare & Social Services<sup>1</sup>



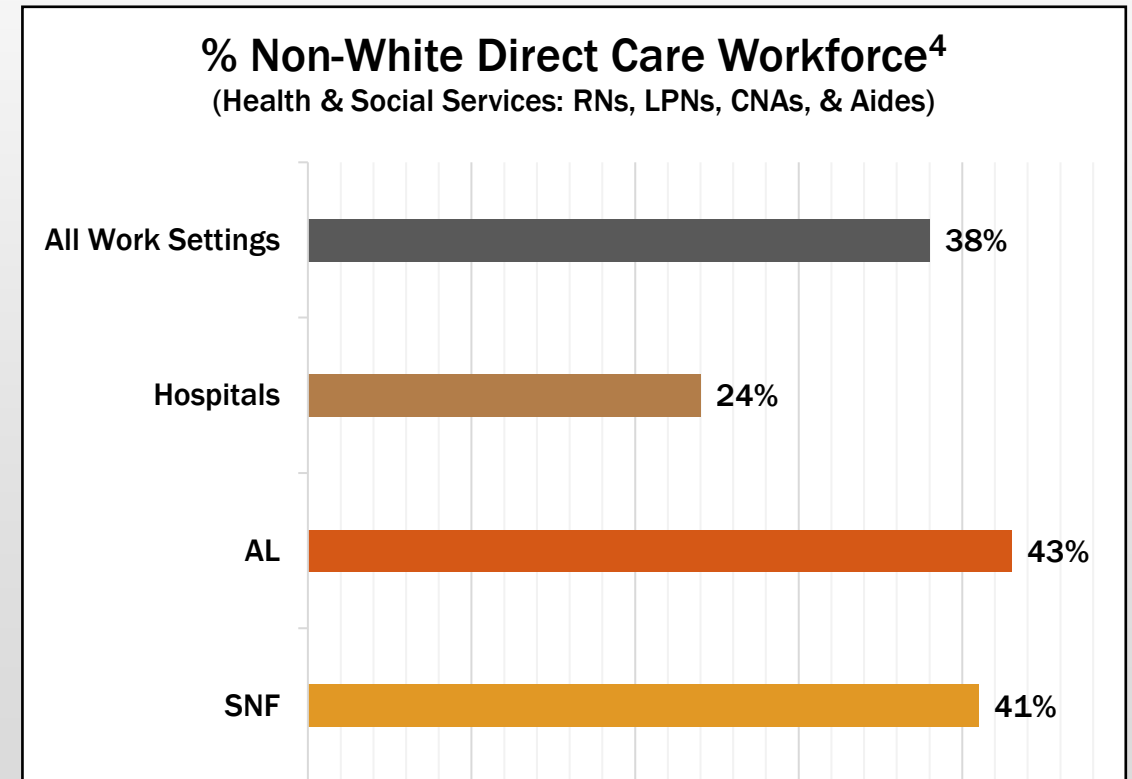
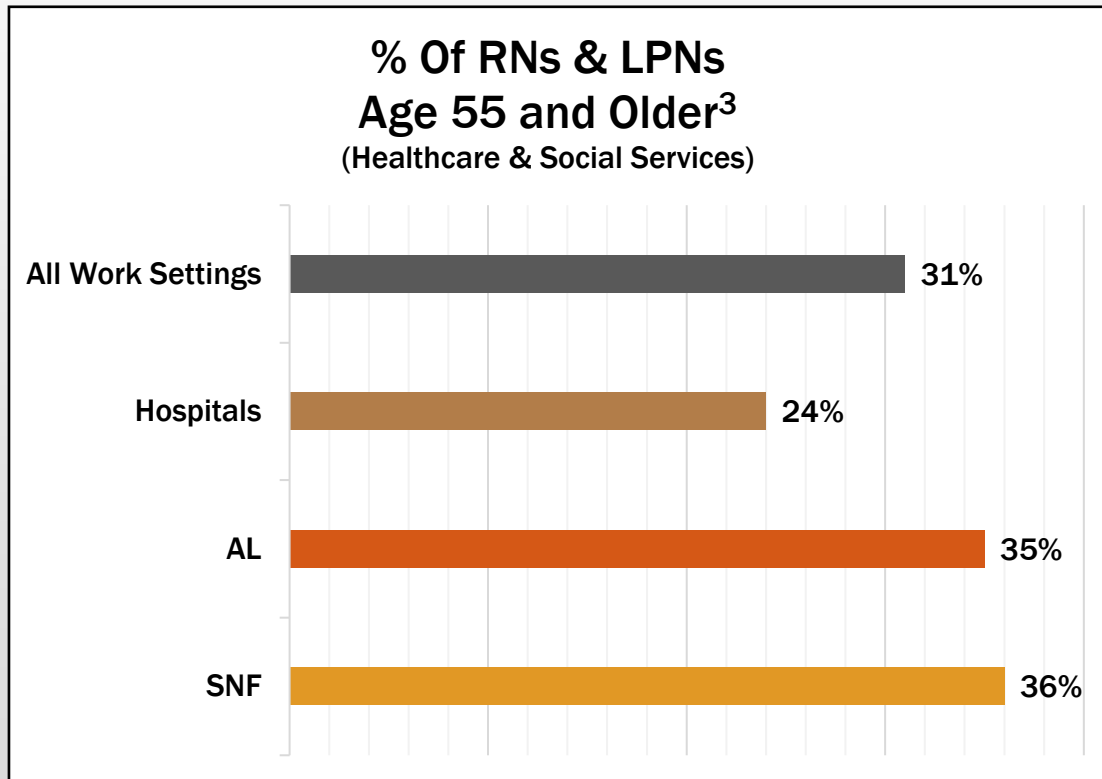
32,000 Direct Care Workers  
Care for WA’s Vulnerable & Elderly in SNFs & AL<sup>1</sup>



**Note:** These counts do not include considerable number of jobs via contracted labor (nursing, building repairs, janitorial, and other contracted services). 2

# WA's SNF & AL Workforce is More Diverse and Aging More Rapidly Than Other Work Settings

WA's SNF/AL workforce is 88% female<sup>2</sup>, highly diverse, and approaching large scale retirements at a pace that is more rapid than healthcare as a whole.



