



House Office Building, 9 South
Lansing, Michigan 48909
Phone: 517/373-6466

LONG-TERM CARE STAFFING NEEDS

House Bill 4796 (Substitute H-1) First Analysis (10-24-01)

Sponsor: Rep. Carl M. Williams
Committee: Senior Health, Security and Retirement

THE APPARENT PROBLEM:

Nursing homes and other long term care facilities face continual challenges in recruiting and retaining staff. According to U.S. Bureau of Labor Statistics, over the next ten years an additional 600,000 direct care workers will be required to meet the needs of providing long term care to a growing elderly population. Reportedly, this translates into an additional 24,500 workers needed in Michigan alone.

Understaffing, high turnover, and poor training contribute to a lower quality of care, according to consumer advocates. Several academic studies have concluded that staffing levels were directly related to quality of care. Lower staffing levels and/or inadequately trained staff contribute to accidental deaths, abuse, dehydration, malnutrition, pressure sores, and other problems for nursing home residents.

The reasons for the staffing crisis are varied, and may include low pay, inadequate benefits, heavy workload, an increase in mandatory recordkeeping, concerns about workplace safety, and lack of resources to provide additional training and supervision. Some estimates indicate that the turnover rate for certified nursing assistants (CNAs) may be as much as 49 percent to 143 percent. Many CNAs receive their training to work in nursing homes, and, once certified, choose instead to work in acute care settings for higher wages. Turnover rates for licensed practical nurses (LPNs) and registered nurses (RNs) working in nursing homes are estimated to be from 27 percent to 61 percent. Chronic lack of staff or dependence on agency personnel increases frustration and job dissatisfaction for these workers.

In response to these concerns, many consumer advocates and labor organizations have mounted a nationwide campaign to increase staffing levels in nursing homes. Further, at least 30 states reported that they have either an informal or a formally appointed task force to examine long term care workforce issues. And, the report of the Michigan

Long Term Care Workgroup, issued in June 2000, states that "a comprehensive range of initiatives is needed to create and sustain a pool of direct care workers across all long term care settings". Among the recommendations of the Long Term Care Workgroup is creating a long term care excellence institute, to focus on improve the workplace and enriching work life for those who work in long term care, and to identify "best practices" from Michigan and around the country that have had a demonstrated impact on retention of direct care workers. In addition, the Department of Career Development and the Office of Services to the Aging held a "Day of Dialogue" on October 18, 2001 to bring together nursing care providers, chambers of commerce, schools and colleges, and others to brainstorm about efforts to address barriers to recruiting, training and retaining a qualified workforce for long term care in Michigan.

In order to encourage the expansion and continuation of these efforts, legislation has been introduced to address long term care staffing issues.

THE CONTENT OF THE BILL:

The bill would amend the Public Health Code to require the Department of Community Health, the Department of Career Development, and the Office of Services to the Aging to continue the long term care staff recruitment and retention focus group that convened the "Day of Dialogue" on October 18, 2001. The focus group would be required to research, evaluate, and demonstrate:

- Strategies to develop, recruit, and retain direct care long-term health care workers and long-term health care facility managers and administrators.
- Initiatives to reduce staff turnover.

House Bill 4796 (10-24-01)

- Strategies to improve and enrich the working environment in long-term care health care facilities, including training and advancement within a career pathway and increased compensation and benefits.
- Practices and policies that have had a demonstrated positive impact on the retention of long-term health care direct care staff, managers, and administrators.
- Education and training that includes, at a minimum, a standardized, competency-based curriculum that meets employer, educator, and state needs.

The bill would require that the focus group meet within six months after the bill took effect, and that it produce a report within one year. The report would have to include findings on the problem of recruiting, developing, and retaining long-term health care staff; recommendations for proposed legislation or administrative rules, executive action, and assistance from the private sector; findings on those issues that the legislation would require the group to research and evaluate; and other relevant information. The report would be distributed to the governor, the legislature, and upon request, to the public.

