MACPAC

A Time of Opportunity for a Familiar Challenge: Addressing Direct Care Workforce Shortages

Medicaid and CHIP Payment and Access Commission

Kristal Vardaman

Background

- Rebalancing long-term services and supports (LTSS) away from institutional care and toward home-and community-based services (HCBS) has been a federal and state goal for decades
- Medicaid programs have spent more on HCBS than institutional services since fiscal year (FY) 2013
- The level of rebalancing varies by state and among different groups of people who use LTSS

Federal Support for Rebalancing

- Enhanced funding
  - Balancing Incentive Program
  - Money Follows the Person demonstration program
  - COVID-19 relief funding including the American Rescue Plan Act (ARPA, P.L. 117-2)
- Guidance and technical assistance
  - Managed long-term services and supports guidance
  - Innovation Accelerator Program Promoting Community Integration through Long-Term Services and Supports technical support
  - Rebalancing toolkit

Workforce Shortages Are a Barrier to Rebalancing

- HCBS workforce shortages are a limitation to serving more people in the community
- In MACPAC work on HCBS waiver waiting lists, stakeholders suggested that if waiting lists were eliminated or reduced, there may not be adequate provider capacity to meet demand
- COVID has brought renewed attention to HCBS workforce capacity

Factors Contributing to Workforce Shortages

- Workforce shortages may be due to factors including low wages, limited opportunities for career advancement, and high turnover
  - Median hourly pay for home health and personal care aides in 2020: $13.02
  - Turnover among direct care workers estimated at 40 to 60 percent annually
  - Enhanced training for direct care workers is linked with greater job satisfaction and higher quality care

ARPA Funding Opportunity

- ARPA provided an increase in the federal medical assistance percentage for state Medicaid programs to support the HCBS infrastructure
- Nearly all states plan to invest some funds in workforce initiatives
  - Retention and recruitment bonuses
  - Training programs
  - Continuing education
  - Career ladder programs

MACPAC Resources

- State management of home- and community-based services waiver waiting lists: https://www.macpac.gov/publication/state-management-of-home-and-community-based-services-waiver-waiting-lists/
- Examining the potential for additional re-balancing of long-term services and supports: https://www.macpac.gov/publication/examining-the-potential-for-additional-re-balancing-of-long-term-services-and-supports/
- Panel discussion: The workforce for home- and community-based services: https://www.macpac.gov/wp-content/uploads/2020/08/MACPAC-October-2021-Meeting-Transcript.pdf

Panelists

- Amarilys Bernacet, RTI International
  - Results of MACPAC-funded work on barriers to rebalancing
- Theresa Edelstein, Center for Partnerships Transforming Health at New Jersey Hospital Association
  - Provider strategies to address workforce challenges
- Nancy Nikolas Maier, North Dakota Department of Human Services
  - Addressing workforce challenges in rural areas