NOTE: The average age for SNF and AL workers is 49 for RNs/LPNs<sup>5</sup> and 41 for CNAs/Aides<sup>6</sup>.

# WA is Ahead of the Nation When it Comes to Staffing Requirements in Skilled Nursing Facilities

In 2016, WA established mandatory staffing minimums in law.

	State Law <sup>7</sup> <u>74.42.360</u>	Federal Law <sup>8</sup> 42 C.F.R. § 483.70(e)
HPRD	Mandatory 3.4 HPRD	None New requirements were enacted in 2016 for “sufficient numbers” of RNs, LPNs, and CNAs on a 24-hour basis to provide nursing care to all residents according to acuity, assessed needs, and care plans.
RN Requirement	Mandatory 24 hours a day, 7 days a week	At least 8 hours a day, 7 days a week.

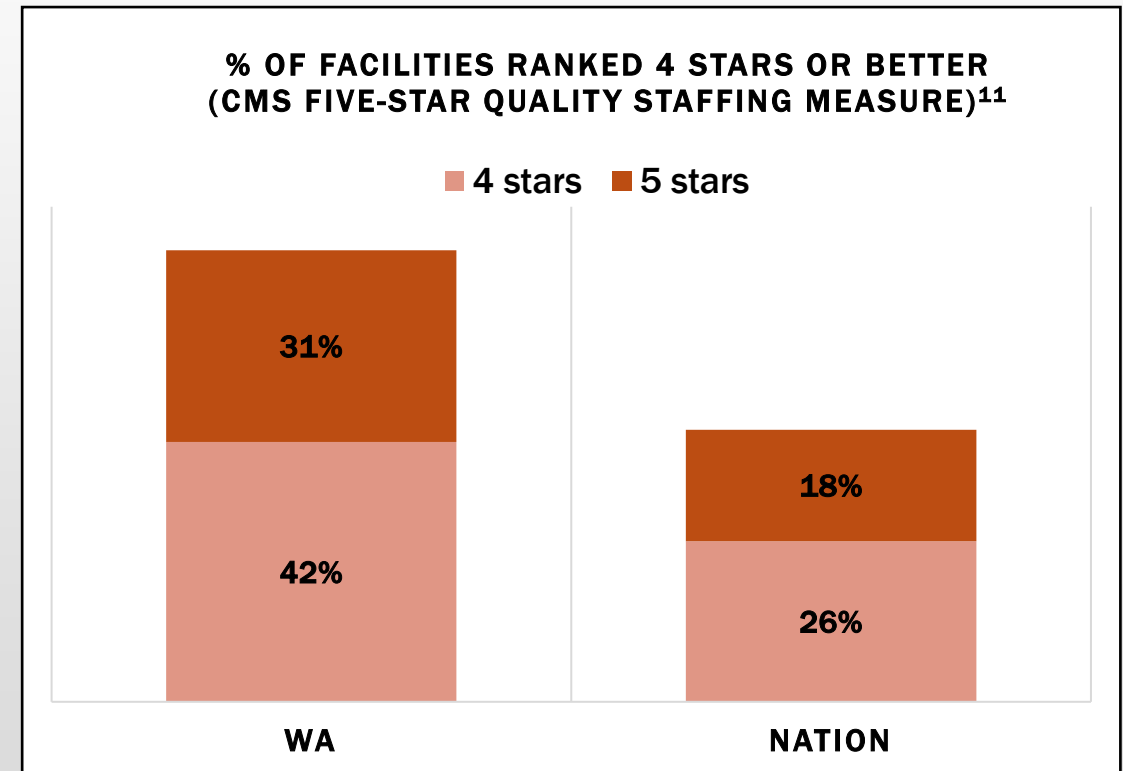
Note: In a 2001 report to Congress, CMS suggested a 4.1 nursing hprd to prevent harm or jeopardy to residents based on a simulation model.<sup>9</sup> However, this suggestion was not adopted into Federal law in 2016.

# WA's Skilled Nursing Facility Staffing Quality is Higher When Compared to its Peers

- At 4.36 nursing Hours Per Resident Day (HPRD)<sup>10</sup>, Washington ranks 9<sup>th</sup> in the nation for the highest levels of direct care staffing in skilled nursing facilities. This is 12% higher than the national average of 3.89 HPRD.

