



**235 Promenades Street
Suite 500, Box 18
Providence, RI 02908
401-528-3259
www.qualitypartnersri.org**

Industry Partnership for Workforce Development Skills Gap Study

*Gail Patry, RN, C
Long Term Care Director
Marguerite McLaughlin, MA
Project Manager
Ann Gray
Brown University MPH Assistant*

Contents

Introduction	2
Growing Older In Rhode Island	4
Workforce Needs and Challenges	4
Workforce Needs & Challenges	5
Recommendations for Shared Responsibility	9
Summary	11

Introduction

In fall of 2006, Quality Partners of Rhode Island developed a strategy designed to examine the needs and critical workforce issues confronting the states 95¹ nursing homes that contribute to the current crisis and the barriers they encounter in the process. This report is supported by an extensive literature review, three focus group interviews, extensive fieldwork, and current statewide labor and nursing home data.

The results of this study confirm the skill shortages and difficulties encountered by employers and employees within this sector of healthcare. This report details the breadth and depth of the skill shortage, the negative impact of the shortages on nursing home operations, staff, and residents.

The picture that emerges is both complex and disturbing because it exposes a broadening gap between the availability of skilled workers and the employee performance within nursing homes. Specifically, the research finds:

- Today's skill shortages are extremely broad and deep and impact the stability of the nursing home industry and the care provided to the approximately 9299² Rhode Island nursing home residents.
- Skills shortages are having a widespread negative impact on nursing home care, the workers who deliver the care, and the ability to meet customer demands.

While the situation is already posing significant challenges within the nursing home industry, the basic laws of supply and demand as they operate in the labor market suggest an even more difficult future. On the demand side, we see growing numbers of frail elders

¹ RI Department of Health

² RI Department of Health

entering nursing homes and employers wanting more skilled employees that are exceptionally engaged and innovative.

Basic trends indicate a gloomy supply and outlook created by:

- Changing attitudes about careers and job satisfaction among nurses and CNAs due to high turnover, short-staffing, high stress and injury rates and the frequent necessity to work overtime
- Changing job requirements, necessitating less contact time with residents and more involvement in documentation
- The lack of educational programs that can graduate new students in a timely and efficient manner particularly at the Community College and vocational level
- The absence of master's level nurses to teach educational programs at a salary commensurate with their training
- Nurses education programs which continue to teach historically and philosophically antiquated concepts with an absence of management and leadership training
- Inadequate career counseling
- A significant absence of social supports for CNAs in overcoming barriers leading to high levels of absenteeism and call-outs.
- The lack of advancement opportunity with no evidence of adequate career ladders
- The realization that financial remuneration as a CNA is closely linked to the federal poverty level; RNs in other sectors are able to achieve greater incomes

- An organizational paralysis that conforms rather than transforms
- A fear of regulatory deficiencies
- Declining numbers of nursing home administrators entering the field

In addition, research has shown a direct relationship between a nursing home's negative image – which is tied to the old stereotype of institutional care – and the decreasing number of young people pursuing careers in nursing and administration. The good news is that trade associations and healthcare organizations are beginning to realize the need to improve this image. This is evidenced in the many national efforts focused on improving quality in nursing homes and the movement toward individualized care. These efforts actively seek to help workers be passionate about serving those in nursing homes.

The nursing home sector also seems to understand what is needed to remain competitive, with so many clearly viewing a high-performance workforce as the foundation of future ability. The challenge for the nursing home industry is how to attract, retain, and motivate a high-performance workforce. Thus, there is a focus on both reducing turnover among current employees and attracting new workers.

Employers participating in focus groups reported spending more on training programs today, which is critical because training opportunities are an important component of a strategy to attract, retain, and develop employees. On the other hand, it is unclear that employers are engaging in the right type of activities and employing the right tactics to attract, develop, and retain a high-performance workforce given the realities of the current environment. Much has been

written about the changing nature of the employer/employee relationship and the changing picture of what employees' want and value, especially among Generation Y employees. While some organizations are seeking to provide the right programs and trying out new strategies, often they rely on a rather traditional mix of compensation, bonuses, and benefit plan offerings for recruitment and retention purposes, which may not prove as effective with employees.

