



LONG-TERM CARE

**WORKFORCE**

ROADMAP

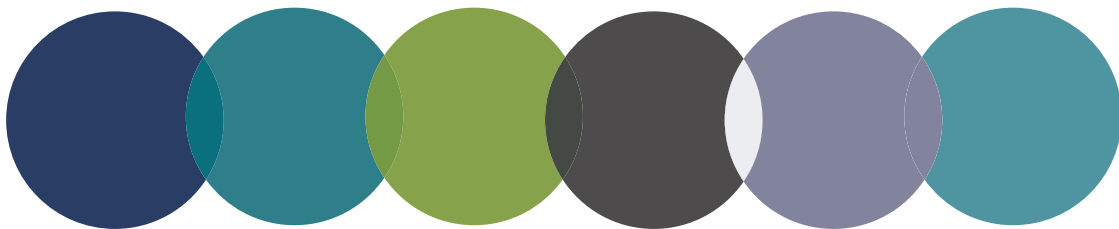


IOWA HEALTH CARE ASSOCIATION



# TABLE OF CONTENTS

Overview	2
Financial Challenges	4
Regulatory Uncertainty	4
Training Resource Gaps	5
Next Steps	
Financial	6
Regulatory	7
Education	8
Citations	9



*For more information, please visit our website at [iowahealthcare.org/WORKFORCE](http://iowahealthcare.org/WORKFORCE).*

# Iowa Long-Term Care Workforce Roadmap

*An analysis of the long-term care workforce crisis and actions to meet the challenge*

**Today, Iowans have access to a continuum of long-term care service options** to meet any level of care needed, including **138 certified home health agencies, 375 assisted living programs and 425 skilled nursing facilities**. Assisted living programs and skilled nursing facilities **care for nearly 30,000 Iowans**, and even more Iowans are cared for by home health agencies. In 2021, Iowa nursing facilities alone administered more than seven million days of care to vulnerable Iowans. Iowa long-term care providers have consistently outperformed the nation on Centers for Medicare and Medicaid Services (CMS) Five-Star Quality ratings for nursing home care. Iowa is four percentage points higher than the nation for the number of top level five-star facilities.

More Iowans also have a need for post-acute care than many other states due to the state's aging population. **The state ranks 17th nationwide for the percentage of its population that is age 65 or older**. Over half a million people in Iowa are over 65, and it is estimated that population will account for over 20% of the total state population by 2050. Based on the percentage of Iowa's population that has historically used long-term care services and support, the Iowa Health Care Association (IHCA) projects that **demand for long-term care services and support will increase by 16.7% by 2030, and that by 2035 an additional 17.6% increase is anticipated**. These projection models show that at current licensed bed capacity, the need for long-term care will surpass available beds by 2035.

**We are fast approaching a point where access to long-term care for those who need it is at risk** thanks to a rapidly eroding workforce situation, which is seeing caregivers leave the workforce at a time when more caregivers are necessary to meet demand.

## An IHCA survey of Iowa's long-term care providers conducted in December 2021 shows:

- **18.5% of facilities are facing a staffing crisis** right now, with numerous open shifts and few to no qualified candidates. Another **49.7% say** their staffing situation is concerning and **they need more staff**.
- The **most in demand positions** (those with the most openings) are **Certified Nursing Assistants (CNAs)** (2,871 openings), **Dietary staff** (1,419 openings) and **Registered Nurses (RNs)** (999 openings).
- **72% say** the primary **reason for losing staff has been** the inability to compete with **more enhanced pay offered elsewhere**.
- **82% have instituted pay increases** and **77% have implemented bonuses** to address workforce challenges. **56% have instituted shift differential pay** and **53% have offered sign on bonuses**.
- **50% are paying additional fees to utilize contract/agency staff** to fill staffing gaps. At the same time, **58% of providers say they have lost staff to staffing agencies**. Iowa long-term care providers spent more than \$80 million on staffing agency utilization in 2021, up 58.19% from 2020.
- **91% of providers have had to ask staff to work overtime** or take extra shifts. **72% providers also say that burnout and stress** has been a **contributing factor to workers leaving**.
- **44% of Iowa providers have** either **reduced or limited admissions** due to staffing shortages.