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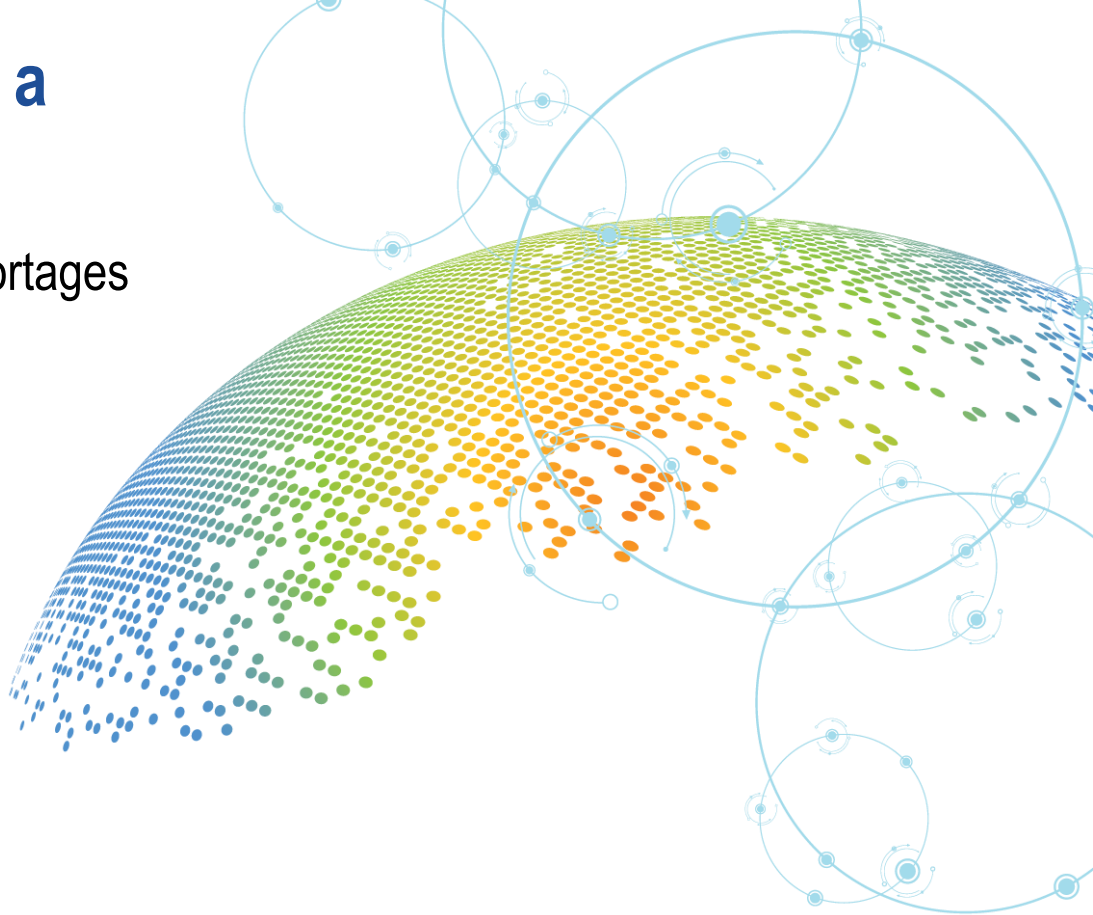
Addressing Direct Care Workforce Shortages

Amarilys Bernacet, MPH



RTI INTERNATIONAL

Challenges and Opportunities in Rebalancing LTSS - Study Methodology

Focal Research Questions:

- What factors have limited rebalancing in the states where HCBS spending remains under 50% of total LTSS spending?
- How can the federal government promote further rebalancing in these states?
- Do any of the flexibilities introduced by states to respond to the COVID-19 pandemic help expand access to HCBS in states with less developed HCBS systems?

Challenges and Opportunities in Rebalancing LTSS - Study Methodology (continued)

- Challenges and barriers unique to states with lower than average Medicaid HCBS spending?
- States selected based on HCBS spending as a proportion of total LTSS spending :
  - Used FY 2016 HCBS expenditure data to identify HCBS spending
  - Louisiana, Mississippi, New Jersey, North Dakota, West Virginia

Challenges and Opportunities in Rebalancing LTSS - Study Methodology (continued)

- Conducted one-hour interviews with stakeholders
- Stakeholders included:
  - Federal and state officials,
  - HCBS providers and HCBS provider associations,
  - Representatives from for-profit and not-for-profit nursing facility associations,
  - Representatives from MLTSS plans, and
  - Beneficiary advocates

Challenges and Opportunities in Rebalancing LTSS - Study Methodology (continued)

- Domains explored:
  - Overall and Population Specific Rebalancing Barriers
  - Rural Areas and Rebalancing Efforts
  - Affordable Housing
  - Direct Care Workforce Issues

Challenges and Opportunities in Rebalancing LTSS - Study Methodology (continued)

- Domains explored:
  - Care Settings – Costs and Preferences
  - MLTSS Program Development
  - HCBS Waitlist Management and Funding
  - Federal Level Opportunities
  - COVID-19 Impacts

Findings: Challenges and barriers to LTSS rebalancing

Challenges
Prioritization of institutional care
Limited state support and expertise
Nursing facility industry influence on state LTSS policy
Lack of affordable and accessible housing
Limited public awareness and understanding of HCBS options
LTSS workforce challenges