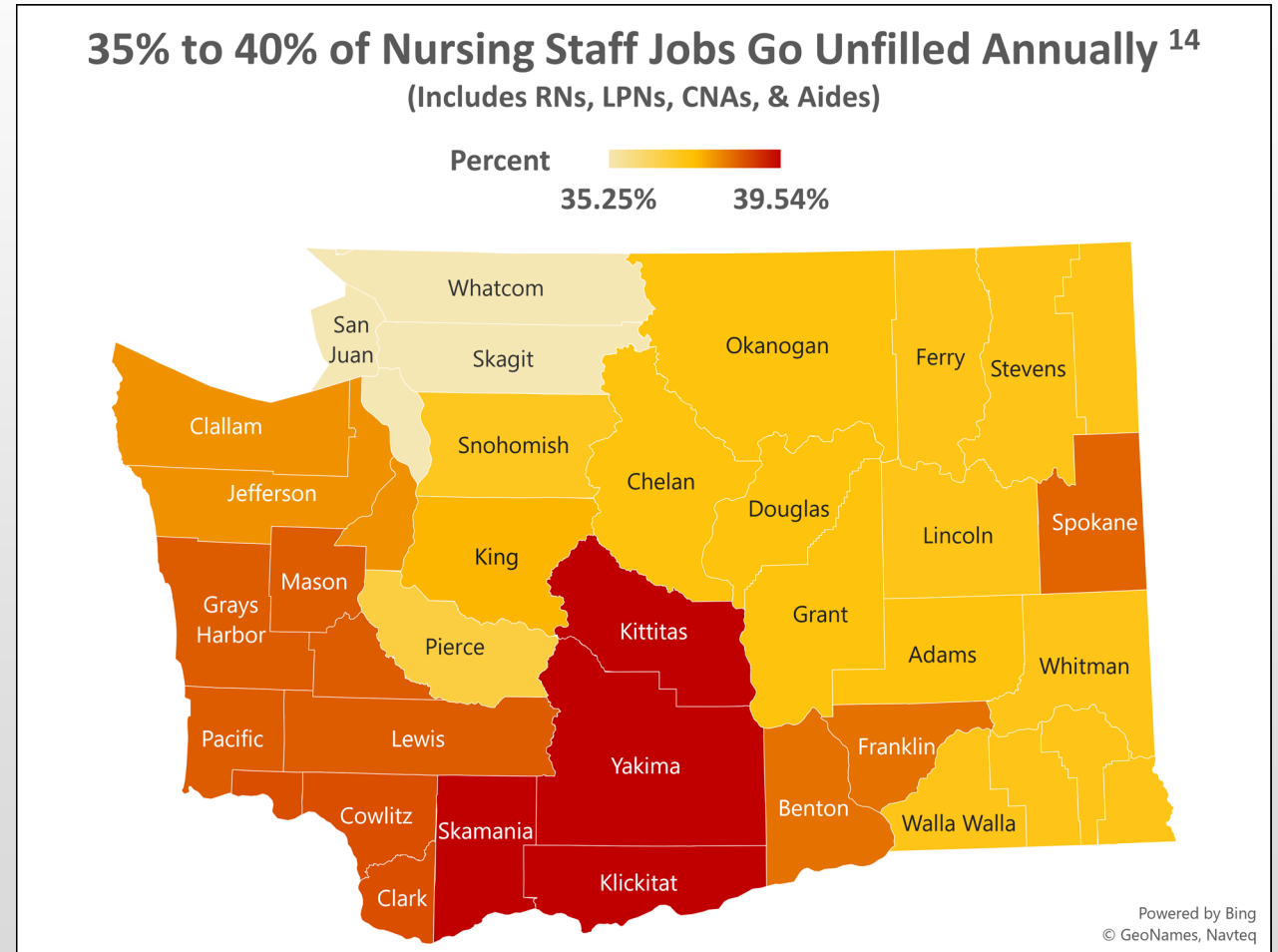
- 73% of the SNFs in WA rate 4 stars or better in the CMS Five-Star Rating for direct care staffing levels.<sup>11</sup> This is 29% higher than facilities nationwide.

- Only 6% of WA SNFs rate below 3 stars in the CMS Five-Star Rating for direct care staffing levels.<sup>12</sup>



# Nursing Staff Job Openings in WA Average Nearly 64,000 Per Year<sup>13</sup>

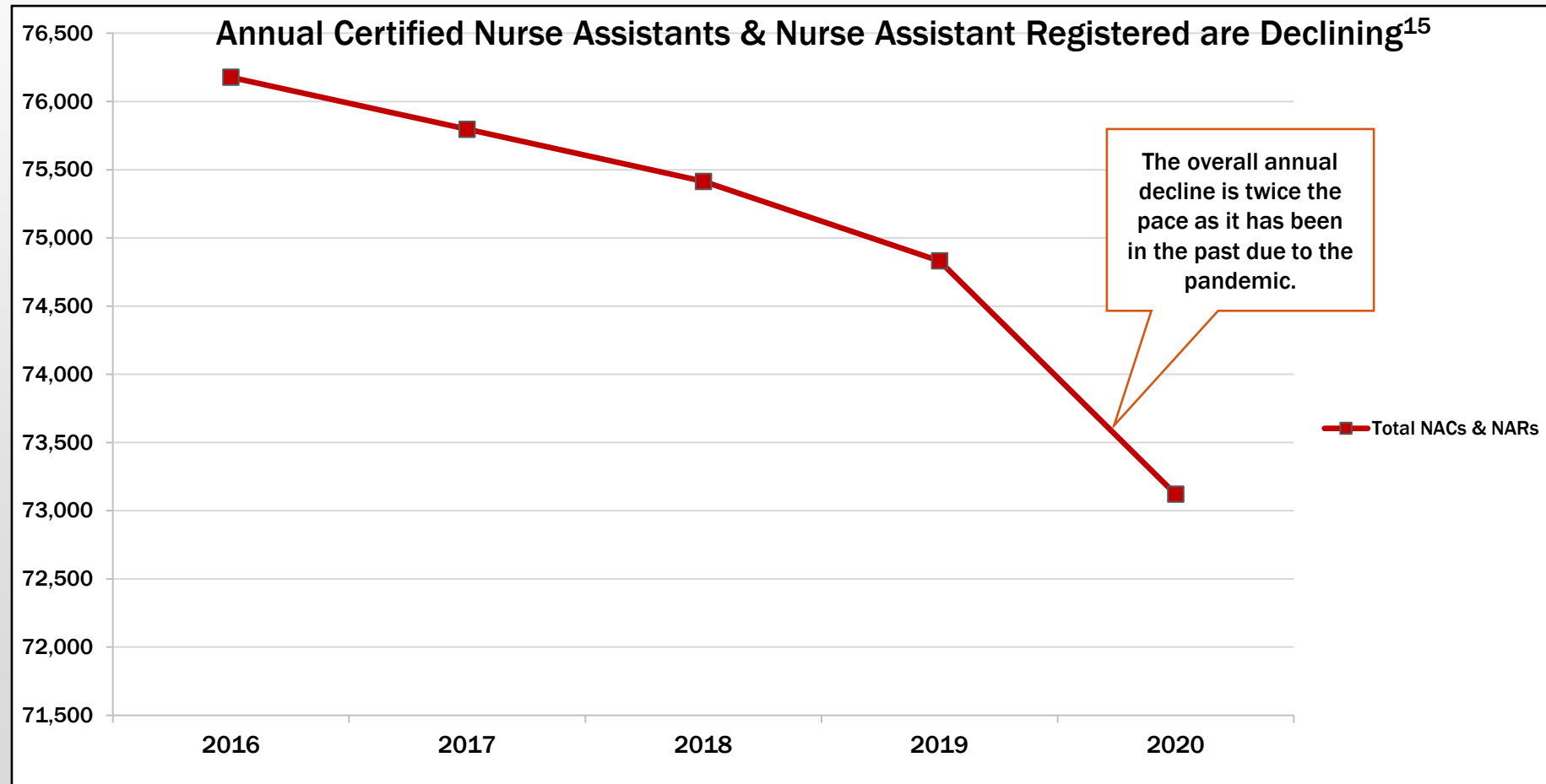
- On any given day, providers across the healthcare and social services sector are looking to fill 35-40% of their nursing positions (RNs, LPNs, CNAs, & Aides).<sup>14</sup>
- Skilled Nursing and Assisted Living providers utilize contracted agency nursing staff to ensure the appropriate staffing levels for resident care.