## These survey findings also align with macroeconomic trends in the sector:

- Since the beginning of the COVID-19 pandemic in early 2020, nursing home employment has dropped by 15% nationwide and by 11.9% in Iowa, a reduction of 1,900 Iowa direct care workers. Unlike other employment sectors, nursing homes and assisted living communities have yet to fully recover those job losses, which include:
  - 371 fewer RNs, down 11.3%
  - 167 fewer LPNs, down 7.3%
  - 1,362 fewer CNAs, down 13.2%
- 86% of nursing homes say their workforce situation has gotten worse over the last three months and 78% of nursing homes are concerned workforce challenges might force them to close, according to an American Health Care Association (AHCA) survey.
- According to National Healthcare Safety Network (NHSN) data, between 30-50% of Iowa facilities consistently reported staffing shortages throughout the pandemic, compared to an average between 15-20% for the rest of the nation.
- Nearly half (49%) of nurses are likely to leave nursing in the next two years, and 31% plan to leave health care altogether, according to a ShiftMed Nursing Survey.
- Five of Iowa's top-10 job postings are for health care careers, with registered nurses and nursing assistant jobs topping the list. The U.S. Bureau of Labor Statistics projects the need for 1.1 million more nurses nationally by 2030.

## We must act.

If we turn a blind eye to these issues and take the path of inaction, Iowans will be left with fewer long-term care options and less access to care. If we act now, working together with policymakers, regulators and care providers, to chart a path forward to address these challenges, we can ensure Iowans have continued access to quality long-term care for generations to come. This report includes an analysis of the financial, regulatory and educational challenges that have contributed to the current health care workforce crisis in Iowa and recommendations to assist policymakers, regulators and care providers with charting the path forward.

## How did we get here?

**Financial Challenges** - The financial state of the sector is precarious, driven largely by revenue losses and dramatically increasing labor costs throughout the pandemic.

- **Lost Revenue** - With declines in patient census nationwide (85.0% in January 2020 to 72.6% in August 2021), the nursing home sector faced \$11.3 billion in losses in 2020 and is projected to experience \$12.7 billion in losses in 2021 according to analysis by AHCA. In Iowa, COVID-19 reduced nursing home occupancy by 15%, of which only 6% has been recovered (less than half). Today, Iowa nursing homes are averaging 69.6% occupancy rates, compared to a pre-pandemic average of 78%. This decline in census leaves the Iowa nursing home industry with over \$148 million in losses in 2020, and is projected to be over \$131 million in losses in 2021, according to a state-level analysis by the IHCA.
- **Increased Costs** - Labor costs are skyrocketing as facilities continue to combat COVID-19 in their buildings. AHCA estimates that the average percentage increase in labor-related costs was 18% from 2019 to 2020. The IHCA estimates that Iowa providers have faced an average 11.9% increase in labor costs from 2019 to 2020. An IHCA survey shows that 82% of Iowa providers have increased wages, 77% have provided bonuses, and 50% have paid additional fees to utilize agency staffing to combat workforce shortages. From 2020 to 2021 Iowa providers experienced a 54% increase in agency utilization, resulting in approximately over \$96,000 per facility in added costs. The estimated contract labor (agency) costs for Iowa's nursing homes utilizing agency in 2021 was around \$85 million.
- **Bottom-line Impact** - The loss in revenue and increase in expenses is having a direct impact on access to care. An AHCA analysis shows that since January 2020, there have been 250 buildings nationwide that have closed their doors. In the first half of 2021, out of the 68 buildings that have closed 52% of those buildings had five-star RN ratings (CMS CASPER and Care Compare Data). This shows that the closures due to COVID-19 are not discriminatory, and many high-quality facilities are on the brink of closing their doors for good. There are currently at least 25 Iowa nursing homes at risk of closing due to the financial ramifications of the pandemic the past two years. The majority of these homes are located in Iowa's rural communities.

**Regulatory Uncertainty** - Since the beginning of the pandemic, providers have faced an onslaught of fast-changing and conflicting regulatory directives that have only compounded the staffing crisis.

