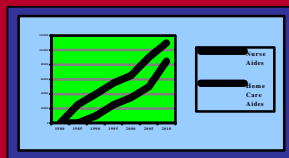


A REPORT TO THE
PENNSYLVANIA INTRA-GOVERNMENTAL
COUNCIL ON LONG TERM CARE

Executive Summary



PENNSYLVANIA'S
FRONTLINE

WORKERS IN
LONG TERM CARE

THE PROVIDER ORGANIZATION PERSPECTIVE

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**PENNSYLVANIA INTRA-GOVERNMENTAL COUNCIL
ON LONG TERM CARE**

**Pennsylvania's Frontline Workers
in Long Term Care**

THE PROVIDER ORGANIZATION PERSPECTIVE

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Pennsylvania's Long Term Care Workforce

Preface

Pennsylvania and the nation are experiencing a severe shortage of frontline workers in long term care. In response, the Pennsylvania Intra-Governmental Council on Long Term Care has undertaken a broad initiative to understand the extent of the problem of recruitment and retention and to gather information that can lead to strategies to improve the situation. The initiative involved the commissioning of two parallel efforts: one seeking information directly from the workers; the other seeking the experience of the provider organizations. Reports of both efforts will be submitted to the Council for consideration.

The report summarized in this publication, as the title implies, presents the findings from the study examining the problem from the provider organizations' perspective. This report would not have been possible without the cooperation of the Commonwealth's long term care industry. The Council wishes to express its thanks to the administrators who took the time and the effort to participate and to thank the trade associations representing all aspects of Pennsylvania's long term care industry for their extensive and conscientious efforts to encourage their members to participate in the study. We would also like to thank the research team at the Polisher Research Institute at the Philadelphia Geriatric Center for their efforts in successfully conducting the study. Finally, thanks to the Work Force Issues Work Group which provided the impetus and guided the efforts to completion.

To fully understand the dimensions of the workforce issues, readers are encouraged to examine the results from the companion effort which has been compiled into a report entitled, "In Their Own Words: Pennsylvania's Frontline Workers in Long Term Care." Copies of that report are available from the Council.

Speaking for the Council, I hope that you will find both reports of great value. Should you have any questions about either report, please do not hesitate to contact me.



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Pennsylvania's Long Term Care Workforce

Executive Summary

Study Purpose and Auspices

Finding and retaining frontline workers in the long term care industry (i.e., paraprofessional direct care workers such as nurse aides, home health aides, and personal care attendants) is a rapidly growing problem in the Commonwealth of Pennsylvania as it is throughout the nation. A decided change has occurred in the industry. As reports of service cutbacks have spread, concern has shifted. It is no longer limited to the 'quality of care,' but has expanded to include access, and as worker shortages have increased, the concern over access has grown. As a result, the Pennsylvania Intra-Governmental Council on Long Term Care through its Workforce Issues Work Group commissioned a study in the fall of 2000 to better understand the actual dimensions of the problem in the Commonwealth and to generate a range of alternative actions for consideration based on empirical and quantifiable rather than anecdotal information. The present study was part of a larger initiative launched by the Council to study frontline workers in long term care in Pennsylvania. This larger initiative included a series of focus groups with the frontline workers themselves conducted in the fall of 2000. In total 167 frontline workers participated in 15 focus groups conducted across the Commonwealth. Observations from those focus groups were compiled in a companion report entitled "In Their Own Words—Pennsylvania's Frontline Workers in Long Term Care" that is available from the Pennsylvania Intra-Governmental Council on Long Term Care.

Study Goals, Objectives, and Methods

The project goal was to amass factual information and translate it into a range of suggestions that the Pennsylvania Intra-Governmental Council on Long Term Care could use to pinpoint concrete actions. The study consisted of two components: (1) an extensive review of the existing literature and (2) a survey of over 900 long term care administrators. The detailed project report provides a comprehensive description of study methods and findings. The detailed report also contains extensive appendix tables and a copy of the interview instrument used in the survey of administrators. This executive summary contains thumbnail descriptions of the methods and findings and concentrates on the recommendations.