After its report was distributed, the focus group would be abolished.

MCL 333.2611

BACKGROUND INFORMATION:

Long Term Care Workgroup report. The Long Term Care Workgroup, convened by the Department of Community Health, released its report and recommendations in June 2000. With regard to long term care staffing issues, in addition to the recommendation to create a long term care excellence institute, the workgroup recommended:

- Initiating a public image campaign to promote working in long term care settings and the role of long term care workers.
- Encouraging a collaborative effort between colleges, community colleges, the Department of Career Development, and long term care providers to undertake a recruitment campaign aimed at creating a future pool of direct care workers for long term care.
- An effort to review and revise the required Competency Evaluated Nurse Aide (CENA) training curriculum; and to develop a uniform training and certification program for staff to work in a variety of long term care settings, including home care.

- Encouraging long term care providers to establish a system for comprehensive criminal background checks of direct care workers.

- Encouraging long term care facilities to participate in the Eden Alternative and similar programs that have demonstrated a positive impact on staff retention and reducing turnover.

- Encouraging community colleges and other to develop "career ladders" for long term care workers.

- Encouraging long term care providers to establish purchasing cooperatives for providing health benefits to full- and part-time direct care workers.

- Including in the Department of Community Health's evaluation of proposed long term care models an evaluation of the practices of staff compensation within capitated systems.

- Encouraging for-profit long term care providers to develop "employee stock option program"-type programs to provide an opportunity for employees to become owners, to encourage commitment and "buy-in" and reduce turn over.

- Encouraging the addition of on-site child care centers at nursing homes, as a means of retaining staff and as a means of enriching the overall atmosphere of the homes.

- Encouraging the establishment of local collaborative efforts to create a registry of available workers so that employers and prospective employees can be matched together.

FISCAL IMPLICATIONS:

According to the House Fiscal Agency, the bill will result in costs to the Department of Community Health. The amount will depend on the availability of departmental resources. As a comparison, the Long Term Care Workgroup recently coordinated by the department for a period of two years utilized existing departmental staff and other resources, and also utilized contractual support services at a cost of approximately \$147,000 with existing funds. (10-23-01)

ARGUMENTS:

For:

As Michigan's population ages, the need for long term care is expected to grow. Given the very difficult problems encountered by nursing homes and other long term care facilities in recruiting, training, and retaining a qualified workforce, the bill proposes

to continue the broad-based, collaborative effort to brainstorm about these issues and recommend solutions that was begun on the “Day of Dialogue” held recently. The day was an excellent, productive start towards imagining and developing creative and practical solutions to the issues faced in recruiting and retaining long term care staff. It appropriately included employment agencies as well as providers of nursing care, and organizers established local teams to address local and regional issues. Continuing the work of the focus group would be a cost-effective way for state government to encourage problem solving in the area of long term care staffing.

Response:

As originally introduced, the bill proposed to implement one of the recommendations of the Department of Community Health’s Long Term Care Workgroup: the creation of a long term care excellence institute, consisting of representatives of state government, long term care workers, nursing home residents, and family members, to research and evaluate strategies to address these workforce issues. This approach would have the advantage of being a longer term, more comprehensive effort to seek solutions to what is a difficult and complex problem.

Reply:

Given the current budget climate, some thought it would be unwise to create another entity (at a cost of perhaps \$250,000 annually) within state government at this time. The committee substitute would address this issue in a cost effective way. It should be noted that the Department of Community Health already has underway several efforts to address long term care staffing issues, including quality improvement grants, a wage pass-through program, and collaboration with the Michigan Public Health Institute, among other efforts.

POSITIONS:

The Michigan Association of Homes and Services for the Aging supports the bill. (10-23-01)

The Michigan Assisted Living Association supports the bill. (10-23-01)

The Health Care Association of Michigan supports the bill. (10-23-01)

Analyst: D. Martens

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.