- **Visitation Rules** - The landmark CMS rule first issued in March 2020 to prohibit visitation to nursing homes has been revised multiple times throughout the pandemic, including September 2020, March 2021 and November 2021.
- **Testing Rules** - CMS testing requirements also have been revised multiple times, including August 2020 and September 2021. In addition, providers have had to contend with limited testing supplies and increasing supply costs to comply with the changing rules.
- **Personal Protective Equipment (PPE) Usage Rules** - Requirements on PPE usage also has changed numerous times during the pandemic, and as with testing supplies, providers faced PPE supply chain issues and increased costs to comply.

- **Vaccination Rules** - Most recently, care providers have faced navigating the uncertainty of how different CMS and Occupational Safety and Health Administration (OSHA) vaccine mandates would be applied to them if enacted, and saw different rules enacted for different states by different district court cases, until ultimately the Supreme Court weighed in on the mandates. The months-long regulatory and legal process only compounded staff fears of what was to come, and it is still unknown how many long-term care jobs will be lost because staff choose to leave the health care profession rather than comply with a vaccine mandate.
- **Reporting Rules** - With every new requirement, came additional reporting requirements as well. Throughout the pandemic reporting requirements changed and grew to include not only case counts, but also staffing levels, vaccination rates and more. In all, providers must report on more than 300 data fields in the NHSN system every week. At the same time, there have been countless technical issues and system difficulties with the required reporting system.
- **Outdated Public Policy** - Public policy has not kept up with the changes in the arc of the pandemic and is not reflective of the reduced severity of the disease today, which has contributed to the flight of staff from the long-term care sector.

**Training Resource Gaps** - The pandemic has created a need for access to additional training avenues to meet new training needs. At the same time, the cost of training is unattainable for many who want to join or stay in the health care profession.

- **Training Access**

**CNA Training** - As CNA turnover rates grow, the need to train new aides grows as well. Turnover rates for CNAs in nursing homes has reached its highest point over the past decade in 2021, according to an analysis by the Hospital & Healthcare Compensation Service, with a 51.38% turnover rate.

**Temporary Nurse Aide (TNA) Training** - During the pandemic, Iowa has trained over 3,000 TNAs, and the IHCA survey shows 74% of Iowa nursing homes have relied on TNAs to meet staffing needs. Providers estimate 87% of these TNAs could convert to fill CNA positions with additional training.

**Certified Med Aide Training** - The same IHCA survey shows 83% long-term care providers are using Certified Med Aides to help with staffing needs. At the same time, 31% say community colleges are not meeting their training needs in this area due lack of class frequency or classes being held at inconvenient times (97%), no virtual or on-demand options for training (48%) or classes being cancelled (24%).

- **Funding Gaps** - Almost 70% of nursing students take on student loan debt to finance their degrees, and many can end up with \$40,000 to \$55,000 in student loan debt upon their degree completion, according to data from the National Student Nurses' Association.

## Next Steps — A Comprehensive Response

This multi-faceted strategy includes action items for policymakers, regulators, care providers and industry partners to tackle the financial, regulatory and training challenges that exist today and to build a strong long-term care workforce for Iowa's future. Adequately funding long-term care programs for Iowans relies on a number of important funding avenues, including state legislative rebase funding, state and federal grant funding opportunities, such as Civil Money Penalties (CMP) grants, and philanthropic initiatives undertaken by organizations including the Iowa Health Care Association Foundation. By fully leveraging all funding avenues available to support long-term care, we can make the resources necessary to retain and attract an adequate workforce a reality.

