Home Care Workforce Testimony

Provided by

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Monday, February 27, 2017

Introduction

On behalf of the membership of LeadingAge New York, thank you for the opportunity to testify on the growing need for home care and personal care services, and the obstacles encountered with recruitment and retention of the workforce needed to provide these services. LeadingAge NY represents over 400 not-for-profit and public providers of long-term and post-acute care (LTPAC), aging services and senior housing, as well as provider-sponsored managed long term care (MLTC) plans. This testimony addresses the workforce issues across the continuum of LTPAC, with a focus on home care services.

I) Demographics Challenges: A Shrinking Pool of Caregivers to Serve a Growing Number of Seniors

New York is currently home to approximately 3 million residents age 65 and older, representing 15 percent of the population. By 2025, 18 percent of New York's population is projected to be age 65 or older, up from 14 percent in 2010. Both the number and percentage of older New Yorkers is expected to continue to rise over the next 20 years. This growth will drive a corresponding increase in the number of New Yorkers with cognitive and functional limitations who need LTPAC services. The first Baby Boomers, who are hitting their seventies now, will be entering their eighties starting in 2026, triggering a surge in demand for LTPAC and aging services.

However, the availability of younger New Yorkers to care for seniors will be at its lowest point in a decade and declining.[1] According to the NYS Office for the Aging, the Aged Dependency Ratio (the ratio of the population aged 18 to 64 to the population aged 65 and over) is expected to decline from 4.31 in 2015 to 3.05 in 2030, and continue declining through 2040.[2] This ratio is a proxy for the availability of both informal care provided by family members and friends, and caregivers working in the formal care delivery system. Reductions in the availability of informal caregivers will lead to increased reliance on the formal care delivery system. Moreover, a disproportionate number of this growing cohort of aged New Yorkers is likely to rely on public programs to pay for their care. Today, one-third of New Yorkers over age 65 have incomes at or below 200 percent of the federal poverty level. This economic reality has major implications for the Medicaid program, the predominant payer for long-term care services.

These demographic and socioeconomic challenges are not just problems for the future. Today, seniors and their families are already experiencing the impact of LTPAC workforce shortages, lack of access to home care services (especially upstate), and financial pressures associated with the high cost of LTPAC.

For most, the home is the setting of choice for people who need LTPAC services and supports and national polls support that seniors and individuals with disabilities want to remain in their own homes in their own communities for as long as possible. Unfortunately, at a time when our over age 65 population is expanding with increasing prevalence of serious chronic illnesses like obesity, diabetes, and other conditions, home care patients are already facing gaps in care and services.

The graph below depicts the health care workforce challenge that New York State's demographic trend is creating. The growth in the projected demand for health care workers that is driven by the aging population far outpaces the growth of the working age population that could fill those jobs.

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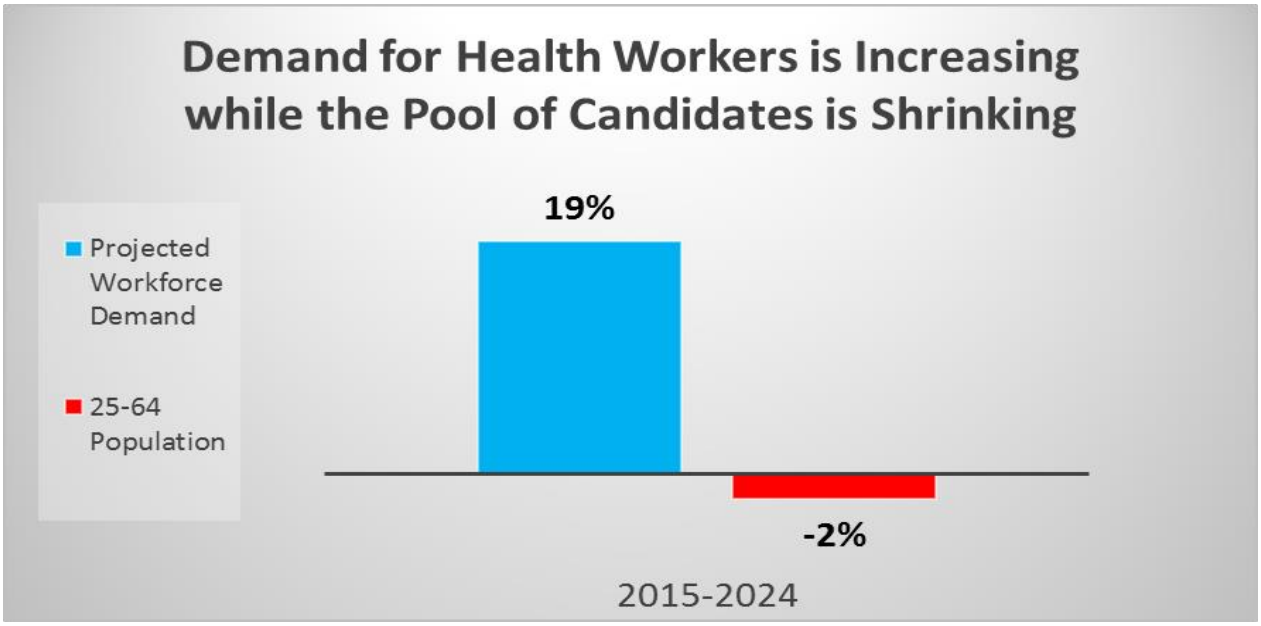
[1] NYS Office for the Aging, County Data Book, New York State, Table 1, Demographics, http://www.aging.ny.gov/ReportsAndData/2015CountyDataBooks/01NYS.pdf, accessed Feb. 24, 2017.

