



The Long-Term Care Workforce Crisis: A 2018 Report

A caregiver vacancy report issued in 2016 confirmed the existence of a workforce crisis confronting long-term and residential care providers. This report, based on data from a 2018 survey of 756 providers, reveals a continuing crisis due in part to:

- Fewer caregivers entering the workforce
- Increasing number of people seeking long-term and residential care
- Continued growth in demand for caregivers
- Gaps in the starting wage for entry level personal caregivers and non-healthcare workers
- Wisconsin's Medicaid reimbursement system does not cover the cost of care incurred by long-term care providers
- Wisconsin's historically low unemployment rate

The results of this survey substantiate the continued workforce crisis facing providers who serve persons needing long-term and residential care and reinforce the need for public / private efforts to overcome this significant challenge.

Scope of the Crisis

- **19%** average caregiver vacancy rate in 2018 (14.5% in 2016)
- **30%** of providers are facing a caregiver vacancy rate of **25% and higher**
- **1 in 5** providers are experiencing caregiver vacancy rates **30% and higher**
- **16,500** vacant caregiver positions in Wisconsin long-term and residential care facilities²

1 in 5

Caregiving staff positions are unfilled ...why?

Nearly **50%** **30%** of providers felt they were unable to compete with other employers

Nearly 50% **54%** had no applicants for caregiver openings

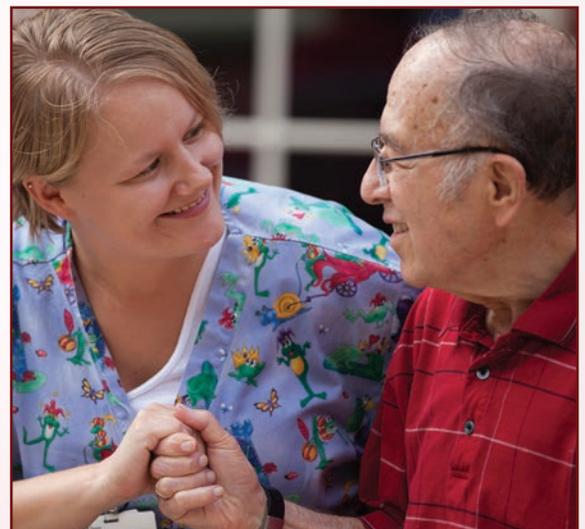
83% **70%** said there were no qualified applicants for caregiver openings

55% said inadequate reimbursement doesn't allow wage increases

■ Results from 2016 Report

Increasing Need for Caregivers!

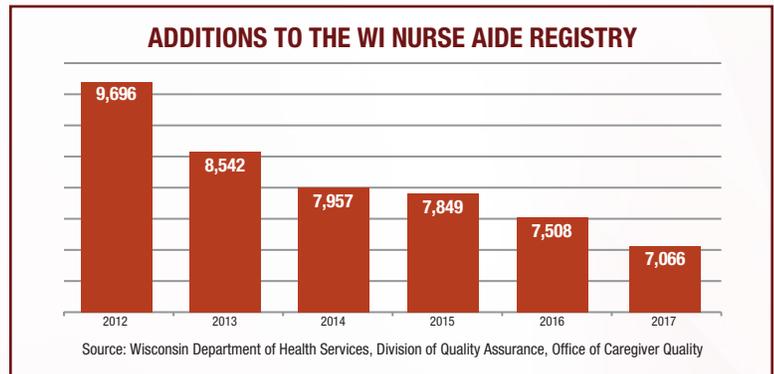
- More than **90,400 Wisconsin residents**¹ live in long-term and residential care facilities, a 23% increase in the past 15 years
- **4,304** long-term and residential care facilities¹ serve persons who are physically disabled, elderly, intellectually disabled, diagnosed with Alzheimer's Disease and other dementia, diagnosed with behavioral health issues, plus those needing other support or care
- An estimated **82,092 caregivers**² work in Wisconsin long-term and residential care facilities, an 11.8% increase over 2016
- In the next 12 years, the number of Wisconsin residents age 65 and older is projected to reach **1,535,500**³
- By the year 2022 the need for personal care workers is projected to increase **26.4%**⁴



Why Is There A Crisis?