---

### Financial Strategy – Provide financial assistance to support care providers.

---

- **Adequately fund skilled nursing facility Medicaid, Home- and Community-Based Services (HCBS) Elderly Waiver and home health Low Utilization Payment Adjustment (LUPA) rates.** IHCA estimates that in 2023 when the state next resets skilled nursing facility Medicaid rates, Iowa will face a \$60 million state-share shortfall in the program. HCBS elderly waiver and home health LUPA rates face similar pandemic-related pressures.
- **Provide assistance programs and retention bonuses for long-term care workers.** Assistance programs could include affordable housing, childcare credits, and tax credits. Retention bonuses could be offered to staff who have worked in long-term care during the COVID-19 response. An allocation of \$40 million could provide \$800 per employee in tax credits and/or retention bonus pay to existing long-term care staff.
- **Provide funding for technology improvements** to assist staff with reporting to public health, coordination of follow up on positive COVID-19 cases detected, or tools that assist in the rapid identification/monitoring of potentially infectious diseases. An allocation of \$2.7 million would provide approximately \$3,000 per provider to implement technology improvements.
- **Offer funding for respiratory fit testing**, to help cover costs to ensure employees are appropriately fit tested for an appropriate respirator if it is anticipated they may care for persons known to have COVID-19 as part of their job duties.
- **Provide funding for PPE and testing supplies for facilities conducting point of care (POC) COVID-19 testing.** Funds may be used to purchase PPE necessary for staff to safely conduct testing, or to provide on-site POC testing supplies in the event federal or state government cease providing supplies. An allocation of \$25 million would provide weekly PPE and testing supplies for a period of one year.
- **Provide funding for nurse consultant services** for any facility to obtain nurse consultant services related to revising or auditing their Infection Prevention and Control Program, or for assistance with State Survey Agency Plan of Correction and monitoring for substantial compliance. An allocation of \$3.6 million would allow 200 independent nursing facilities to obtain nurse consultant services.

---

## **Regulatory Strategy** – Implement regulatory solutions to improve person-centered care.

---

- **Promote accountability for nursing staffing agencies** by developing regulatory measures to ensure staffing agency standards of accountability and to protect consumers from anti-competitive and unfair practices regarding agency staffing.
- **Support legislation eliminating the use of non-compete agreements for front line staff members**, requiring staffing agencies to register with the state, establishing rate transparency among agencies who rely heavily on state- and federal taxpayer dollars for their revenue streams, and establishing a complaint process to root out bad actors.
- **Permit CNA students to work in facilities as nurse aide apprentices** by allowing students actively enrolled in CNA coursework to work in nursing facilities as nurse aide apprentices until their required coursework is completed.
- **Expand the use of telehealth for medically appropriate services**, by codifying the Governor’s current public health emergency proclamation that permits services that, by definition, are direct contract services and are typically rendered in person to be rendered via telehealth where clinically appropriate.
- **Expand the scope of support Licensed Practical Nurses (LPNs) provide in home health and assisted living programs**, such as permitting LPNs to conduct supervisory visits for patients whose care is performed by a home health aide and permitting LPNs to serve in assisted living programs in the same capacity as they do in skilled nursing facilities with the same educational requirements.
- **Create flexibility for home health providers** by permitting home health clients to designate agency staff, who may not be certified, but will have had home health experience in providing care, in lieu of a family member or friend.



---

**Training and Education Strategy** – Expand access to education and training for the future workforce.

---

- **Create a long-term care student loan forgiveness program** to alleviate student loan debt for nurses to focus on caregiving instead of worrying about making financial ends meet due to excessive student loan debt. This program could be offered for new graduates working in long-term care and subsidies for higher learning institutions whose graduates work in nursing homes, or for HCBS providers, including training for assisted living programs and home health agencies offering care for individuals in home and community-based settings.
- **Expand CNA training and testing opportunities.** Permit non-profit training providers to offer the training that is approved by the Iowa Department of Inspections and Appeals (DIA) and testing for CNA training.
- **Provide tuition funding for CNA training** for any staff member for the successful completion and earning of their CNA certification. Such a program could fully cover the costs of CNA training and testing (estimated at \$700 per student) and include a retention bonus for CNAs who serve in long-term care settings for at least six months upon completion of training.
- **Expand those medical professionals permitted to qualify as nursing instructors** from only those holding a Master of Science in Nursing to also include those holding a Bachelor of Science in Nursing.
- **Remove continuing education unit (CEU) cost barriers** to staff recruitment and retention by establishing a continuing education certification and training support fund for health care workers to achieve required CEUs allowing them to continue to care for vulnerable Iowans. On average, long-term care administrators are required to earn up to 20 CEUs per year; RNs and LPNs are required to earn up to 12 CEUs per year, and activity professionals are required to earn up to 10 CEUs per year.
- **Create new Certified Medication Aide (CMA) training opportunities** by authorizing non-profit training providers to create CMA training curricula for approval by the DIA and to offer training on demand to accommodate work schedules and to increase the number of CNAs qualified to perform both the duties of the CNA and CMA roles.
- **Expand access to LPN training programs** by permitting non-profit training providers to offer LPN training/certification/licensure.
- **Grow scholarship programs for long-term care** available through the IHCA Foundation, by developing a new IHCA Foundation program or substantially expand an existing program to meet current workforce needs, including expanding scholarships for current long-term care workers, high school students, veterans and rural community members.
- **Fund and create a workforce recruitment marketing campaign** for long-term care in Iowa to help providers to compete for skilled workers by educating prospective employees on career opportunities available in long-term care.