[2] Ibid.



Sources: NYS Department of Labor; Cornell University Program on Applied Demographics

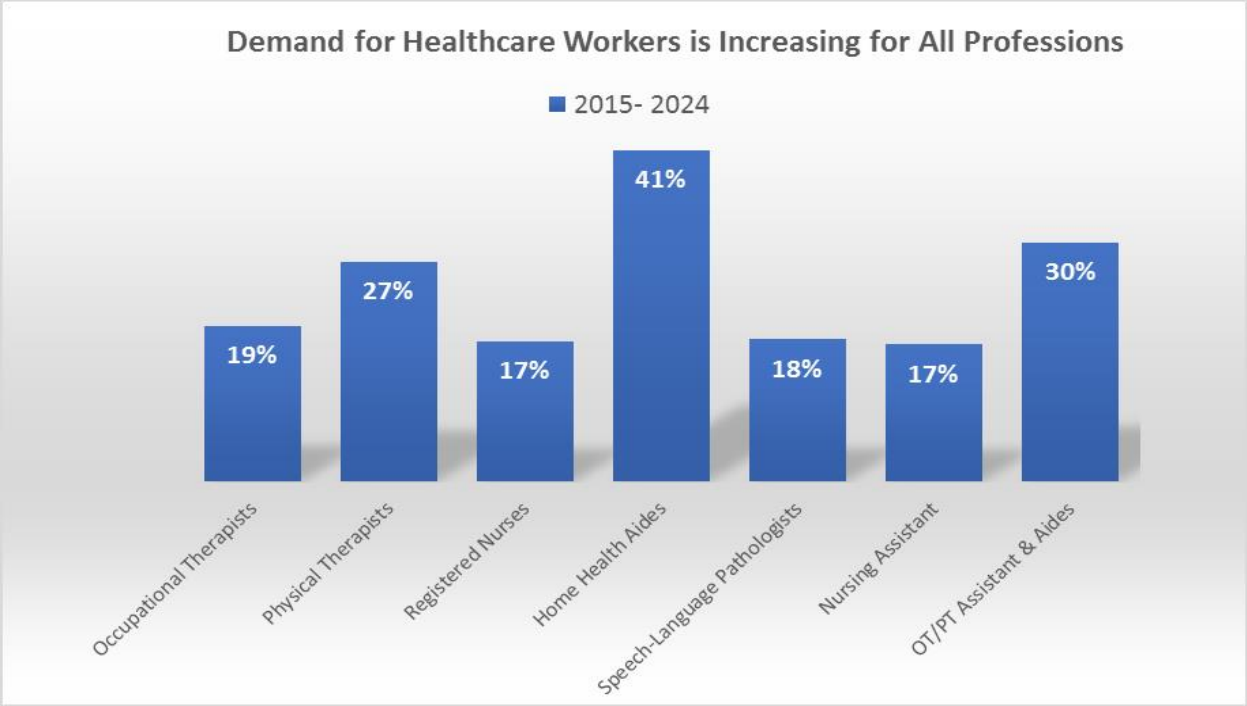
Given the demographic trends depicted in the chart above, seniors will have difficulty finding younger adults to care for them informally or formally. This conclusion is also borne out by recent survey findings from the Center for Health Workforce Studies (CHWS), which is part of the School of Public Health, University at Albany.