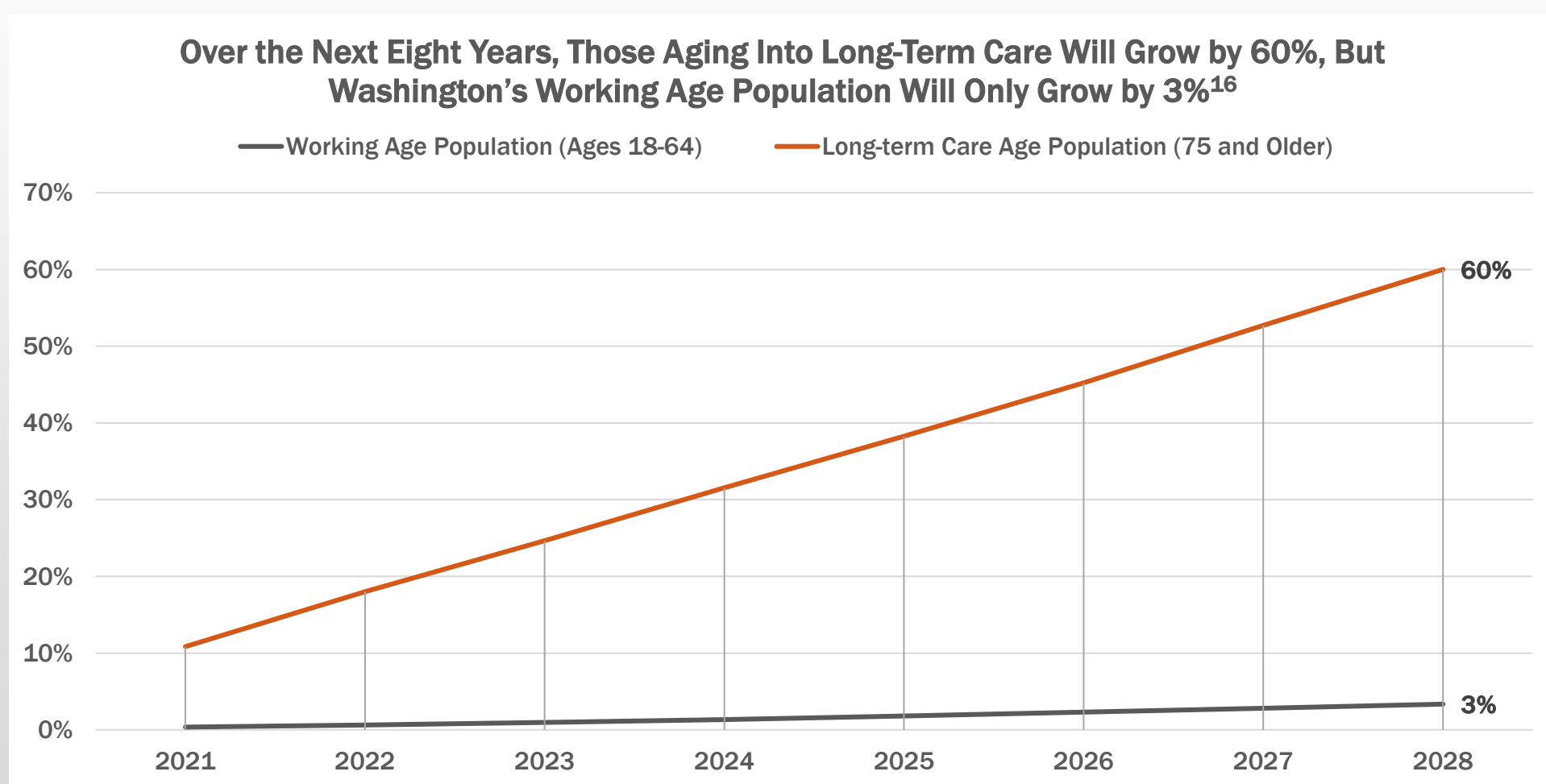
Annual job openings as a proportion of total nursing employment.