Workforce Challenges to LTSS rebalancing

- Persistent and growing LTSS workforce shortages:
  - High turnover/low retention
    - Poor compensation
    - Inadequate training
- Hardships experienced by direct care workers:
  - Difficulty getting to clients they serve (e.g., lack access to reliable transportation)
  - Additional access challenges
    - nurses traveling on four-wheelers to reach beneficiaries in rural/remote areas

Workforce Challenges to LTSS rebalancing (continued)

- Lack of data for states to understand the magnitude of workforce needs
- Challenges noted are common to most states – not just states with low levels of rebalancing.

Workforce Opportunities

Potential opportunities for improving workforce challenges discussed by stakeholders included:

- Increasing compensation and benefits and strengthen trainings
  - One case study state required that an increase in wages through pass-through provisions for Medicaid provider rates go to direct care staff.
- Considering strategies specific to workforce challenges in rural areas
  - rural rate incentive being implemented in one study state
  - Rural workforce intervention occurring in two states

Workforce Opportunities (continued)

- Leveraging MLTSS programs to address workforce challenges
  - Use contact requirements to ensure adequate provider networks and HCBS access
  - Collaboration between MLTSS plans' care managers and HCBS providers to improve efficiencies of care

Additional Resources/References

- Final Report: https://www.macpac.gov/publication/examining-the-potential-for-additional-re-balancing-of-long-term-services-and-supports/

- COVID-19 Intensifies Home Care Workforce Challenges (Report for ASPE): https://aspe.hhs.gov/sites/default/files/private/aspe-files/265686/homecarecovid.pdf

  - Policy Perspectives Issue Brief: https://aspe.hhs.gov/reports/covid-19-intensifies-home-care-workforce-challenges-policy-perspectives-issue-brief

  - Agency Perspectives Issue Brief: https://aspe.hhs.gov/reports/covid-19-intensifies-home-care-workforce-challenges-agency-perspectives-issue-brief

Additional Resources/References (continued)

- CMS LTSS Rebalancing Toolkit: https://www.medicaid.gov/medicaid/long-term-services-supports/downloads/ltss-rebalancing-toolkit.pdf

- Gruman, C & Menne, HL 2020, 'Strengthening the research evidence for HCBS policy and practice', Journal of Applied Gerontology, vol. 39, no. 7, pp. 700-701. https://doi.org/10.1177/0733464820919184

Thank you

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A Time for Opportunity for a Familiar Challenge: Addressing Direct Care Workforce Shortages

Theresa Edelstein, MPH, LNHA
Senior Vice President
Center for Partnerships Transforming Health
New Jersey Hospital Association

2021 Home & Community-Based Services Conference
Marriott Baltimore Waterfront

Dec. 6-10, 2021

Background on NJHA

- One of the oldest healthcare trade associations in the U.S. Celebrated 100 years in 2019.
- Mission is to improve the health of the people of New Jersey.
- Represents more than 400 members across the continuum of care, including many home and community-based services providers such as home health and hospice, Program of All-Inclusive Care for the Elderly (PACE), adult and pediatric medical day care.
- Actively engaged in managed long term services and supports' development and implementation with NJ's Medicaid state agency, stakeholders, consumer groups since 2011.

Pre-Pandemic Workforce Status

- Prior to 2020, New Jersey and national data from governmental and private sources demonstrated that direct care workforce shortages were already impacting service expansion and delivery. However, data sources were not robust enough to address levels and hours of care or support needed by individuals in the community matched with available workforce.
- Primary focus was on wages and benefits as key factors in recruitment and retention. However, in-the-field training with a mentor was inconsistent, leaving new direct care staff feeling unprepared which had contributed to turnover.
- New Jersey's minimum wage statute https://www.njleg.state.nj.us/2018/Bills/PL19/32_.HTM provided a glidepath to a $15/hour minimum wage.
- Strategies for upstream issues of education and career choices, as well as career development for those already working in direct care roles, were under discussion given the pressures already being experienced. Competition from other sectors, like retail, was present and growing.