II) Particular Workforce, Funding and Locational Challenges in Home Care

CHWS conducted a Health Workforce Recruitment & Retention Survey of home care agencies in 2016. According to their findings, health sector employment accounted for 12 percent of overall employment in New York State in 2014, and grew more than 24 percent between 2000 and 2014. The survey also revealed that home health care agencies (i.e., certified home health agencies, long-term home health care programs, and hospices) in New York reported the greatest difficulties recruiting speech language pathologists, followed by occupational therapists and respiratory therapists – citing worker shortages as the primary reason for recruiting difficulties. Survey respondents also reported difficulty retaining homemakers and personal care aides. CHWS further found that 32 percent of reporting agencies encountered difficulty hiring part-time workers, 27 percent encountered difficulty hiring bilingual workers, and 42 percent indicated difficulty hiring workers for off-shifts (i.e., evenings, nights, and weekends). We have heard this anecdotally from our member home care agencies, particularly as it relates to being able to staff home care cases with lower hours of care required or in locations where public transportation for workers is limited.

The New York State Department of Labor[3] projects more than 10,000 annual job openings (both new jobs and replacement of existing workers who leave) for home health aides in the state, more than 6,000 annual job openings for personal care aides, and over 7,000 annual job openings for RNs. Growing demand for workers and issues with employee retention present formidable operational and financial challenges to home care agencies and to payers, such as the State's Medicaid program.

[3] Source: New York State Department of Labor, Jobs in Demand/Projects, Long-Term Occupation Projections, 2012-2022.



The figure above shows the projected increase from 2015 to 2024 in the demand for health care workers that comprise the bulk of the long term care workforce. Projections are from the New York State Department of Labor.

The Center's survey findings on home care worker recruitment and retention were also presented on a regional basis within New York State. The comparison of data between regions on recruitment and retention difficulties can be quite stark. For example, in the North Country Region, 86 percent of the agencies reported difficulty hiring part-time workers, 29 percent encountered difficulty hiring bilingual workers, and 57 percent indicated difficulty hiring workers for off-shifts. A majority of the respondents indicated that their inability to offer competitive salaries and benefits was a driving factor in recruitment and retention problems.

These CHWS conclusions about the North Country support findings from our report, "Long Term Care and Services in Rural New York: Building a Sustainable and Replicable System." In 2014, LeadingAge NY received funding from the New York State Health Foundation to convene a group of organizations representing the continuum of LTPAC providers (i.e. nursing homes, assisted living, senior housing, home health agencies, community service providers and hospice/palliative care) as well as hospitals and payers from the six-county rural region of the Eastern Adirondacks. The group reviewed available data on demographic trends, LTPAC utilization patterns and key determinants of future demand for LTPAC services.

The group's discussions resulted in the development of a Long-Term Care Services Demand Model and six major recommendations that took into account existing and future challenges of a growing elderly population, lack of transportation options, fewer available informal caregivers, a shortage of health care workers, and an increasing imperative to reform the health care delivery system to support the Triple Aim of providing better patient care, improved population health, and reducing health care costs. Based upon the report's findings, LeadingAge NY advanced legislation in support of increased funding for

LTPAC services delivered in rural areas and other initiatives to support workforce retention and development.

In 2016, LeadingAge NY released a report, Optimizing Independence and Quality of Care for Seniors in New York State: Cost-Effective Strategies for Long-Term/Post-Acute Care Services, outlining a strategic framework for LTPAC services in New York State, proposing key investments and reforms. The plan seeks to ensure the creation of a high-performing, financially stable, and accessible LTPAC delivery system to address the needs of a growing population of seniors. It recommends the expansion of community-based services and residential options to serve people in the most integrated setting appropriate to their needs and preferences. It also urges the promotion of models that integrate Medicare and Medicaid funding streams and investment in health information technology to support the Triple Aim of better health, better care, and lower costs overall. Recognizing that the growth of the 65 and over population is outpacing that of the cohort of younger adults needed to care for them as they age, the plan proposes a series of reforms to promote the most efficient and effective use of a limited workforce.