Caregivers are leaving health care or not seeking certification

- **67%** of providers said personal caregivers left for jobs outside of health care
- An estimated **10,700 personal caregivers** may have left for jobs outside of health care in the past year²
- **27.1% decline** in the number of first time registrants to the Wisconsin Nurse Aide Registry since 2012⁵



Competition for workers is intense and the workforce is changing

- Providers reported a median hourly wage of \$10.75 for direct care workers compared to \$12.00 per hour for local, non-health care employers seeking unskilled, entry level workers
- **1 in 3** survey respondents are in markets where non-healthcare employers are paying a starting hourly wage of \$13.00 and higher
- Wisconsin's unemployment rate of **3.1%**⁶ is nearing historic low levels
- **53%** of licensed practical nurses are age 50 and older⁷ while **1 in 3** registered nurses are planning to leave the profession in the next 4 years⁸

Providers Are Trying to Cope

- **1 in 4** (25%) providers have limited admissions in the past year because of staffing vacancies compared with 18% in 2016
- Providers are limiting benefits to save money – **75%** do not offer health insurance to part-time employees compared with 50% in 2016
- **1 in 3** providers estimated at least 10 of their staff were relying on BadgerCare Plus, the state's Medicaid health insurance program for low-income persons (1 in 4 in 2016)
- **84%** of the time providers rely on overtime, double shifts, and other financial strategies to fill open hours – expensive options that can lead to caregiver burnout
- Survey respondents reported working with fewer staff than they would prefer



The research validates what providers are saying:

- The staffing crisis is worse today than it was in 2016: 1 in 5 providers are experiencing caregiver vacancy rates of 30% and higher
- There is stiff competition for entry level workers due to record low unemployment and the increasing demand for long-term and residential care services
- It's difficult to compete with other employers: 30% of providers are in markets where starting wage for non-health care workers is \$13.00 and higher
- No one is even applying: more than 50% of the time there are no applicants for open caregiver positions
- Caregiver burnout is a real concern as providers attempt to fill staffing vacancies with short term solutions such as overtime and double shifts

We can all agree...

- Wisconsin residents living in long-term and residential care facilities deserve to be treated with dignity and respect
- Residents depend on the caregivers who work in these facilities
- Caregivers are responsible for the care, service, support, and safety of residents
- The work of caregiving is often difficult and demanding
- Caregiving is not something everyone can do and those who do the job are special people

What must be done to assure there are enough caregivers?

- 2017 legislative action to increase reimbursement for long-term and residential care providers combined with the implementation of the WisCaregiver Careers program was a good start but the continued staffing crisis requires continued legislative action
- Increase the number of people entering caregiving careers
- Recognize and celebrate the work of caregivers
- Promote caregiving as a meaningful and rewarding profession

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Glossary

Assisted living includes adult family homes, community based residential facilities, residential care apartment complexes, and supportive living apartments

Caregivers include registered nurses, licensed practical nurses, certified nursing assistants, persons with CBRF certification, resident assistants, and other direct and personal care workers

Long-term and residential care providers include adult family homes, community based residential facilities, residential care apartment complexes, skilled nursing facilities, and supportive living apartments

Personal caregivers include certified nursing assistants, persons with CBRF certification, resident assistants, and other direct and personal care workers

Footnotes

¹ Wisconsin Department of Health Services, Division of Quality Assurance, *State of Assisted Living – CY 2017, March 2018*

² Disability Service Provider Network, LeadingAge Wisconsin, Wisconsin Health Care Association / Wisconsin Center for Assisted Living, Wisconsin Assisted Living Association, *2018 Workforce Survey, April 2018*

³ Wisconsin Department of Administration Demographic Services Center, *Wisconsin's Future Projections for the State, Its Counties and Municipalities, 2010 – 2040, David Egan-Robertson, UW-Madison Applied Population Laboratory*

⁴ Wisconsin Department of Workforce Development, Office of Economic Advisors, *Wisconsin Long Term Occupational Employment Projections, 2012-2022, August 2014*

⁵ Wisconsin Department of Health Services, Division of Quality Assurance, Office of Caregiver Quality, 2017

⁶ United States Department of Labor, Bureau of Labor Statistics (www.bls.gov/eag/eag.wi.htm)

⁷ Wisconsin Center for Nursing, *Wisconsin LPN Workforce Survey, 2015*

⁸ Wisconsin Center for Nursing, *Wisconsin RN Workforce Survey, 2016*