SOURCE: NEW JERSEY HOSPITAL ASSOCIATION

Pandemic Lessons Learned

- Wages matter, but that's not all there is to the equation --- infection prevention, safety, appropriate equipment, transportation, childcare and eldercare, loan forgiveness, tax credits and other benefits are also important considerations.
- Enhanced unemployment benefits were thought to have kept direct care staff from re-entering the workforce, but even in states that ended these benefits early, the workforce did not return and vacancies are at all-time highs.
- Contraction of the direct care workforce resulted directly from family childcare/remote schooling and eldercare responsibilities.

SOURCE: NEW JERSEY HOSPITAL ASSOCIATION

Pandemic Lessons Learned

- Coordination with MCOs and personal care attendant providers may provide for more efficient assignment of care providers.
- Expedited methods for educating and credentialing direct care staff were instrumental to maintaining HCBS capacity at a critical time for patients to go from hospital or SNF to home for care.
- Funding through the state budget and other legislation to accelerate hourly wage increases beyond what was already provided for in statute proved essential to not having even more dramatic losses of direct care providers.

SOURCE: NEW JERSEY HOSPITAL ASSOCIATION

Pandemic Lessons Learned

- Barriers exist in qualifying individuals who can instruct direct care staff in preparation for certification.
- Partnership between community colleges, vocational schools, school districts, state government(i.e., departments of labor and Medicaid agencies), providers, MCOs, transportation system, childcare is critical.
- Ongoing, meaningful support and coaching as well as skill and knowledge development are needed elements to sustaining the workforce and preparing for advancement. https://healhealthcareworkers.com/ https://nurse2nursenj.com/
- Agency staffing was necessary in many instances for patients and clients to be served. Competition for a limited pool of caregivers resulted in significant unprecedented cost and impacted organizational culture, teamwork and care/services.

SOURCE: NEW JERSEY HOSPITAL ASSOCIATION

Opportunities and Strategies for Moving Forward

- Build partnerships with education, business, healthcare, social service, and government to optimize effort and make health care services an appealing choice where direct care staff believe they are valued and can continue to grow.
- Data collection and analysis to inform recruitment and retention strategy, policy, regulatory reform.
- Stakeholders working with State Medicaid Agency to formulate a workforce-related strategy for use of enhanced federal matching funds through March 2024. Focus on HCBS rates, including through managed care plans. https://www.medicaid.gov/media/file/nj-arp-9817-partial-09-29-21.pdf
- Legislative action to expedite full certification of temporary nurse aides.
- Exploration of dual certification for CNAs and CHHAs.

SOURCE: NEW JERSEY HOSPITAL ASSOCIATION

Opportunities and Strategies for Moving Forward

- Implementation of self-directed care within the PACE program.
- Regulatory reform to align NJ CNA instructors' requirements with and not exceed CMS mandates.
- Examination of temporary reciprocal licensure continuation post-PHE.
- Analysis of changes needed in requirements for faculty in nursing programs.
- Proposed 1115 Comprehensive Medicaid Waiver Renewal emphasizes personal care assistants' wages, social drivers of health, nursing home transitions, increased integration of physical and behavioral health. https://www.state.nj.us/humanservices/dmahs/home/1115_NJFamilyCare_Comprehensive_Demonstration_Draft_Proposal.pdf

Thank you for having me!

A Time of Opportunity for a Familiar Challenge: Addressing Direct Care Workforce Shortages

Nancy Nikolas Maier, Director

NORTH Dakota | Human Services
Be Legendary.™

Aging & Adult Services

Helping older adults and adults with physical disabilities to remain living in their homes and communities