American Health Care Association / National Center for Assisted Living. "Survey: Nearly Every U.S. Nursing Home and Assisted Living Community is Facing a Workforce Crisis." September 22, 2021.

<https://www.ahcancal.org/News-and-Communications/Press-Releases/Pages/Survey-Nearly-Every-U-S--Nursing-Home-And-Assisted-Living-Community-Is-Facing-A-Workforce-Crisis.aspx>

American Health Care Association / National Center for Assisted Living. "Long Term Care Labor Crisis is Here Now and is Escalating Rapidly." November 3, 2021. <https://www.ahcancal.org/News-and-Communications/Press-Releases/Pages/Long-Term-Care-Sector-Continues-To-Battle-Worsening-Workforce-Crisis.aspx>

American Health Care Association / National Center for Assisted Living. "Report: Nursing Homes Down 221,000 Jobs Since Start of Pandemic." November 10, 2021. <https://www.ahcancal.org/News-and-Communications/Press-Releases/Pages/REPORT-Nursing-Homes-Down-221,000-Jobs-Since-Start-Of-Pandemic.aspx>

American Health Care Association / National Center for Assisted Living. "Letter to Federal Trade Commission." October 19, 2021. [https://www.ahcancal.org/News-and-Communications/Fact-Sheets/Letters/AHCA\\_NCAL%20FTC%20Staff%20Agency%20Letter%2010.19.21.pdf](https://www.ahcancal.org/News-and-Communications/Fact-Sheets/Letters/AHCA_NCAL%20FTC%20Staff%20Agency%20Letter%2010.19.21.pdf)

American Nurses Association. "Workforce Report." <https://www.nursingworld.org/practice-policy/workforce/>

Iowa Health Care Association. "Iowa occupancy decline during the pandemic; analysis of National Health Safety Network data." January 2021.

Iowa Health Care Association. "National Health Safety Network COVID Key Data Summary - Weekly Update." 2020-2021.

Iowa Health Care Association. "Workforce Survey." December 2021.

Iowa.gov. "Building Iowa's Health Care Workforce." <https://governor.iowa.gov/basic-page/building-iowa%E2%80%99s-health-care-workforce>

Nurse Journal. "Student Loan Forgiveness for Nurses / National Student Nurses' Association Student Loan Debt Study." October 14, 2021. <https://nursejournal.org/resources/student-loan-forgiveness-for-nurses/>

McKnights Senior Living. "CCRCs challenged by caregiver turnover, but nursing homes have it worse: report." September 22, 2021. <https://www.mcknightsseniorliving.com/home/news/ccrcs-challenged-by-caregiver-turnover-but-nursing-homes-have-it-worse-report/>

ShiftMed. "ShiftMed's Annual State of Nursing Report Finds 49% of Nurses Surveyed Likely to Quit in Next Two Years, Worsening Shortage." October 19, 2021. <https://www.prnewswire.com/news-releases/shiftmeds-annual-state-of-nursing-report-finds-49-of-nurses-surveyed-likely-to-quit-in-next-two-years-worsening-shortage-301402703.html>

State Data Center of Iowa & The Iowa Department on Aging. "Older Iowans: 2020." May 2020. <https://www.iowadatacenter.org/Publications/older2020.pdf>