Methods

Review of the Literature

The literature review was comprehensive in its scope. It included a broad range of materials covering issues related to shortages in the availability of frontline workers. The review examined materials from scientific and professional publications, government reports and statistics, as well as materials representing activities undertaken in other states facing the same worker shortages. The review included materials available through the end of November, 2000.

Results from the survey present an accurate picture of the long term care providers in the Commonwealth . . .

The sample reached its goal of 901 completed interviews. The overall response rate was 71 percent. The sample represented 26 percent of all (3,411) providers in the Commonwealth. The overall sampling error for the survey was 4.2 percent. Survey results present an accurate picture of the long term care providers in the Commonwealth and the data can be used with a high level of confidence.

Readers interested in more details about the survey methods should consult the full project report.

Survey of Administrators

The survey collected information on recruitment and retention problems and the strategies employed for dealing with them from administrators representing the long term care industry in Pennsylvania. Of interest were long term care providers serving functionally impaired elderly and non-elderly adults with physical disabilities.

The survey consisted of a 15 to 25 minute telephone interview with administrators. The project assembled a Technical Advisory Panel of experts in long term care, public policy research and quantitative methods to assist in the development of the sample and the survey instrument.

Frontline workers have very high levels of physical and emotional burnout

From the Literature

A great deal of recent attention has been focused on the issues of recruitment and retention among frontline workers in long term care. There is a basic consensus regarding the dimensions and the causes for the shortages. Analysts generally agree that the shortage is significant and, given the dynamics of the age structure, will grow worse over time. The most visible cause for the

shortage is attributed to the strong economy and the accompanying low unemployment levels. But the current shortfall in frontline workers is not simply the temporary result of a robust economy. Rather it is the result of converging forces including major demographic trends, dramatic growth in the long

. . . 42 out of 48 states . . . consider the recruitment and retention of frontline long term care workers a major workforce issue.

term care industry due to the rising demand, changing patterns in the provision and types of available service modalities, as well as underlying factors related to the conditions and the nature of the work itself, a key aspect being low

pay. For example, in Pennsylvania the reported median hourly wage of front-line workers was \$7.76 compared to \$9.21 paid to unskilled factory workers. The literature review in the full report provides many more examples and comparisons, but the message in the literature is very clear. The work is difficult and physically and emotionally demanding. It is low paying and offers few opportunities for career advancement.

The sample of administrators was representative of the entire state, its diverse geographic regions, and its urban and rural communities. It was also representative of administrators at government- and privately operated nursing homes, adult day care centers, home health and home care agencies, centers for independent living, and large and small personal care homes.¹ The field period for the survey was September through December of 2000.

¹ State regulations do not presently distinguish between personal care homes and assisted living facilities.

The work is not attractive compared to many low paying jobs, and those who do enter frontline jobs, experience very high levels of physical and emotional burnout contributing to high levels of turnover.

The shortage of workers and the high level of turnover cause a multitude of problems for the long term care industry. On the most basic level, it is limiting the amount of long term care that the industry can provide and is having a negative effect on quality of care. Furthermore, the high turnover rates are thought to place a considerable financial burden on providers due to high recruitment and training costs.

Many studies report on the actions provider organizations have taken to address recruitment and retention problems. However, the claims of effectiveness of many of these studies should be regarded with caution. Many simply report best-practice models that may not be easily replicated elsewhere. Few of the reports offer or substantiate their claims of effectiveness with conclusive evidence. The strongest case may be made for wage increases and increased worker influence over care planning and work scheduling. Although not conclusive, there is rather strong evidence that wage and benefit levels affects retention and presumably recruitment, and several studies seem to indicate that greater worker involvement in decision-making and care planning is associated with better retention. According to the literature, other provider-level interventions that may be effective include:

- Positive feedback to workers;
- Good training of supervisors;
- Thorough worker orientation programs;
- Efforts to decrease physical strain and work injuries.

Despite the lack of clear evidence as to what to do, it is clear from the literature that the problem of frontline worker shortages is widespread. A recent survey of state administrators showed that 42 out of the 48 responding states consider the recruitment and retention of frontline long term care workers a major workforce issue. Thirty-six states have taken some form of action to try and address worker shortages and 23 states have

Wage ‘pass-throughs’ have been implemented by at least 23 states.

