

Issue Brief

Workforce Shortage

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America is experiencing a critical shortage of workers who provide direct support and care in health care and human service settings. Nursing homes, hospitals, residential care for children, youth, and those with disabilities, as well as child welfare and child day care providers are facing severe challenges in finding and keeping staff.

In the long-term care arena, over four million long-term care consumers rely in part or exclusively on paid caregivers. These direct care workers include over two million aides, personal assistance workers and direct support professionals, plus more than 500,000 nurses who support those living in their homes, in assisted living facilities, group homes and nursing homes.

Health care providers have recently documented unprecedented rates of vacancies and turnover among direct care staff. Nearly 100,000 caregiver positions are vacant in nursing homes alone. Turnover rates are over 100 percent in some communities of care, greatly impacting consumers, providers and workers. Currently, 15 percent of staff nurse (RN) positions are vacant, over 13 percent of Licensed Practical Nurse (LPN) positions are vacant, and over eight percent of Certified Nurse Aide (CNA) positions are vacant.

In hospital settings, one out of every three nurses under age 30 are planning to leave their current job in the next year. There are currently 126,000 nurse vacancies in hospitals. A national survey found that in 42 states nurse aide recruitment and retention were major issues. The shortage of qualified, committed direct care workers is likely to worsen as the baby boomers age and middle age women who currently fill many of these jobs retire.

There are many reasons why organizations are having problems with recruitment and retention:

- Wages are often low and benefits can be poor.
- There are limited opportunities for advancement.
- Workers report that often they do not feel valued or respected by employers and supervisors.
- Job preparation, continuing education and training fail to prepare paraprofessional workers for what they face in caring for people with complex needs.
- Workers often are excluded from decision-making involving patient care.

Low wages and the availability of other jobs that are less demanding and higher paying have been some of the primary reasons why there is such high turnover. Over the past decade, both the dollar amount and the percentage increase in hourly wage rates for direct support workers have been far below that of comparable job categories as well as the national minimum wage. Many direct support workers are not offered health insurance as the skyrocketing cost of health insurance premiums prevents agencies from improving their benefit offerings. The demand for direct support workers continues to increase faster than the civilian labor force and is compounded by an aging population and an increase in individuals seeking support services.

Possible Legislative Solutions

There are many legislative approaches that address the workforce shortage. An innovative approach is legislation that was introduced in the last Congress, *The Direct Support Professionals Fairness and Security Act of 2004* (H.R. 5197). H.R. 5194 was introduced by Reps. Terry (R-NE) and Capps (D-CA) and would provide temporary assistance to states that choose to participate to achieve pay parity between public and private direct support workers. The bill would provide up to five years of temporary assistance in increased Medicaid funding for states. States would give funds to increase the wages of private direct support workers providing help to people with disabilities and in long-term care settings. The bill includes an increased federal matching rate to states (FMAP) and would create parity between public and nonprofit workers.

H.R. 5194 will be reintroduced in the 109th Congress soon. For further information on the bill, go to www.ancor.org.

Other legislative approaches include legislation that would pay for faculty development, minority recruitment, and student loan forgiveness. Bills also would offer wage and benefit innovations and identify and encourage duplication of model programs. Legislation also has proposed funding public service announcements, nursing recruitment grants and career ladder grants.

Stay tuned to *LSA Washington* for more updates on workforce legislation.

Useful Websites

The Paraprofessional Healthcare Institute is a national nonprofit health care employment development and policy organization, based in the South Bronx, New York City. They believe that creating quality jobs for direct care workers is essential to the provision of high quality, cost-effective services to long-term care consumers. The PHI website includes creative ideas to address the workforce crisis, reports, and links to other on-line resources. www.paraprofessional.org.

Better Jobs Better Care is a research and demonstration program funded by The Robert Wood Johnson Foundation and The Atlantic Philanthropies. Its goal is to achieve changes in long-term care policy and practice that help to reduce high vacancy and turnover rates among direct care staff across the spectrum of long-term care settings and contribute to improved workforce quality. Better Jobs Better Care will test new approaches to providing a more stable and qualified long-term care staff and systematically evaluate what works best to achieve this objective. www.bjbc.org.

The Institute for the Future of Aging Services bridges the three worlds of research, practice and policy to help redefine the very nature of quality aging services. Based on rigorous, objective research, IFAS identifies models of care and best practices that can be replicated by aging services organizations around the country. IFAS has four signature areas: creating an informed citizenry; advancing quality in aging services; developing a long-term care workforce; and redefining housing and living communities. IFAS is housed within the American Association of Homes and Services for the Aging. <http://www.futureofaging.org/>.

The Workforce Alliance is a national coalition of local leaders advocating for federal policies that invest in the skills of America's workers--including those who are low-income, unemployed, or seeking advancement--so they can better support their families and help American businesses better compete within today's economy. The Workforce Alliance produces policy analysis on issues such as the Workforce Investment Act and the website has an advocates clearinghouse. www.workforcealliance.org.