Unfortunately, LTPAC providers and the people they care for continue to be left behind in many of the reforms and investments that are being provided by the State. As we shared at the Health and Medicaid budget hearing, at a time when our over age 65 population is expanding and consumers are already facing gaps in care and services, this year's Executive Budget provides no investments for LTPAC and in fact makes this sector shoulder a disproportionate share of the proposed cuts. These cuts are on top of hundreds of millions of dollars in funding reductions from new and continuing LTPAC cuts over the past several years, as well as new fiscal and operational pressures occasioned by upheaval in Medicaid reimbursement methodologies, home care wage mandates, and the implementation of mandatory managed care enrollment for Medicaid beneficiaries receiving long-term care services.

III) Workforce Challenges Hinder Efforts to Build Capacity and Offer Services in the Most Integrated Setting

In many areas of the State, LTPAC providers are experiencing difficulty recruiting direct care workers at all levels, from geriatricians to nurses, to certified nurse aides and home health aides. Workforce shortages are exacerbated, in some settings, by State laws and regulations that prevent providers from efficiently and effectively deploying available professional and paraprofessional employees.

Although the State is experiencing higher growth in health care employment than in other fields, the supply of workers is not keeping up with demand in the LTPAC sector. According to the CHWS, nursing homes and home care agencies (including hospice programs) report difficulty recruiting and retaining nurses, certified nurse aides (CNAs), home health aides (HHAs), and certain therapists. The shortage of workers is the most commonly cited reason for the difficulty. LeadingAge NY members report particular challenges in recruiting and retaining sufficient numbers of home health aides in rural areas, where patients are dispersed over long distances, and aides must have reliable vehicles and spend hours each day driving between patients' homes.

Another significant factor impeding worker recruitment and retention is the inability to offer competitive wages and benefits. Relying almost exclusively on public money, and against the backdrop of the significant financial challenges outlined above, LTPAC providers have not had sufficient resources to offer wages that are competitive with the acute care sector. With the recently authorized increases to the State's minimum wage, LTPAC providers will struggle to cover the additional wages needed to

remain competitive and attract and retain quality caregivers. These jobs are extremely demanding both physically and emotionally and require extensive training, intensive documentation, and stringent accountability. Many potential employees will opt for a fast-food job, if offered the same wage by a LTPAC provider.

While the State's increases in the minimum wage are intended to provide a well-deserved raise for employees such as the lowest-paid LTPAC workers, the actual cost to LTPAC providers of providing these increases was only partially funded by the State through the Medicaid program. The funds appropriated will not cover services reimbursed by Medicare (which is not recognizing these costs), nor will they address the "compression effect" on workers earning slightly above the minimum wage, or the cost of non-statutory benefits that are tied to wages. Nor will the funds made available cover services paid for by NYS Office for the Aging programs, by the Supplemental Security Income program, or consumers. Unfortunately, this well-intentioned initiative will further strain the finances of LTPAC providers and impede recruitment and retention of workers in the compression class.

The effects of workforce shortages and LTPAC providers' inability to offer competitive compensation are compounded by State laws and regulations that prevent these providers from optimizing the skills and training of available professionals and paraprofessionals. Specifically, nurses working in most assisted living facilities (with the exception of Enhanced Assisted Living Residences) are prohibited from practicing nursing, due to the State's prohibition on the corporate practice of a profession. The limitations on nurses in these settings prohibit not only nursing tasks, but also tasks that HHAs are routinely authorized to perform in the community. State regulations also prevent nurse practitioners and physician assistants who work in nursing homes from performing certain clinical activities within the scope of their licenses. As a result, these tasks must be performed by physicians at a higher cost. In addition, the absence of an "advanced home health aide" title has limited the career ladder of HHAs and prevented them from performing certain semi-skilled tasks. As a result, these tasks have been performed by a nurse at a higher cost to the system. Fortunately, advanced home health aides were authorized in State law in 2016, and providers are anxiously awaiting implementation of the program.

The combined forces of the *Olmstead* decision, mandatory MLTC enrollment, and value-based payment arrangements are already encouraging the diversion and transition of beneficiaries with increasingly complex conditions to lower levels of care (i.e., from hospitals to nursing homes, and from nursing homes to adult care facilities, assisted living programs, and home care in private homes and congregate housing facilities). As the State continues its efforts to expand access to home care and to reduce hospital utilization by serving higher acuity seniors at home and in nursing homes and assisted living facilities, unnecessary regulatory barriers to the effective and efficient use of professionals and paraprofessionals should be eliminated.