... [survey results found] extensive, reports of worker shortages throughout Pennsylvania ...

implemented “pass-through” wage increases in order to raise the wages of frontline workers. As the full review discusses, states have employed many alternative strategies including:

- Shift differentials;
- Transportation reimbursements;
- Subsidization of training;
- Regulations to establish career ladders.

Although the present economic boom has crystallized the frontline worker shortage, the forces underlying the shortages are not likely to disappear even if the growth of the economy slows and unemployment rates rise. To provide high quality long term care services requires the successful recruitment and retention of a qualified workforce. How to do this effectively is the question.

Many states have implemented programs to correct the shortfall. However, formal evaluations of the effectiveness of these efforts have not been reported so guidance as to what to do remains more a matter of guesswork and the replication of ‘best-practice’ models.

Survey Results

In the late fall of 2000 there were an estimated 94,150 persons employed in frontline jobs across the 3,400 providers comprising Pennsylvania’s long term care industry serving the elderly with functional limitations and adults with physical disabilities. Across these providers there were an additional 11,300 open job positions.²

Frontline workers and vacancies were concentrated in specific types of providers and in specific areas of the state. Nursing homes accounted for 46 percent of the positions and 53 percent of the openings; large personal care homes accounted for 23 percent of the positions and 16 percent of the openings. Home health and home care

² The survey data estimates on the number of nursing and personal care home aides are within two percent of extrapolated projections from Pennsylvania Department of Labor and Industry.

agencies represented 20 percent of the positions and 23 percent of the openings.

Providers in the Northeast region of the state, that is the urban counties of Lackawanna and Luzerne (the Scranton/Wilkes-Barre metropolitan area) and the rural counties of Carbon, Monroe, Pike, Schuylkill, and Wayne, reported the highest job vacancy rate, on average, over 16 percent. Providers in the Southeast, the region encompassing the Philadelphia metropolitan area, reported an average vacancy rate of nearly 11 percent. The 4,500 job openings in this area accounted for fully 40 percent of the open positions in the state. The Southwest, the area containing the Pittsburgh metropolitan area accounted for 21 percent of the open positions in the state.

The full report provides a detailed profile of the frontline workforce covering:

- Full/part-time makeup of the workforce;
- Worker job tenure;
- Entrance requirements;
- Levels of Formal Training
- Wages and benefits;
- The Welfare to Work Program;
- Act 169 Criminal Background Check;
- Perceived changes in job performance of new workers.

Reported Worker Shortages

Frontline worker jobs, as previously indicated, are concentrated in specific types of providers and in specific state regions. The providers and regions that constitute the greatest proportion of the frontline workforce reported significant degrees of worker shortages. Over 77 percent of the privately operated nursing homes, the single largest sector of industry, reported shortages and 12 percent reported that the shortages were severe. Over 71 percent of the home health and home care agencies, a segment accounting for 20 percent of frontline worker jobs also reported shortages, with 18 percent reporting them to be severe.

... 77 percent of privately operated nursing homes, [and] 71 percent of the home health and home care agencies, reported frontline worker shortages ...

The significance of these shortages becomes clearer by examining job vacancy levels. Across the state there was a job vacancy rate of about 11 percent. Rates were highest among nursing homes and home health and home care agencies. Combined, these three provider types represented 65 percent of all the reported vacancies. There was also considerable variation within the same types of providers. Over 18 percent of nursing homes and more than 26 percent of home health and home care agencies had job vacancy rates exceeding 20 percent.

Several regions contained disproportionately high percentages of providers with vacancy rates exceeding 20 percent: 21 percent in the Northeast, 19 percent in the Central, and 18 percent in the Lehigh Valley. In the Southeast region, the region representing 30 percent of all state providers, 16 percent were operating with job vacancy rates exceeding 20 percent.