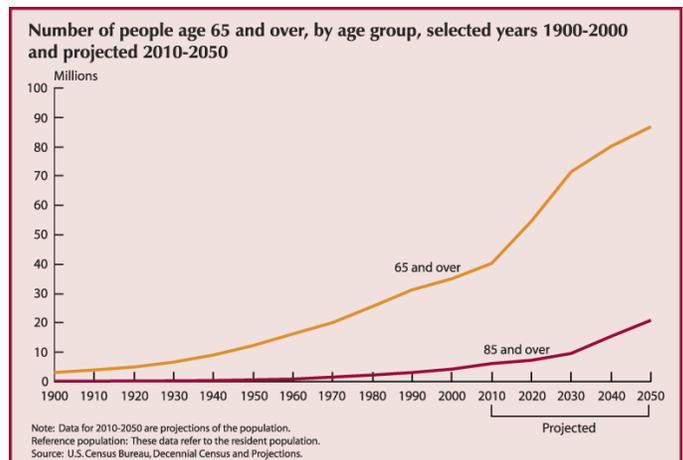
Key to the story and not to be underestimated is the importance of a highly skilled workforce and its direct correlation to quality of care and the well being of a resident living in a nursing home. The Institute of Medicine's 2000 report, "Improving the Quality of Long Term Care," sites that quality of care depends on the performance of the workforce. Among the key factors they found to positively impact a high performing workforce were: education, supervision, job satisfaction, retention, leadership, and organizational culture. These factors were those that provided stable nursing home environments.

Growing Older in Rhode Island

Rhode Island nursing homes are fast approaching a workforce crisis by way of this shortage of certified nursing assistants (CNAs) and licensed professional staff (RNs & LPNs). This shortage will affect the care, as well as our potential ability to provide for nursing home residents. This becomes a concern due to the large numbers of elderly people who call Rhode Island home.

Census Data & Implications: According to the 2000 census, Rhode Island is home to 241,391 people age 55+ and ranks eighth in the nation in this category. There are 191,409 persons in the state age 60 and older. This is 18.3 percent of our population and we rank eighth in the nation in this category as well. The 152,402 Rhode Island residents age 65 and older place

us sixth in the nation for this age group. This is 14.5 percent of our population. What makes this statistic particularly poignant is a study by the U.S. Department of Health and Human Services that reports people who reach age 65 will likely have a 40 percent chance of entering a nursing home. About 10 percent of the people who enter a nursing home will stay there five years or more. There are 75,718 Rhode Islanders age 75+. We rank fifth in the nation in this category. These statistics reflect clearly a high percentage of elders, many of whom will need nursing home care.³



Race & Ethnicity: Additionally, a major change in Rhode Island's current scene has been a jump in the minority/ethnic population age 65+ (90.5 percent between 1990 and 2000) ranking Rhode Island 6th in the US. The challenge to the Rhode Island nursing home industry is to educate majority population service providers to be culturally and linguistically sensitive so they can work more effectively with minorities to create accessible and acceptable services for minority elders.⁴

³ Data from US Census Bureau

⁴ RI Department of Elderly Affairs

Finance: In Rhode Island, the average daily rate in nursing homes is approximately \$160/day. Rhode Island elders (65+) are about 15% of the population but constitute 30% of Medicaid expenditures.

Workforce Needs & Challenges

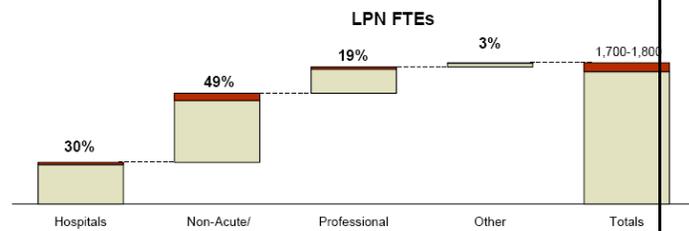
Vacancy rate: According to the Rhode Island Job Vacancy Survey⁵, Registered Nurses (RN), Nursing Aides, Orderlies & Attendants (Nursing Aides), and Licensed Practical & Vocational Nurses (LPN) were three of the top fourteen occupations with the most estimated vacancies in Spring 2006. Combined, they accounted for 1,606 vacant positions, or 14.7 percent of all estimated job openings statewide.