IV) Expand The LTPAC Workforce and Support Efficient and Effective Utilization of Workers

Direct care workers, who provide hands-on care each day, are the key to ensuring that we can deliver quality long-term services and supports to a growing older population. LTPAC services are labor-intensive, with an estimated 70 percent or more of the total cost of delivering care attributable to staffing. Shrinking reimbursement has led to high turnover and significant workforce shortages in several areas of the State. There is no silver bullet that can solve these challenges and ensure that we can meet the growing demand. However, there are initiatives that the State can undertake to begin to address the issues.

1. ***Implement the Advanced Home Health Aide legislation.***

The State should work swiftly to implement the recently passed legislation authorizing an Advanced Home Health Aide to perform certain advanced tasks under the supervision of a registered professional nurse and pursuant to an authorized practitioner's ordered care. This new role will advance the field of direct care workers, provide critical access to certain services for consumers living in the community, and increase efficiencies in the delivery of care.

2. ***Allow for Advanced Certified Nurse Aides.***

The State should pass legislation to allow CNAs with additional training to administer medications in nursing homes under the supervision of a registered nurse. In New York, there is an exemption to the Nurse Practice Act for direct care staff employed in residences certified by the Department of Mental Hygiene. This exemption allows registered nurses to delegate nursing functions, including medication administration, to direct care staff provided there is adequate medical and nursing supervision.
The state is facing a significant nursing shortage, and many nurses express dissatisfaction with the repetitive task of routine medication administration consuming most of their time, leaving little time for direct care. Meanwhile, aide-level workers are leaving health care to pursue other jobs due to wage restrictions and job satisfaction. Allowing these additional responsibilities can provide increased job satisfaction, allow for wage increases and promote staff retention.

3. ***Expand the role of the nurse in the adult care facility (ACF)***.

Like nurses employed by nursing homes and hospitals, nurses employed by assisted living facilities (including Assisted Living Programs and other ACFs) should be exempt from the corporate practice of nursing prohibition and permitted to practice their profession in those settings. The State should expand current exceptions to the corporate practice prohibition to enable nurses to practice within the full scope of their licenses in assisted living facilities. By allowing nurses in ACFs to perform tasks within their scope of practice, Medicaid beneficiaries living in ACFs would receive more integrated, proactive, and preventive services that can reduce emergency department visits and hospital admissions. Nurses working in ACFs could also help to avert declines in health status that trigger nursing home placement, thereby saving money for the State, the federal government, and the consumer.

We recommend that nurses be permitted to provide certain services on an intermittent or incidental basis, in ACFs. These intermittent or incidental nursing services should not be required of ACFs and assisted living facilities, but rather permitted as optional services provided by those facilities that have the appropriate staffing to do so.

4. ***Allow cross-certification of direct care workers.***

The State should take steps to facilitate cross-certification of aides to promote a flexible and adaptive workforce. Inflexible training requirements create career mobility issues for workers and staffing/cost issues for providers. Currently, CNAs employed in New York's nursing homes are required to receive 100 hours of training to become certified. HHAs working in home care settings are required to receive 75 hours of training. There is no training reciprocity for these jobs, meaning that a HHA applying to be a CNA must complete the full 100-hour CNA training program, much of which is redundant and postpones the HHA's ability to work in a nursing home. Cross-certification and/or the development of a "core

training curriculum" would obviate the need for CNAs, HHAs, and other paraprofessionals to complete an entire re-training when moving from one classification to another.

5. ***Facilitate cross-training and lateral transfers across health and LTPAC settings.***

Providers of health, LTPAC, behavioral health, and developmental disability services and unions should join together with regulators and educational institutions to explore cross-training and inter-disciplinary service opportunities in order to alleviate workforce shortages. The regulatory and practice barriers to transfers across settings should be identified and the impact of removing them evaluated.

6. ***Promote accessible education and training in rural areas.***

The State should provide incentives and funding to nursing schools, community colleges, other training programs, and trainees to broaden participation in formal courses of instruction for nurses and aides in rural areas. Techniques such as satellite broadcasts, web-based courses, training stipends, flexible scheduling of courses, and on-the-job training opportunities should be pursued.