Summarizing the findings on workforce shortages and job vacancy levels: first, although shortages are not universal they are extensive across many types of providers and across many regions in the state. Secondly, the levels of shortages among providers are more heavily concentrated among certain types of providers and in certain regions. Third, although all nursing homes appear to suffer from chronic worker shortages, the privately operated nursing homes appear to be more acutely affected by worker shortages and home health and home care providers appear to be experiencing the greatest level of worker shortages.

Reported Worker Recruitment and Retention Problems

Nearly 70 percent of providers reported significant problems with either recruitment or retention and 35 percent reported that the problems were extreme. Most of the providers reporting very serious recruitment and retention problems indicated the problems have worsened over the last 2 years. Additionally, more providers in the Lehigh Valley, Northwest, and Central regions reported serious problems than in other areas of the state.

Between the two problems, serious recruitment problems were more frequently reported. Across all providers, 32 percent reported very serious recruitment problems but only 13 percent reported very serious retention problems. Among the different types of providers, serious problems were most frequently reported by home health/home care agencies and privately operated nursing homes. Forty-five percent of the certified home health agencies reported serious recruitment problems; 17 percent reported serious retention problems. Reported levels for privately operated nursing homes were 39 and 18 percent, respectively.

Forty-five percent of the certified home health agencies reported serious problems with recruitment . . .

Recruitment and retention problems overlap in some providers: ten percent simultaneously reported extreme problems in both and 42 percent reported a combination of significant problems in both. Although they overlap, the problems of recruitment and retention operate somewhat independently of one another and appear to result from different causes.

Recruitment problems appear to be much more sensitive to the local unemployment rates and more closely tied to the levels of competition for a more limited pool of available female workers between the ages of 25 and 54. Increased levels of retention problems were more related to higher levels of competition between local long term care providers, as measured by wage competition. It also appears that retention problems were more closely associated with the way providers operated their businesses. As will be discussed, some providers simply run their operations in a way that makes working conditions more attractive to their workforce and as a result, have fewer problems with retention.

Broader Barriers to Recruitment and Retention

The issues of unemployment rates, local area wage rates, and the availability of potential workers are beyond the control of administrators. However, these 'larger community issues' have a direct effect on recruitment and retention problems.

County Level Unemployment

Of these broader issues, local unemployment rates appeared as the single most important factor. The 25 percent of providers that faced the lowest local unemployment rates were significantly more likely to report very serious recruitment problems. The relationship between unemployment levels and retention problems were not as strong but there was a pattern of increasing retention problems with falling unemployment.

Despite these clear patterns, unemployment rates alone are not driving staff shortage levels or problems with recruitment and retention.

Effect of County Level Age Structure

Women, age 18 to 54, comprise the vast majority of frontline workers in long term care. As the size of this group of potential workers decreases relative to the number of persons 65 and older, the greater the problems in recruitment and retention. Analyses indicated that the age structure in local areas has an impact on recruitment but the relationship is not the predominant factor is determining labor force shortfalls. Unemployment is more clearly related to recruitment and retention problems.

Consequences of Staff Shortages

Of providers reporting staff shortage, 75 percent increased their use of overtime, 29 percent reported increased use of independent contractors or agency personnel, and 25 percent reported service cutbacks.

Provider Operations

Consequences differed dramatically by provider type and region. Ninety percent of the nursing homes and 82 percent of the large personal care homes reporting shortages increased their use of overtime. As could be expected, the prolonged periods of overtime added to retention problems.

Access to Care

The data showed that staff shortages reduced access, particularly among home health and home care agencies. Seventy percent of home care providers reported staff shortages, and of those, 65 percent reported cutbacks in service. This means that across all home care providers, 46 percent reported service

cutbacks. Since home care is one of the fastest growing segments of the long term care industry both for the nation as well as for Pennsylvania, and the type of service most preferred by consumers, such cutbacks demand attention and must command a response.

Service cutbacks also more strongly affected certain regions. With the exception of the Southwest region encompassing the Pittsburgh metropolitan area, at least 10 percent of all providers reported service cuts. However, more than 20 percent of providers in the Southern Alleghenies, Northeast, and Lehigh Valley regions reported service cuts.