Studies currently show an increase in the CNA vacancy rate both nationally and in Rhode Island. In Rhode Island alone an estimated 635 vacancies existed for Nursing Aides in Spring 2006, accounting for 5.8 percent of all private sector vacancies while the turnover rate has increased from 59.2% in 1997 to 66% in 2005.

Additionally, between 1991 and 2020, the AHCA study predicts the following growth in demand nationally for nurses and nurse assistants within nursing facilities: registered nurses 66%; licensed practical and vocational nurses 72%; nurse assistants 69%. Rhode Island is facing a large gap between the future supply and demand of nurses in all settings in fact, the Gap could be as large as 10-30% in 2010 and 35-60% in 2020.

Nearly 60% of the RN work force is over 40 years of age and the percentage of nurses under 30 has fallen 40% since 1980. (Spooner 2002)

Additionally, although the shortage of nursing staff appears across all employment settings, there is an extremely high demand for Licensed Practical Nurses (LPNs) in the long-term care setting. The vacancy rates for LPNs in long-term care settings ranges from 15-20%; approximately 49% of LPN demand in Rhode Island is from long-term care settings⁶. Of the 172 Licensed Practical Nurses vacancies measured during spring 2006, roughly 73 percent were in Nursing & Residential Care Facilities.

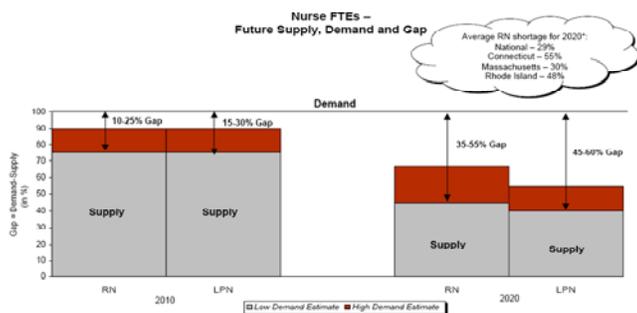


Note: May not be 100% because of rounding or non-responses or unspecified employment setting
Source: Primary demand data, SHAPE II Nursing survey conducted by Harris Interactive (Question C9); Booz Allen analysis

Turnover: High rates of staff turnover and vacancy rates make it difficult and sometimes impossible to provide quality resident care. In addition, high CNA turnover and vacancy rates increase provider costs paid to nursing pools for temporary help and for recruitment and orientation costs. Turnover is also a very costly issue for providers. In a number of studies experts cite the average turnover costs

⁶ Shape Study, 2004

In fact, the gap could be as large as 10-30% in 2010 and 35-60% in 2020



* US Department of Health and Human Services, HREA Nursing Projections
Source: Demand data, SHAPE II Nursing survey conducted by Harris Interactive (Question C9); SHAPE Extension; Booz Allen analysis

as follows: one CNA \$2,500; one LPN \$4,000; one RN \$8,000.⁷ The cost of turnover for example in a 120-bed skilled nursing facility (SNF) with 50 CNAs where the average turnover of CNAs = 77% would cost \$95,000 annually. Costs one must consider in this equation include costs of weekly advertisements in the newspaper and local media, staff time to interview, reference checks, drug screens, pre-employment physicals, classroom orientation, unit orientation, cost of coverage of the vacant position which, in the event it necessitates an agency, could cost between \$25-30 per hour or paying a CNA overtime and double time.

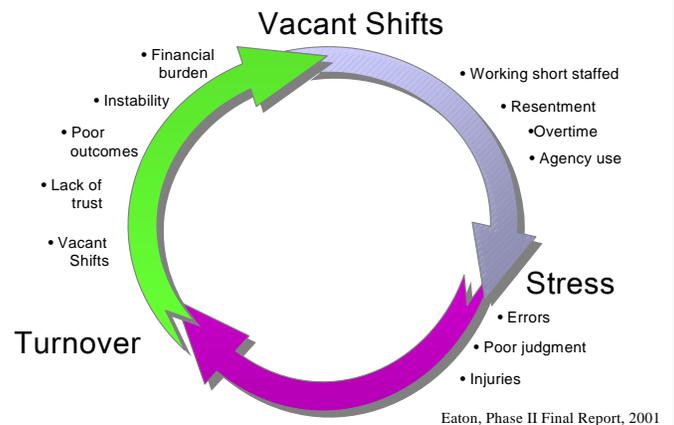
Turnover costs the industry enormous amounts of money in so many ways including and most important of all in its effect on clinical care. CNAs report that the care that is most often neglected when short staffed is range-of-motion exercises, hydration, feeding, and bathing.⁸ Researcher Marilyn Rantz's findings prove that retention translates into increased efficiency in the care of residents and work redesign; retention leads to better quality outcomes; better quality outcomes lead to lower costs. In her study she showed an average savings of \$13.50 per patient per day that equated to an annual savings (90 residents per day) of \$440,000.⁹