# Assisted Living and Skilled Nursing Facilities are the Largest Employers of CNAs in Washington State



# Demand for Long-Term Care is Outpacing the Supply of Workers Today, and is Expected to Get Worse

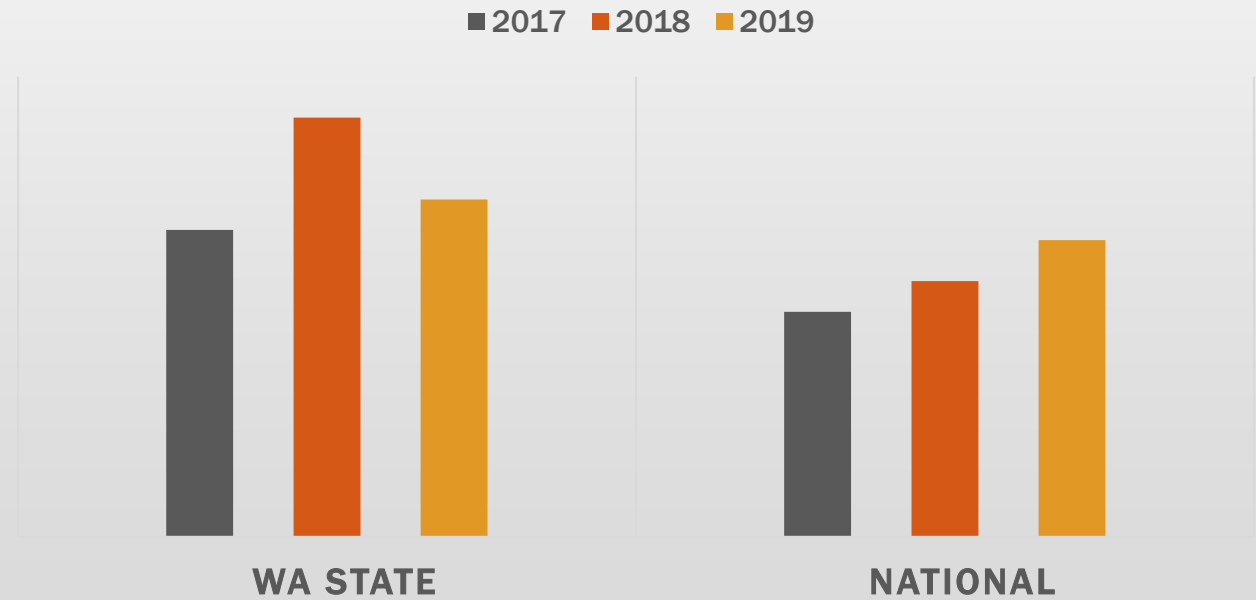




# How SNFs and ALs are Dealing with Workforce Shortages

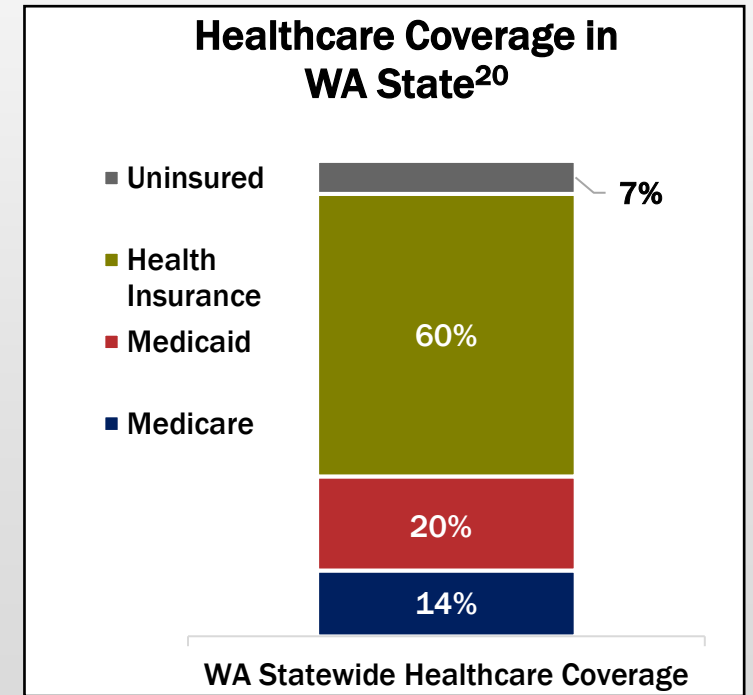
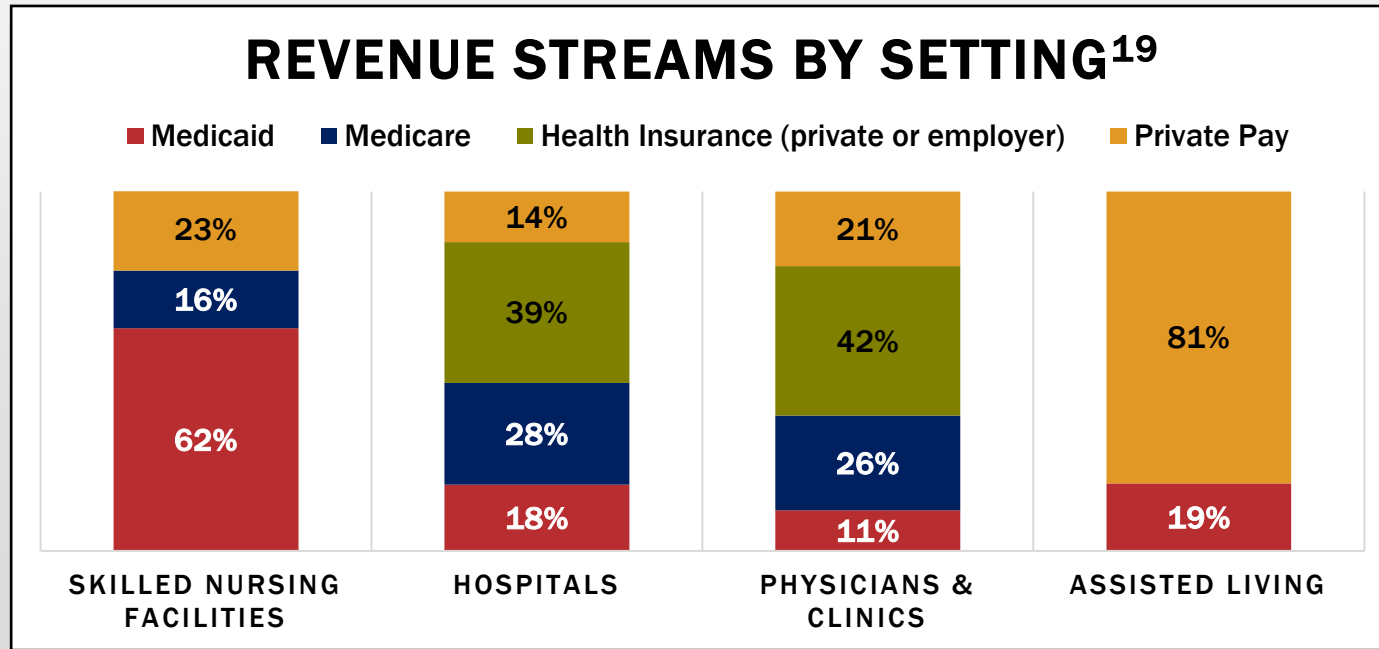
- At the current utilization rate, approximately 500 contracted agency nursing staff are being utilized daily by SNFs in WA to help deal with the staffing shortage.<sup>17</sup>
- Contracted nursing is not an “allowable” Medicaid cost (WAC 388-96-585(2)(ii)).
- Using agency staff as an operational norm is not considered a best practice because it can negatively impact consistency in resident care.
- Assisted Living report similar issues and high agency utilization particularly with the CNA workforce. (Sentinel Network).