... across all home care providers, 46 percent reported service cutbacks . . .

Quality of Care

Quality of care is also an important outcome. The survey did not attempt to directly collect information on quality, but the increased use of independent contractors and personnel from temporary employment agencies has decided implications on service quality. The literature on the quality of care repeatedly makes references to the negative influence the use of 'agency personnel' has on quality. Similar information has been obtained in focus groups of direct care staff. Privately operated nursing homes and Centers for Independent Living turned to outside personnel much more frequently as did providers in the Southcentral and Southeast regions. The over reliance on outside personnel has to be considered as an important 'red flag' and could be used as a quality indicator by consumers in choosing which providers to use.

directly related. The average training cost for a new worker at nursing facilities was \$1,096. Excluding nursing homes the average cost was \$460.

Across all providers, the estimated total annual (recurring) cost of training due to turnover in 2000 was at least \$35 million. Nursing homes accounted for \$23.9 million; and home health/home care accounted for \$4.8 million. Because the number of workers and the mix of provider types within regions vary, the distribution of annual training costs due to turnover also varied across regions. The regions encompassing the large metropolitan areas accounted for 75 percent of the costs.

In addition to the training costs due to turnover, there is the need to pay training costs for filling the large number of currently open jobs. Statewide, this one time training cost is estimated at \$13.5 million. Again, the amounts vary greatly across different types of providers and across different regions.

Because there is no training parity across providers under normal operations, in times when extraordinary levels of training are required, those providers that typically carry the bulk of the training burden, principally nursing homes in the case of Pennsylvania, end up carrying additional training liability. It could well be imagined that in such unusual circumstance, the extra training burdens affect other aspects of provider operations. In the end, such consequences have the potential of reducing the overall quality of care.

Lack of Parity in Training, the Cost Of Turnover, and the Impact on Providers

Levels of formal training for new workers and their related costs vary greatly by type of provider primarily because state and federal regulations mandate training levels only for nursing homes. On average, government operated nursing facilities reported providing 105 hours of formal training; privately operated nursing homes reported 78 hours. Excluding nursing homes, training averaged 34 hours. The amount and cost of training were

... estimated annual training costs in 2000 of at least \$35 million across all providers . . .

Strategies for Handling Recruitment and Retention Difficulties

Effects of Wages

Information was collected on entry-level wage rates, wage rate after probationary, and wages for the highest paid frontline workers. The average entry-level wage rate across providers was \$7.29, although entry-level rates varied both by provider type and by region. Between different types of providers, entry-level rates ranged from a high of \$8.91, offered by government-operated nursing homes, to \$6.10

offered by small personal care homes. Across the different regions of the state, entry-level rates varied from a high of \$8.24 in the Southeast to \$6.22 in the Southern Allegheny region. Although some providers do use the ending of the probationary period to substantially increase starting wage levels, the typical increases were small.

On average across providers, the increase raised hourly wage rates to \$7.58, or an average increase of \$.29. In general wage rates for frontline workers do not increase very much over the length of employment. On average the highest paid frontline workers received an hourly wage rate of \$9.51, about a 26 percent increase over the average regular (post-probationary) wage rate.

Wage Effects on Recruitment

The effects of differences in entry-level wage rates on recruitment are positive. Providers with highest starting wages among their peers (same type of provider in the same region) reported lower recruitment problems. Analyses of vacancy rates and entry-level wages indicate the same positive pattern. However, while positive, the effect of higher starting wages were not dramatic.

Providers also specifically raised their entry-level wages in response to recruitment problems. The providers who instituted the largest increases among their peers (same type of provider in the same region) more frequently reported that their increases helped in reducing their recruitment difficulties.

Increments to the starting wage instituted after completion of the probationary period have a decided positive effect on recruitment. There was a strong relationship between offering a relatively large increase in wages after the probationary period and having comparatively low recruitment, vacancy, and staff shortage problems.

In summary, entry-level wage increases did appear to have a positive effect on alleviating recruitment problems, but increases in entry-level wages is not a panacea for eliminating recruitment problems, particularly in areas with very low unemployment rates, higher average wages in other industries, and in areas with relatively small pools of potential workers.