Working with less than the optimal number of staff causes a high rate of workplace injuries as fewer staff is left to assist residents in need. Lost-time injuries in nursing homes are twice the US average. In fact, nursing home staff is more likely to be injured on the job than: construction workers, police, firefighters, coal

miners, and workers in manufacturing plants.¹⁰

Finally, turnover and vacant positions create a vicious cycle of worker stress and frustration as cited by Susan C. Eaton¹¹ that leads CNAs to quit their jobs or let their CNA certification expire.

A Vicious Cycle



Job Satisfaction: People are drawn to the position of nursing assistant (CNA) because they have a calling to care for others. When they cannot do so because of understaffing due to vacant positions, they leave. For the nursing home residents themselves, the most important ingredient in the quality of their care and the quality of their life in the nursing home is consistency of the care-giving staff, who know them and with whom they have established caring relationships. This is especially poignant when reflecting on the statistic that indicates about two-thirds of nursing home residents have no living relatives.¹² The staff often becomes surrogate

⁷ Cullen, K., "Recruiting and Retaining Nurses," 2000

⁸ Hawes, 2002

⁹ Rantz, M., "Does Good Quality Care in Nursing Homes Cost More or Less Than Poor Quality Care?" Nursing Outlook, April 2003

¹⁰ Wunderlich G. S., "Improving the Quality of Long Term Care," IOM, 2000

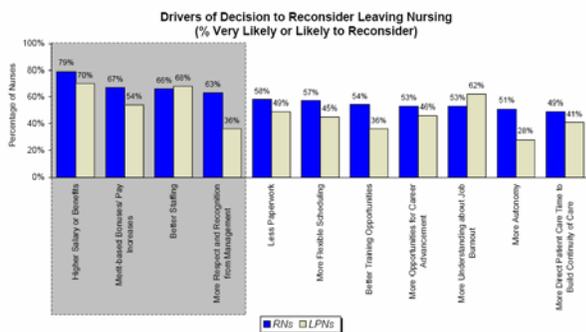
¹¹ Eaton, S. "What a difference management makes" Phase II Final Report 2001

¹² US Department of Health & Human Services, Medicare

family to many residents. Constant turnover and staff shortages mean that the residents must adjust daily to new people taking care of them who do not know them. Though there are many reasons for these statistics, the sad truth remains that as a society we have not aggressively seen to it that these important workers, the backbone of the nursing home industry, 90% women, 50% non-white, single mothers aged 25-54, 50% near or below the poverty line¹³-who deliver 80% of hands-on care are well cared for and supported in this important career choice. Sadder still is that by failing to recognize them and the important service they provide to society, we are making a powerful and damning statement about our attitude towards our frail elderly population found in nursing homes.

Registered nurses cite numerous areas of dissatisfaction related to their jobs. Sixty three percent of Registered Nurses and fifty five percent of Licensed Practical Nurses in Rhode Island have indicated undesirable work hours as among the key reasons for leaving. In a recent study it was also discovered that a group of nurses work part time with the top reasons for choosing these hours as having family commitments and because the work was too strenuous. Among the areas which nurses felt needed to improve before they would return to a healthcare setting included higher salary and benefits, merit based pay and better staffing ratios.¹⁴