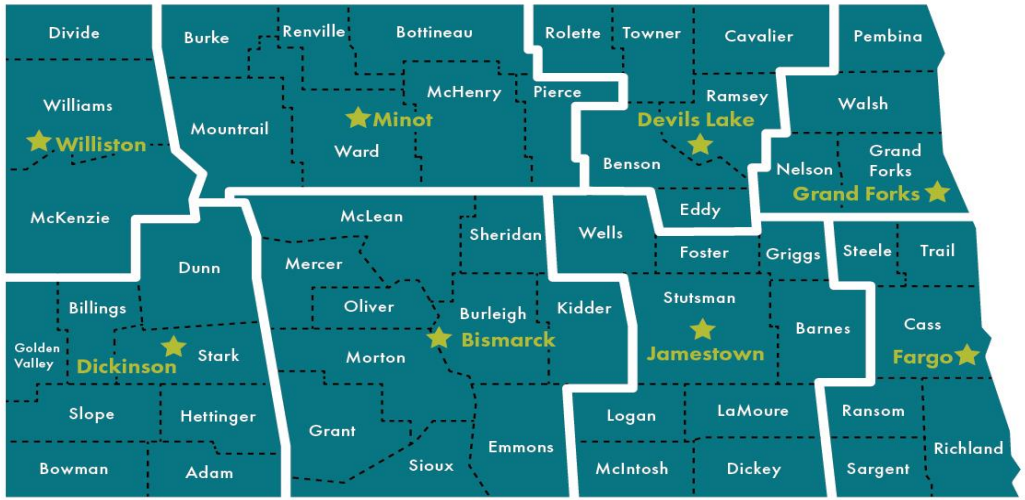
ADDRESSING DIRECT CARE WORKFORCE CHALLENGES IN RURAL AREAS

North Dakota covers 68,976 square miles, and has 779,094 residents (2020 census)

- **50%** of North Dakotans live in rural areas

- **38** of North Dakota's **53** counties are designated as frontier areas (less than 7 people per square mile)

- Only **9** cities have a population of more than **15,000** people



ADDRESSING DIRECT CARE WORKFORCE CHALLENGES IN RURAL AREAS

Supporting Family Caregivers

- Leverage family as part of the direct care workforce
- Family Home Care and Family Personal Care
- Caregiver assessment
- Respite services

Direct Workforce Development

- Direct Service Workforce/Family Caregiver Resource and Training Center
- Quality improvement efforts
- Support for direct care workforce

Incentive Grants

- Up to $30,000 grants to develop or expand in-home and community-based service agencies

Rural Differential Rates

- Pays a higher rate for services provided in rural and frontier areas of North Dakota

Partner with Tribal Nations

- Encourage development of tribal-owned in-home and community – based service agencies
- Culturally competent case management

ADDRESSING DIRECT WORKFORCE CHALLENGES IN RURAL AREAS – SUPPORTING FAMILY CAREGIVERS

Family Home Care and Family Personal Care

- Funded through state-funded home and community-based services (HCBS) and HCBS aged and disabled 1915 (c) Medicaid waiver
- Allows spouse and other family members to receive payment for providing care
- Utilizes caregiver assessment to determine caregiver needs
- Daily rate based on amount of care needed
- Maximum rate of up to $150 per day
- Program includes access to respite services

7 in 10

Americans 65+ will need long-term care services for an average of 3 years

ADDRESSING DIRECT WORKFORCE CHALLENGES IN RURAL AREAS – WORKFORCE DEVELOPMENT

Money Follows the Person (MFP) capacity building funds to establish a Direct Service Workforce/Family Caregiver Resource and Training Center

Purpose: increase the number of direct care workforce

- Assist providers to understand provider enrollment, electronic visit verification, billing, business operations and employee recruitment
- Create education and training opportunities for direct care workforce and family caregivers to improve quality and reduce burnout
- Develop a support network, which includes a mentorship program that uses experienced workers to provide support to new direct care workers to improve retention

ADDRESSING DIRECT WORKFORCE CHALLENGES IN RURAL AREAS – INCENTIVE GRANTS

Provide grants up to $30,000 funded by MFP capacity building funds

- Develop or expand access to in-home care providers in rural and tribal communities to serve individuals participating in state or federally funded home and community-based services programs
- Agencies that serve individuals with behavioral health, significant medical and/or supervision needs, and those willing to provide 24-hour supports, nursing, or community transition support services
- Funds can be used for:
  - Starting a new agency OR expanding current delivery area and/or service array
  - Training and professional development
  - Staff recruitment and retention efforts (i.e., wages, bonuses and benefits)
  - Community outreach and marketing