**WA SNFS EXCEED THE NATIONAL AVERAGE BY 38% FOR NURSING POOL UTILIZATION (AGENCY STAFF) OVER THE MOST RECENT THREE-YEAR PERIOD<sup>18</sup>**



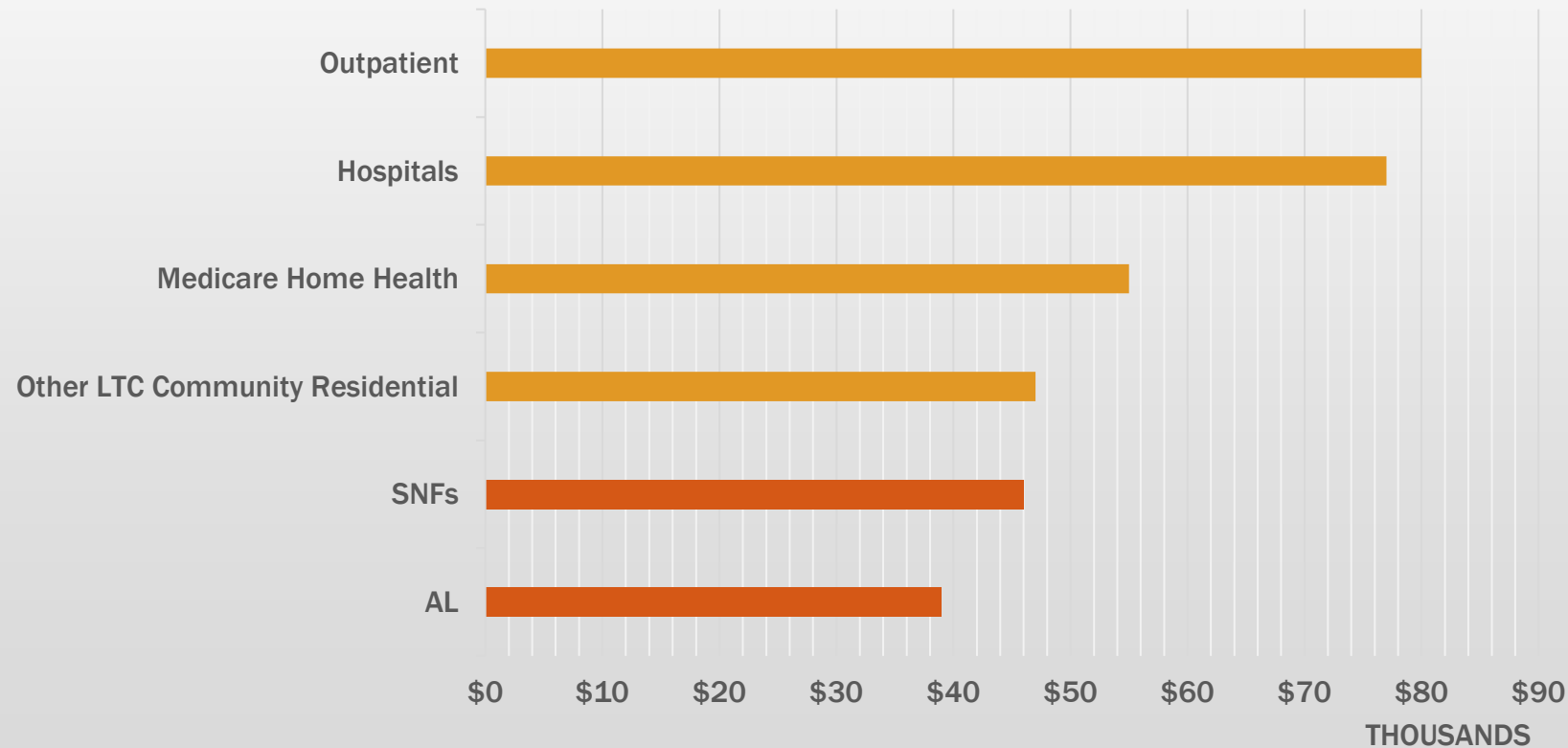
# Revenue Streams Determine the Ability to Compete

SNFs depend on Medicaid Insurance for 62% of the revenue they need to pay staff. Hospitals and clinics rely most heavily on Medicare and private insurance.



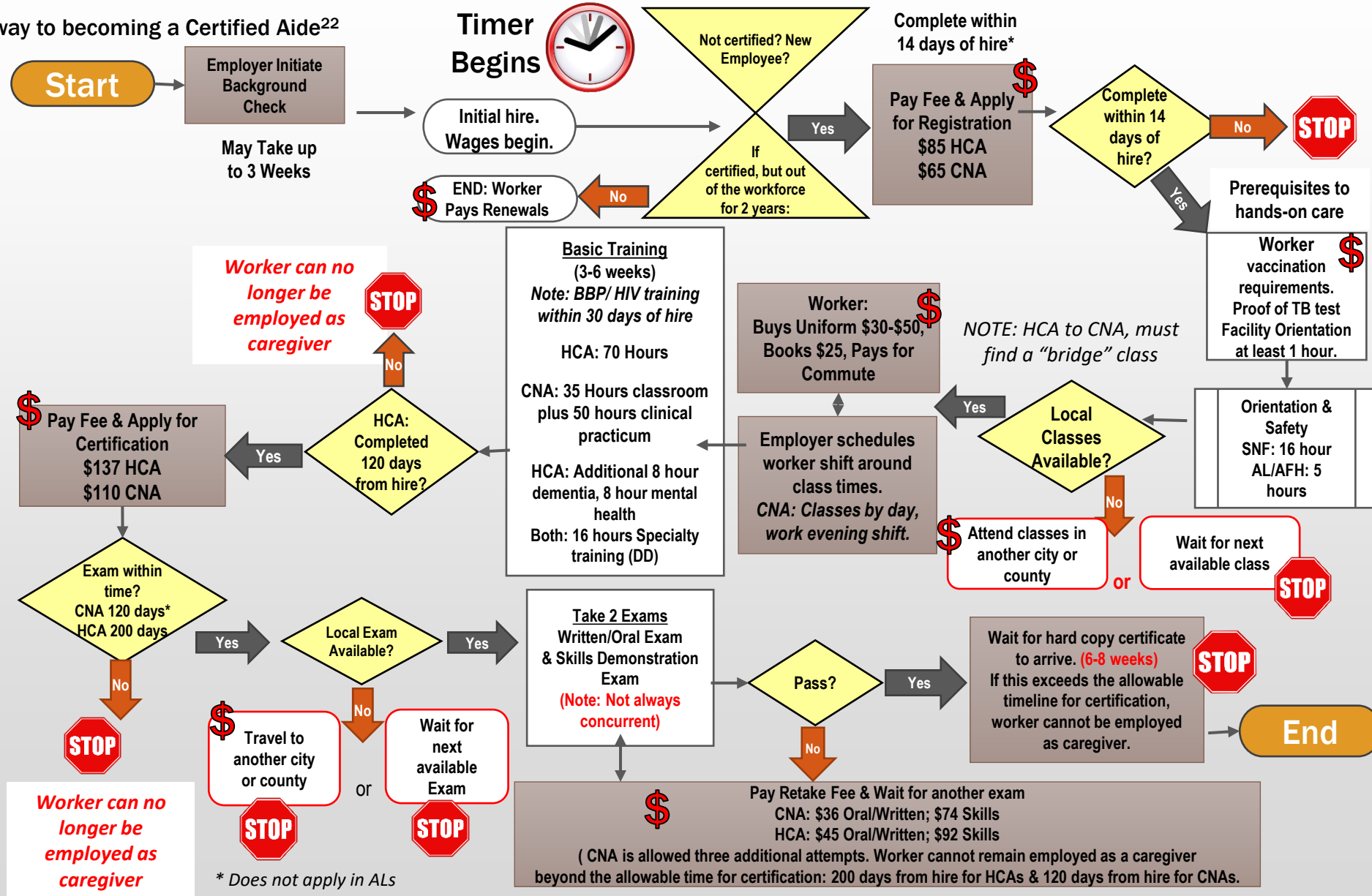
# Direct Care Wages in Hospitals & Medical Outpatient are Nearly Twice the Amount of Long-Term Care