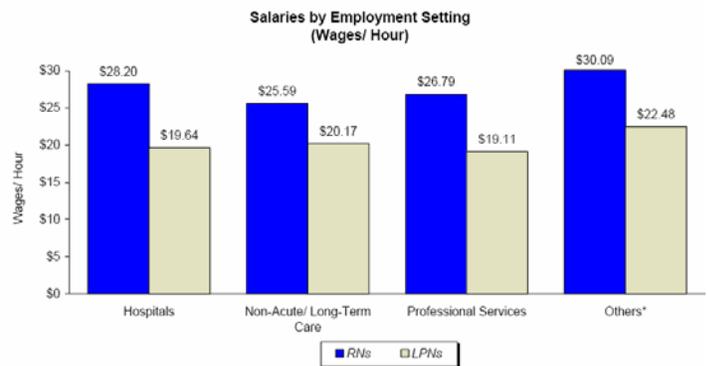
Salary and working conditions would need to improve for nurses to reconsider their decision to leave the profession



Source: SHAPE II Nursing survey conducted by Harris Interactive (Question D7); Booz Allen analysis
Shape Study 2002

Nurses working in long term care receive lower wages for their work while their skills are not held in as high regard as their hospital peers.

There are some variations in salaries within employment settings



* Others includes nurses working in insurance/ health care organizations, colleges and universities and other working nurses who did not classify themselves in any employment category
Source: SHAPE II Nursing survey conducted by Harris Interactive (Questions C6, H1, H6, H7); Booz Allen analysis

The vital role of nurses in the long-term care setting is key to the success of many nursing homes. Yet, many will describe being untrained for a position in management and lacking in the skills necessary to manage a highly functioning workforce. Many also describe a departure from their original altruistic desire to “help people” and the current day demands, which take them away from bedside care and into the role of managers and clerks. The reasons cited above are significantly impacting the workforce.

The findings related to satisfaction for CNAs reveal an entirely different snapshot of their work life. Here, in a 2004 Study, CNAs were interviewed in an effort to discover the reasons, which lead to their departure. The findings were harsh. CNAs from many different areas cited too many patients, not being valued by the organization, dissatisfaction with their supervisor, a sense that they could not provide quality care, unsafe working conditions and not enough

support from peers among the top reasons they leave their jobs.¹⁵

In Rhode Island, like so many other states, CNAs earn a small wage for their efforts. The average CNA wage in Rhode Island as reported by the Labor Market Information Unit - Rhode Island Department of Labor and Training is \$11.20 per hour with an average starting rate of \$8.00 per hour.¹⁶ There is more to the story as the following chart indicates. CNA wages rarely keep up with the cost of living. As a result many, though single mothers, often have to work a second job or build in overtime hours in order to support their families. Based on information from The Poverty Institute's 2006 Rhode Island Standard of Need¹⁷, a single parent in Rhode Island would need to make \$58,000 per year (or \$1,115 per week) to support their family. That figure is more than double the amount that a CNA earning the average salary of \$11.20 would earn.

THE RISN SHOWS WHAT IT TAKES FOR FAMILIES AND INDIVIDUALS TO MEET BASIC NEEDS:

	SINGLE PARENT*	TWO PARENT*	INDIVIDUAL
HOUSING	\$965	\$965	\$827
FOOD	\$536	\$746	\$217
TRANSPORTATION	\$324	\$437	\$216
CHILD CARE	\$1,283	\$1,283	\$0
MEDICAL	\$500	\$500	\$195
MISC. + SALES TAX	\$385	\$421	\$156
Total Monthly Expenses	\$3,993	\$4,352	\$1,611
Total Yearly Expenses**	\$47,916	\$52,224	\$19,332
2006 FPL	\$16,600	\$20,000	\$9,800

* Assumes two children, a toddler and school-aged child.

** As demonstrated in the charts that follow, to have sufficient net income to meet basic needs, the single parent family requires gross earnings of approximately \$58,000/year (3.5X the FPL), the two-parent family needs \$60,000 (3X FPL), and the single adult needs \$22,000 in annual gross earnings (2.5X FPL)

Retention problems, however, go beyond economics. Beyond the issues of low pay the physically demanding work, lack of professional recognition, lack of upward mobility, job stress, and work-family issues all

¹⁵ Mickus, M., Luz, C., Hogan, A., "Voices from The Front." 2004

¹⁶ Direct Care Clearing House

¹⁷ The Poverty Institute May 2004
At Rhode Island College School of Social Work

contribute to high turnover. Many nursing assistants are single parents, and many frequently work overtime, double shifts, or second jobs in order to support their families. Many struggle with transportation and language skills along with limited education.