Wage Effects on Retention

Top payers were significantly less likely to report very serious retention problems and were slightly more likely to report no retention problems at all. Top payers also had slightly better levels of staff retention, and providers that implemented across-the-board wage increases, reported improved staff retention.

Providers with relatively large post-probationary wage increases had significantly lower recruitment problems, job vacancy levels, and staff shortages.

From the analysis on wages it appears that wage increases affect recruitment and retention somewhat differently. For recruitment, increased starting wages were a necessary but not a sufficient condition to overcome large recruitment problems. In terms of retention, increased wages appear to have a more important effect. Nonetheless, although providers who substantially increased wages did report an easier time in recruiting and retaining workers, the increases by themselves did not completely eliminate the problems. What the data on wages might be indicating is that individual providers are likely to be increasing their wage rates in an attempt to match the competition in their local areas. Thus while necessary, increased wages by individual providers are only part of the solution.

Effects of Employee Benefits

Despite the literature that indicates the lack of benefits contribute to making frontline worker jobs less attractive to prospective employees and adds to the problems of worker retention, in general, the present analyses did not find that the availability of benefits led to either less reported recruitment or retention problems nor to reductions in job vacancy levels. In most situations, the data indicates that providers that offer benefits more frequently reported greater levels of recruitment and retention problems and were probably trying to make their jobs more attractive to prospective employees. There were two exceptions. Providers that make additional contributions toward premiums for employees who elect family health coverage reported significantly less retention problems. Also, certified home health agencies that offered transportation benefits reported having less retention problems.

Providers were asked if they had changed their benefits package in the last 2 years in order to improve their recruitment or retention problems. Over 22 percent of the providers indicated that they had implemented changes, however, in analyses examining the effect, no relationships were uncovered. It is possible that the effects of the changes simply have not yet taken effect.

In summary, despite the claims in the literature that postulate positive effects, the data from the present study, with fewer exceptions, found that benefits had no clear positive impact on either recruitment or retention.

Training, Staff Development Activities and Job Re-structuring

The literature has also indicated that both staff development activities, including training, and job re-structuring, also referred to as ‘culture change’ lead to improvements in recruitment and retention problems.

Effects of Training

The results on the effects of training were somewhat ambiguous, but they did point to the conclusion that training has a more positive effect on retention and a much weaker effect on recruitment. Although the differences were not dramatic, providers with the highest amounts of training were slightly more likely to report minor or no recruitment problems. However, home health and home care agencies were the exception. For these agencies more training was clearly associated with lower reported recruitment problems.

The relationship between hours of training and reported levels of retention problems was positive but weak. However, the relationship was again particularly strong for certified home health agencies.

Effects of Culture Change Features

The literature has strongly suggested that changing the status and role of the frontline worker can have vast ramifications on the provision of long term care including helping to make such jobs more attractive and thus resulting in easier recruitment and retention

of workers. The survey included a series of questions to determine if providers were undertaking such changes and a series of analyses were conducted to determine if the implementation of such changes were affecting reported levels of recruitment and retention problems.

Across all providers, 44 percent reported that their frontline workers were highly involved in the care planning process and 34 percent reported a lot of involvement in the work scheduling. Additionally, 29 percent of the providers indicated undertaking other types of actions to change the nature of frontline worker jobs which included more balanced workloads, seeking input from workers, and instituting teamwork environments. Interestingly, the literature gives great value to developing career ladders, but very few providers indicated such efforts, less than 1 percent.

The degree of frontline worker involvement in the care planning process showed very dramatic and consistent effects. Across all types of providers, greater staff involvement was repeatedly associated with lower levels of recruitment and retention problems, lower reported rates of staff shortages, and fewer job vacancies. The effect was found for both recruitment and retention, but the positive effect is less dramatic for recruitment, but very clear for worker retention. Providers that reported workers being highly involved in the care planning process, less frequently reported very serious staff retention problems and more frequently reported no retention problems at all.

There is strong evidence that providers who have initiated institutional changes that have lead to ‘culture change’ for their frontline workers also experienced improved worker retention.