7. ***Expand the use of telehealth and remote patient monitoring.***

Telehealth and remote patient monitoring technologies can help older adults with chronic or post-acute conditions to manage more of their own care, while reducing home nursing visits and associated transportation expenses and avoidable hospital use. These modalities are especially useful in rural areas, where telehealth and remote patient monitoring can allow for more efficient use of a limited workforce. In addition, these technologies improve access to specialized services in areas with physician shortages. The State should make funding available to expand access to telehealth and remote patient monitoring tools. It should also eliminate regulatory barriers to their use. In particular, proposed regulations limiting the originating sites for telehealth visits should be broadened to encompass home visits, especially in rural areas.

8. ***Support informal caregivers.***

The State should offer expanded respite benefits, direct financial assistance, greater tax incentives, training programs, and education and community outreach programs for informal caregivers. This assistance would represent an eminently cost-effective approach for the State through Medicaid expenditure avoidance.

9. ***Fully fund increased minimum wage mandate.***

The funding in last year's state budget has been inadequate to cover the full costs of the new minimum wage. The $15 per hour minimum wage will increase total compensation costs for health care providers by $3 billion annually when fully implemented. Of this amount, nursing homes will incur an additional $600 million cost, and home care/personal care agencies will incur a $1.72 billion cost. Because LTPAC providers rely almost exclusively on public funds for reimbursement of services provided, the Legislature must provide adequate funding to cover the cost of the State's minimum wage mandate.

10. Ensure adequate and timely reimbursement for home care providers by ensuring MLTC rate adequacy.

Medicaid premiums paid to MLTC plans must be adequate to allow plans to in turn pay home care providers adequate rates to cover the costs of providing quality patient care, including employee salary and benefit expenses and operating and administrative costs. The insufficiency of MLTC payments has threatened the viability of providers, many of whom rely on plans for the majority of their revenue. Rate updates need to be timely to ensure providers are not waiting to be reimbursed for monies they have expended to provide services.

11. Focus on workforce recruitment and retention.

First and foremost, the Legislature should ensure that the Delivery System Reform Incentive Payment (DSRIP) program workforce funding is timely distributed to LTPAC providers in need; that other available workforce recruitment and retention funds are made available for LTPAC services; and that a comprehensive plan is developed to meet the demand for LTPAC services. In addition, below are a number of specific recruitment and retention recommendations to address the workforce shortages in LTPAC:

Recruitment Recommendations:

1. Work with stakeholders to develop a public relations campaign to promote careers in home and community-based services (HCBS) and encourage more individuals to enter the HCBS workforce;
2. Encourage additional opportunities to implement health care career exploration programs in secondary schools, at all levels;
3. Support innovation by reimbursing or offering direct support to internships or workforce development programs such as the Geriatric Career Development (GCD) Program of The New Jewish Home which has supported at-risk New York City youth in pursuit of careers in healthcare. Two goals of the GCD program are to advance the academic and career development of youth participants through an in-depth work-based learning program in a geriatric long-term healthcare setting and to address the workforce shortage, especially in the field of geriatrics; and
4. Encourage restructuring of the availability and access of training programs for those that are currently working and to support continuing education.

Retention Recommendations:

1. Encourage programs that support mentoring or shadowing; evidence has shown workers who were supported by their peers are more inclined to stay with their employers and are less likely to suffer from burn-out;
2. Develop and provide career ladders; such as the recently passed legislation for an Advanced Home Health Aide who, with additional training and supervision, will be able to undertake specialized tasks;
3. For those who don't want to advance in the field: encourage innovative training on soft skills, gerontology, hospice, palliative care, and cultural competencies; support wage increases which have been tied to this additional training; and

4. Support scholarships and loan forgiveness programs for those entering the field of gerontology or HCBS and who agree to serve in areas that have experienced a critical shortage of HCBS workers.

Conclusion

Thank you for scheduling this important hearing and allowing LeadingAge NY to provide testimony. Facing a rising population of seniors with high rates of chronic disease and rising rates of disability, the State must develop strategies, including regulatory reform and strategic investments, to address the widening workforce shortage and ensure access to quality care and services for a growing senior population We look forward to working with the State to address these challenges. For questions or concerns, please feel free to contact the LeadingAge NY advocacy and policy staff at 518-867-8383.

Founded in 1961, LeadingAge New York is the only statewide organization representing the entire continuum of not-for-profit, mission-driven and public continuing care including home and community-based services, adult day health care, nursing homes, senior housing, continuing care retirement communities, adult care facilities, assisted living programs and Managed Long Term Care plans. LeadingAge NY's 400-plus members serve an estimated 500,000 New Yorkers of all ages annually.