Among these areas that register dissatisfaction among CNAs, many can be attributed to the culture within the nursing home setting. Born out of a former rigid, one-size-fits-all model equated with hospital settings, employees such as CNAs were saddled with a great burden to carry out the tasks and services in an impersonal, task-oriented style. This antiquated model of care did little for the resident or the worker. In fact, the institutional driven model of care is associated with low morale, little autonomy, inadequate orientation and welcome, lack of flexibility, stress, lack of supplies, lack of appropriately designed systems, RN/CNA conflicts, and inadequate leadership training to support workers. These are the ills of institutional care and carried over into the nursing home settings, they create the backdrop for a high turnover environment.

In the past ten years, a notable shift has begun in small pockets around the country. The movement is culture change and it promotes the shift from institutional care to individualized care. In homes that have adopted these principles, there is a noted rise in worker satisfaction and greater retention. Eden, Wellspring, Meadowlark Hills, and Mt. St. Vincent have all demonstrated less absenteeism, more satisfied staff, and happier families while delivering a better quality of care. Individualized care allows residents choice and voice to be heard and allows staff to respond to resident needs in a much more person-focused way. Developing and building relationships is at the heart of this care. These relationships extend not only to residents but also between staff, managers, and families as well. This last important group has felt

isolated for many years. In Rhode Island only 31 percent of nursing homes have a family council—a key determinant in developing relationships with families.¹⁸ In promising studies from around the country we see that organizations that adopt culture change and make the necessary changes improve satisfaction along with quality of life and quality of care, which provides a much more stable financial picture for nursing homes. As homes grow in their efforts to provide resident-directed care along their culture change journey, what inadvertently occurs is a new focus on workers. Homes, in order to create a better, more homelike environment for residents, often find themselves spending a greater amount of time seeking the advice of the staff working closely with the residents. Changes that support this include primary assignments, which allows staff to develop a relationship while providing daily care for the same residents allowing them greater knowledge of them personally; frontline-staff decision making, which includes the opportunity to be involved in care planning; care resource teams in which staff focus on a particular area of care such as pressure ulcers allowing them to become specialists in that clinical process; cross-training; enhanced critical thinking skills; and extensive education¹⁹. The shift allows for staff to grow in their positions and responsibility.

A shift, then, is necessary in bringing these significant factors to bear on the nursing home industry to bring about retention. Homes are finding that a shift in the recruitment process which allows greater opportunities for familiarity with the organization, co-workers, and residents, better prepares employees for the work ahead and aids in retention.²⁰ Creating an environment where new staff are welcomed in, have adequate time to learn and share their new

responsibilities with a veteran staff member makes the greatest sense in keeping staff. Other noted areas of change that lend themselves to retention from the INHC pilot²¹ include: positive and open relationships with the supervisor; a shift in the role of CNAs that promotes and enhances empowerment and respect; participation in resident care decisions; greater responsibility and time spent with residents. Through the pilot, it was established that following a consistent model known as the HATCH model²², organizations could make significant changes in six domains that notably strengthened the organization while improving clinical care. The domains in which change occurred included: workplace practices, the environment, care practices, leadership, family and community, and government and regulatory oversight.

Recommendations for Shared Responsibility

In response to the complexities of the nursing home workforce crisis and to target the needs within this healthcare sector, strategies need be implemented to attack the five greatest challenges:

1. Staff Turnover
2. Institutional environments
3. Lack of social supports and assistance for low paid workers
4. An absence of visible career paths & opportunity
5. Minimal training & education standards

To address these five challenges the following strategies are recommended:

¹⁸ Kaiser: State Health Facts, 2003

¹⁹ LTC Regulatory Risk & Liability Advisor, Vol. 9/ No. 6. 2001

²⁰ The Red Carpet, Provider 2003

²¹ CMS Pilot Study-Improving Nursing Home Culture

²² CMS Pilot Study-Improving Nursing Home Culture

Strategy 1: Establishment of Long-Term Care Retention Coalition

To promote a shared partnership and strategic plan for future growth of long term care workers, create an advisory group whose task it will be to inform, educate and develop plans for the state.