ADDRESSING DIRECT WORKFORCE CHALLENGES IN RURAL AREAS – RURAL DIFFERENTIAL (RD) RATES

Purpose: Create greater access to in-home and community-based services for individuals who reside in rural areas

- Higher rate to providers willing to travel to provide services in rural areas
- Providers are not paid for travel time; the rural differential rate is paid for time spent providing services
- Rates are based on the number of miles (round trip) a provider travels from their home base to serve an individual
- Different rates for individual and agency providers, homemaker and nursing services

Three Tiers

Tier 1 (21-50 miles)
Tier 2 (51-70 miles)
Tier 3 (71+ miles)

Agency RD Rates
personal care (15 min. unit)
Tier 1 $9.65 unit
Tier 2 $11.18 unit
Tier 3 $12.32 unit

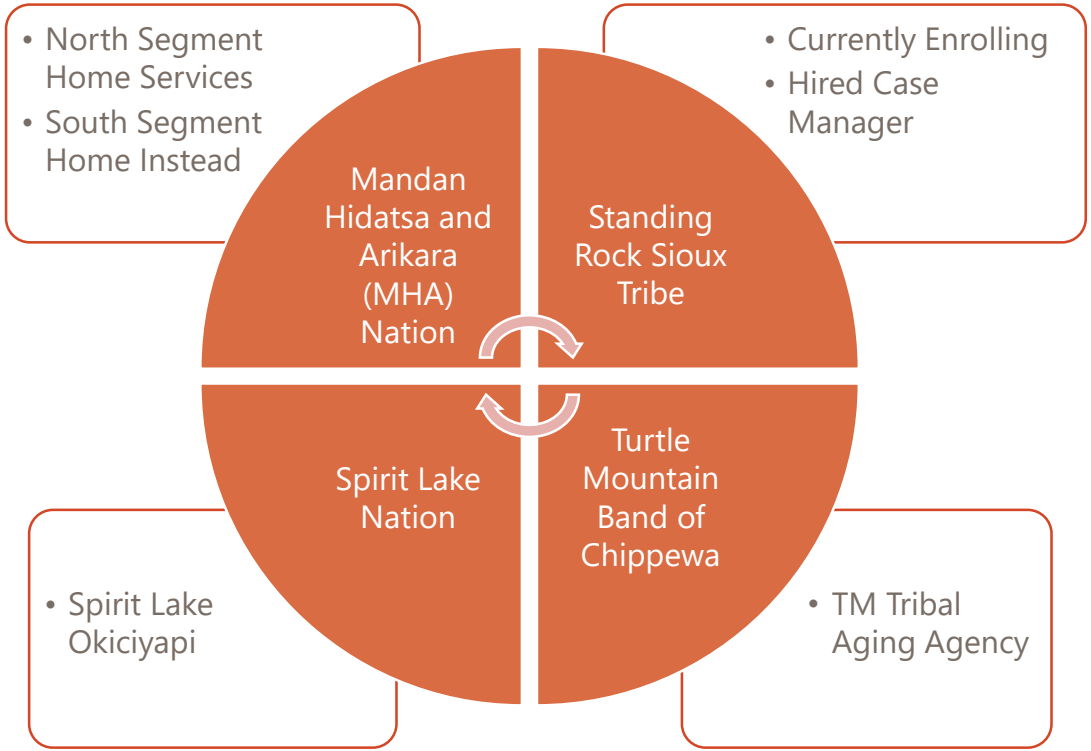
332 people supported with RD rate

13% eligible participants

ADDRESSING DIRECT WORKFORCE CHALLENGES IN RURAL AREAS – PARTNERING WITH TRIBAL NATIONS

Partnered with tribal nations interested in starting in-home and community-based service agencies to serve tribal elders and adults with disabilities in Indian Country

- MFP Tribal Initiative assisted three tribes with funding, technical assistance, training and ongoing support during enrollment
- Standing Rock Sioux Tribe used MFP grant funds to hire a licensed social worker to provide culturally competent HCBS case management
- Funded UND National Resource Center on Native American Aging to assist direct care staff working in tribal areas on the use of Electronic Visit Verification (EVV) systems and submitting professional claims



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