Weighted Average Annual Direct Care Wages<sup>21</sup>  
(RN, LPN, CNA)



# The LTC Workforce Pipeline is Complicated

Example: Pathway to becoming a Certified Aide<sup>22</sup>



# LTC Workforce Steering Committee Recommendations<sup>23</sup>

- Critical Workforce Shortages Intensified with COVID-19. There is an immediate need to address the backlog of several thousand workers entering the workforce. These critical workers are currently working in long-term care under temporary waivers while the system strives to “catch up.”
- Streamline curriculum and testing for nurse assistants, including an online format for delivering a new scenario-based common curriculum.
- Align testing with curriculum using a scenario-based testing format, and explore ways to implement skills evaluations virtually.
- Centralize a location for data to inform the public and the Legislature regarding supply, demand, and the pipeline for the long-term care workforce. This requires a data analyst to integrate and validate disparate data collection from multiple sources, and to coordinate ongoing data collection and to monitor trends over time.
- Medicaid is a critical component in the provision of a stable long-term care workforce. Medicaid rates have not kept pace with the cost of living or increasing wages and benefits. Increases in reimbursement are needed.

# Resources

All Washington workforce data is specific to Washington State unless otherwise noted.

<sup>1</sup>Workforce counts are taken from Federal Bureau of Labor Statistics, Occupational Employment Statistics Released March 31, 2020: Research estimates by state and industry, May 2019, Sector 62. For the skilled nursing and assisted living pie chart the following codes were used: NAICS: 623100- Nursing Care Facilities (Skilled Nursing Facilities), and NAICS: 62330- Continuing Care Retirement & Assisted Living Facilities for the Elderly. File name: “OES\_research\_2019\_sec\_62.” [https://www.bls.gov/oes/current/oes\\_research\\_estimates.htm](https://www.bls.gov/oes/current/oes_research_estimates.htm)

<sup>2</sup>Percentage female workforce is a weighted calculation that includes RNs, LPNs, and CNAs. This calculation uses workforce NAICS workforce counts for assisted living and skilled nursing facilities (see footnote 1) and the percentage of female workers (non male) for assisted living and skilled nursing facilities from the following sources:

RN percentage female (non-male): “Washington State’s 2019 Registered Nurse Workforce,” Stubbs & Skillman. Center for Health Workforce Studies, University of Washington, March 2020. Appendix B, Table B5;

LPN percentage female (non-male): “Washington State’s 2019 Licensed Practical Nurse Workforce,” Stubbs & Skillman. Center for Health Workforce Studies, University of Washington, May 2020. Appendix B, Table B1; and

CNA percentage female per US Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey, Household Data, 2019 Annual Averages. File: “11. Employed persons by detailed occupation, sex, race, and Hispanic or Latino ethnicity.” *NOTE: CNA Not Specific to WA State.*

<sup>3</sup>Age 55 or older: Weighted average between RN & LPN calculated using employment counts and age 55 or older data from the following sources:

RNs: “Washington State’s 2019 Registered Nurse Workforce,” Stubbs & Skillman. Center for Health Workforce Studies, University of Washington, March 2020. Appendix B, Table B5.

LPNs: “Washington State’s 2019 Licensed Practical Nurse Workforce,” Stubbs & Skillman. Center for Health Workforce Studies, University of Washington, May 2020. Appendix B, Table B1.”

<sup>4</sup>Non-white nursing staff is a weighted calculation that includes RNs, LPNs, and CNAs. This calculation uses workforce counts (see footnote 1) and percentages of non-white from the following sources:

RN percentage non-white: “Washington State’s 2019 Registered Nurse Workforce,” Stubbs & Skillman. Center for Health Workforce Studies, University of Washington, March 2020. Appendix B, Table B5;

LPN percentage non-white: “Washington State’s 2019 Licensed Practical Nurse Workforce,” Stubbs & Skillman. Center for Health Workforce Studies, University of Washington, May 2020. Appendix B, Table B1; and CNA percentage non-white: US Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey, Household Data, 2019 Annual Averages. File: “11. Employed persons by detailed occupation, sex, race, and Hispanic or Latino ethnicity.” *NOTE: CNA Not Specific to WA State.*

# Resources

<sup>5</sup>RN/LPN Average Ages: SNF and AL is a weighted calculation using the following sources:

RN percentage female (non-male): “Washington State’s 2019 Registered Nurse Workforce,” Stubbs & Skillman. Center for Health Workforce Studies, University of Washington, March 2020. Appendix B, Table B5;

LPN percentage female (non-male): “Washington State’s 2019 Licensed Practical Nurse Workforce,” Stubbs & Skillman. Center for Health Workforce Studies, University of Washington, May 2020. Appendix B, Table B1

<sup>6</sup>CNA/Aides Average Age: US Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey, Household Data, 2019 Annual Averages. File: “11.b Employed Persons by Detailed Occupation & Age.” Note: Not Specific to WA State.