This group would further work with organizations to develop strategies to create greater ease problems and traffic jams and create seamless passage of workers

Strategy 2: Attracting Workers to the Profession

1. Develop a website that promotes long-term care opportunities. Establish a public resource on the Internet for those interested in training to become a CNA.
2. Establish links to high school programs, job fairs, and vocational high schools to develop a promotional campaign that attracts youth to nursing.
3. Create a paid high school program senior summer “boot camp” for those desiring to enter the health care profession. Utilize training, career counseling and mentoring strategies. Link with nursing fast-track programs.
4. Creation of a re-engagement program targeting those who have left or become inactive.
5. Collaborate with efforts of the Department of Labor and Training and long-term care to create a partnership of shared understanding. Coordinate efforts to promote and serve incumbent workers through regular dialogue and strategic plan. In addition create links to workers currently employed or displaced within the range of RI declining jobs. There are many basic or entry-level positions within the nursing home sector. These jobs can be a positive entry point for individuals with limited skills that can lead to advancement and upward mobility. The necessary skills needed to work at an entry

level position such as housekeeping, dietary, activities, or CNA within the nursing home sector would include a basic CNA training course, food sanitation course, activity director certificate course. Soft skills such as: problem-solving, ability to work in teams, communicate clearly, make good use of time, self management, adaptability, interpersonal skills, customer service, computation and stress management. Many of these skills and competencies are easily acquired through local programs and could be especially applied to attract those who have worked in many of Rhode Islands declining jobs such as the sixteen areas of manufacturing, those with customer service skills who have worked in printing and merchandising. Opening up and recruiting employees who have been part of these sectors could prove to be a win-win for all.

Strategy 3: Career Lattice Development

To allow the strengthening of the long-term care workforce to be realized, systems to support education are necessary. Gently modeled after the very successful ECCLI program, Rhode Island must adopt a career lattice system that supports and promotes the education of not only those entering the field but those within it. A well coordinated career lattice program that works in conjunction with existing systems such as education, Department of Labor and Training, Nursing Departments and Boards, and Quality Improvement Organizations, etc. could effectively meet this need.

1. Develop standards for CNA career ladders
 - a. Three tiered system
 - b. Fourth tier-pre LPN
 - c. College credit for training
 - d. Increased wages
 - e. Portable across organizations
 - f. ESOL classes, soft skills
2. LPN training-career path

3. Development of connections to other allied health careers
4. Master RN educators program to fill the demand for nurse educators

Strategy 4: Nursing Home Culture Change Initiative

Because so many have been turned against the nursing home setting due to the many reasons mentioned in the earlier part of this paper, known strategies for success must be adopted. Among the successful strategies demonstrated in small pockets of nursing homes around the country are those who have adopted culture change. One of the specific models of culture change known as the HATCH model was developed here in Rhode Island by the state's Quality Improvement Organization, which also serves as the support center to the national QIO program. Due to the success of the INHC Pilot using the HATCH model, efforts to spread this culture change model within the state should be developed.

1. Statewide education and training by the QIO.
2. On-site visits in support of nursing homes change process
3. Training of others who teach long term care workers.
 - a. Community College educators
 - b. Case Managers
 - c. CNA trainers
 - d. Program Directors from Alzheimer programs to senior settings.
 - e. Stakeholder groups

Strategy 5: Long Term Care Welcome Center

1. In conjunction with the Department of Labor and Training develop a long term care one-stop center that not only allows entry of potential healthcare workers into the system providing them with direction

the necessary assistance to be successful but also career counseling, support and social assistance.

2. Along with the welcome center would also be immersed the Long Term Care Health Care Academy where training opportunities, educational support, and these initiatives would be carried forward.

Summary

The nursing homes of Rhode Island are home to a cherished population that reflects the history and honor of our state. The individuals who live in nursing homes have supported and strengthened Rhode Island and many have offered the very same care to those who have come before them. In order to care for them, a strategy to make the best possible work-life available to the employees of these settings is imperative. There is evidence to support the idea that the better the job, the better the care of residents. These strategies proposed above can effectively change the work-life for workers, the climate of the nursing home setting, the reputation and perception of the nursing home, and can effectively create new avenues of communication to bear on this difficult problem. With many partners in dialogue, retention can be realized. Let us join together in adopting these strategies that will strengthen our state, our workers, and offer the kind of comfort and support to residents for which we can all be proud.