



Workforce Challenges in Virginia's Nursing Homes

Workgroup Meeting
October 22, 2021

Study purpose

- Quantify nursing facility workforce needs in Virginia
- Analyze how staffing impacts quality of care
- Identify opportunities to address issues related to:
 - Workforce availability
 - Quality of care
 - Regulation and oversight
 - Financing

NOTE: Study mandate approved by the Commission on December 15, 2020.

Categories for findings and policy options

Staffing and Quality

Workforce Supports

Financing

Nursing Facility Staffing Findings

- 21% of Virginia's nursing homes do not meet CMS expectations for care hours
- Virginia has more facilities with low staffing ratings than other states
- Facilities serving low-income and Black residents are disproportionately impacted by poor staffing

Nursing Facility Quality Findings

- Facilities with low staffing are more likely to have poor quality and health inspection ratings
- Low staffing impacts care quality, and staff and resident well-being
- Staffing mandates have the strongest positive effect in facilities with the lowest staffing

Nursing Facility Staffing Policy Options

Require all nursing homes to meet a staffing standard:

	Option 2: Across-the-Board Standard	Option 3: Acuity-Based Standard
Requirement	Minimum 3.25 direct care HPRD, with at least 0.4 RN HPRD	Minimum determined by the expected direct care HPRD and RN HPRD calculated by CMS
Estimated annual cost	\$28.1M (\$14.1 in state funds)	\$30.1M (\$15.1 M in state funds)
# of impacted facilities*	26% (74 facilities) for direct care 21% (59 facilities) for RN care	21% (60 facilities) for direct care 25% (72 facilities) for RN care
Advantages	<ul style="list-style-type: none"> Establishes a “floor” Targets lowest-performing nursing homes Transparent and intuitive 	<ul style="list-style-type: none"> Establishes a minimum target Requires staffing to resident acuity
Disadvantages	<ul style="list-style-type: none"> Does not account for resident acuity 	<ul style="list-style-type: none"> Staffing data is submitted quarterly Case-mix hours are calculated by CMS

*As of August 2021

HPRD = Hours Per Resident Day

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Workforce Findings

- There are decreasing numbers of LPNs and CNAs entering the workforce
- The COVID-19 pandemic continues to exacerbate the labor shortage
- Successful recruitment and retention of staff depends on wages, benefits, training and opportunities for advancement, workplace culture, and leadership

Workforce Policy Options

- **Option 5:** Fund the Long-Term Facility Nursing Scholarship available to CNAs, LPNs, and RNs in nursing homes
- **Option 6:** Direct DMAS to design a quality improvement program addressing nursing home capacity-building using the Civil Monetary Penalties Reinvestment Fund

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Financing Findings

- Increasing reimbursement rates for Medicaid facilities could address disparities
- Behavioral health needs are increasing, but not sufficiently recognized in reimbursement rates
- Virginia is one of six states without a nursing facility provider assessment
- Incentivizing quality can improve care for facilities already meeting staffing standards

Financing Policy Options

- **Option 1:** Increase reimbursement rates for nursing homes with a disproportionate share of Medicaid residents
- **Option 8:** Increase reimbursement rates for nursing home residents with behavioral health diagnoses

Financing Policy Options cont.

- **Option 4:** Direct DMAS to develop a nursing home provider assessment
- **Option 7:** Fund formal evaluation of the DMAS nursing home value-based purchasing program



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