<sup>7</sup>SNF staffing requirements: RCW [74.42.360](#) . Adequate staff—Minimum staffing standards—Exceptions—Definition.

<sup>8</sup>Federal Skilled Nursing Facility Staffing Requirements: 42 C.F.R. § 483.70(e)). Federal Staffing Requirements for Skilled Nursing Facilities.

<sup>9</sup>U.S. Centers for Medicare and Medicaid Services, Abt Associates Inc . Appropriateness of Minimum Nurse Staffing Ratios in Nursing Homes. Report to Congress: Phase II Final. Volumes I–III. Baltimore, MD: CMS; 2001. NOTE: The original report could not be found via an online search through archived reports on Congress.gov, Health and Human Services archives, and CMS archives. Therefore this secondary reference is taken from <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4833431/>

<sup>10</sup>CMS Payroll Based Journal data, 2<sup>nd</sup> Quarter, 2020. Provided by Consolidated Billing Services Incorporated (CBSI). NOTE: Includes Nursing Admin. When Nursing Admin is excluded, WA’s HPRD is 4.0 which ranks 11<sup>th</sup> highest in the nation.

<sup>11</sup>CMS Nursing Home Compare Five-Star Quality Staffing Rating, December 2020. Analysis provided by CliftonLarsonAllen, LLP (CLA). CLA’s National Report: <https://www.claconnect.com/general/35th-snf-cost-comparison-and-industry-trends-report> CLA’s state specific reports available.

<sup>12</sup>CMS Nursing Home Compare Five-Star Quality Staffing Rating, January 2021. Analysis provided by C.Matti Consulting, L.L.C.

<sup>13</sup>Average annual total openings 2018Q2 -2020Q2 Data Provided by Washington Employment Security Department, Labor Market and Economic Analysis. “Employment Projections” for RN, LPN, CNA, and Personal Care Aides. File Name: LongTermCare\_ESD information\_2019. Contact: Jeff Robinson. Note: High Demand Area analysis (map) was provided by C.Matti Consulting using this data set.



# Resources

<sup>14</sup>Job Openings: Annual job openings as a proportion of total nursing employment. Data Provided by Washington Employment Security Department. Analysis performed by C.Matti Consulting. Based on annual total openings data Q2 2018 through Q2 2020 (see footnote 13) and Estimated Employment Q2 2020.

<sup>15</sup>Certified Nurse Assistants and Nurse Assistants Registered to become CNAs Data source: Nursing Care Quality Assurance Commission: Washington State Department of Health. Data through December 2020 (2020 is still considered preliminary as of 1/30/2021).

<sup>16</sup>Population growth: Washington State Office of Financial Management, Forecasting and Research Division. Forecast of the State Population by Age and Sex, November 2020. Excel Utility file with ages 75 and older, and 18 to 64 selected. <https://www.ofm.wa.gov/washington-data-research/population-demographics/population-forecasts-and-projections/state-population-forecast>

<sup>17</sup>500 daily agency staff is calculated analysis performed by C.Matti Consulting. Data sources: Medicare Cost Report nursing pool utilization data provided by CliftonLarsonAllen and nursing employee counts from the Occupation and Employment Statistic Survey Research Results (footnote 1).  
(CLA's National Report: <https://www.claconnect.com/general/35th-snf-cost-comparison-and-industry-trends-report> CLA's state specific reports available).

<sup>18</sup>SNF Agency utilization compared to national data source: Medicare Cost Report data. Analysis provided by CliftonLarsonAllen, LLP. State specific data available. National Report: <https://www.claconnect.com/general/35th-snf-cost-comparison-and-industry-trends-report>

<sup>19</sup>Revenue Data Sources are as follows:

- Skilled Nursing Facilities data source: 2019 Distribution of Certified Nursing Facility Residents by Primary Payer Source, Kaiser Family Foundation.
- Hospitals Revenue: Centers for Medicare & Medicaid Services, Office of the Actuary, National Health Statistics Group. 2019 Data. Data Source: Table 7 Hospital Care Expenditures by Source of Funds.
- Physicians & Clinical: Centers for Medicare & Medicaid Services, Office of the Actuary, National Health Statistics Group. 2019 Data. Data Source: Table 8 Physicians & Clinical Services Expenditures by Source of Funds.
- Assisted Living is estimated by C.Matti Consulting, L.L.C. based on licensed beds and Medicaid caseloads.

<sup>20</sup>Health Coverage In Washington State: Kaiser Family Foundation (KFF), "2019 Health Insurance Coverage of the Total Population." This is Washington specific data. KFF estimates based on the Census Bureau's 2019 American Community Survey, 1-Year Estimates.

# Resources

<sup>21</sup>Weighted average workforce wages are calculated using data from Federal Bureau of Labor Statistics, Occupational Employment Statistics Released March 31, 2020: Research estimates by state and industry, May 2019, Sector 62. Median wages for RNs, LPNs, and CNAs are weighted by industry according to the percentage of employment each of these represents in that industry's nursing workforce counts. This analysis was performed by C.Matti Consulting. Separate wage charts by industry for RNs, LPNs, or CNAs are available upon request.

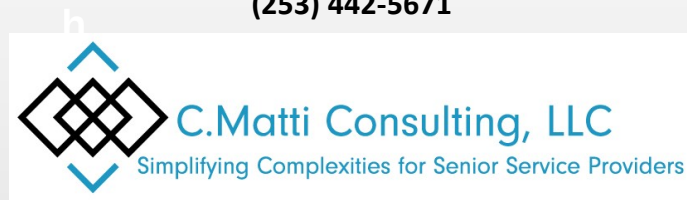
<sup>22</sup>Pathway to becoming an aide flow diagram was created by C.Matti Consulting based on current RCWs and WACs.

<sup>23</sup>Long-term Care Workforce Development Progress Report, October 5, 2020. Washington's Nursing Quality Assurance Commission.  
<https://www.doh.wa.gov/Portals/1/Documents/6000/669438-LTCWorkforceDevReport.pdf>

# For More Information

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