Training in home care agencies was clearly associated with lower reported recruitment problems

... providers that have instituted ‘culture change features’ reported better retention.

Targeted Recruitment Efforts

Beyond raising starting wages and modifying benefit packages, providers reported many different types of activities to overcome their recruitment problems. Since many of these activities have been recently initiated or have been employed by a very limited number of providers, it is not

possible to assess how effective they have been in reducing recruitment problems. The most common approaches were the use of special recruiters and specialized recruitment efforts such as targeted advertising and job fairs. Other efforts involved active recruitment at local community colleges, and the use of 'work study' type programs.

Providers Suggest

Providers were asked to offer one suggestion that the Commonwealth might undertake to help alleviate current worker shortages. As could be anticipated, the vast majority suggested increasing reimbursement rates in order to facilitate wage increases.

Study Recommendations

Worker shortages and problems with the recruitment and retention clearly go beyond the capacities of individual providers. More systemic actions are needed and require shared participation by providers and the Commonwealth. How those actions are translated into specific directives are not within the purview of this study or this report, but actions are needed and this section outlines general recommendations for consideration. They emerge jointly from the review of the literature that includes actions taken by other states facing and from the results of the survey of administrators in Pennsylvania. Each recommendation is more fully developed in the complete report and substantiated by the evidence from the existing literature and/or the findings from the survey.

Three Overarching Principles

In determining the future direction for actions to be taken by the Commonwealth, it is suggested that three principles be considered to guide the decision-making.

Guiding Principle 1. All actions need to approach solutions that can be implemented to alleviate problems faced by specific types of providers and providers in specific geographic areas while being general enough to be helpful for all types of providers across

the Commonwealth. At the same time solutions must incorporate the flexibility to cover both quick fixes and long term solutions.

Guiding Principle 2. Workable solutions are possible only if there is close cooperation between the various government departments and agencies and between the different provider segments within the long term care industry.

Guiding Principle 3. The cost of new initiatives must be a public/private partnership where, depending on the nature of the initiative, either the Commonwealth or private resources may carry the primary financial responsibility.

Policy Recommendations

1. Recommendation: Statewide initiatives must recognize that the dynamics that underlie recruitment and retention problems differ. Overcoming recruitment and retention problems implies different types of actions, which should include short and long term strategies.

2. Recommendation: Statewide initiatives must recognize that to correct labor force shortages in the long term care industry, approaches need to be targeted. The approaches also need to take into account the fact that problems vary by type of provider and by geographic regions within the Commonwealth. Abundant evidence from the survey of administrators clearly shows that reports of labor shortages, are particularly troublesome for specific segments of the industry, such as the home health/home care sector, and for geographic regions such as the Northeast region.

3. Recommendation: There is a need to explore statewide strategies that will permit long term care providers the capacity to increase entry-level wages so they are competitive with other local employers. Without the ability to increase starting wages, long term care providers will not overcome their difficulties in recruiting new workers.

4. Recommendation: Statewide initiatives should be explored that relate directly to non-wage recruitment issues and explore ways of developing pilot programs directed towards strategies that can increase the supply of workers in those areas facing the most extreme shortages resulting from demographic imbalances and low unemployment.

5. Recommendation: Examine ways to increase wage parity for similar types of frontline workers employed by different sectors of the industry and seek ways to build pay scales that would lead to career ladders.

6. Recommendation: Statewide initiatives and strategies should be explored that will directly stimulate the development of culture change efforts within long term care provider organizations to improve worker retention problems and job turnover.

7. Recommendation: The Commonwealth in collaboration with the statewide trade associations representing the diverse elements of the state's long term care industry should develop approaches that will improve the public perception of frontline workers and the important role they play in the provision of care within the industry.

8. Recommendation: Appropriate public agencies such as the Department of Public Welfare and the Department of Aging should examine ways to effectively disseminate information about existing public programs available to low income workers.

9. Recommendation: Explore strategies that will reduce the disparity in training across different types of providers, consider ways training could be made more universal across setting, and initiate programs that can offset training costs that overburden segments of the long term care industry.

