



August 18, 2022

Chiquita Brooks-LaSure, Administrator
Centers for Medicaid and Medicare Services
Via Email

Dear Administrator Brooks-LaSure:

Thank you for taking the time to meet with us on Tuesday regarding the extreme strain and stress under which our state's hospitals are operating. As you are aware, hospitals are over-bedded and emergency rooms and hallways are full of patients who are awaiting bed placement. Too many beds are occupied by patients who are awaiting discharge to long term care. Attracting and retaining a competent and caring workforce has long been a challenge for long term care providers and COVID-19 has seemingly tipped us over the edge. Hospital dependence on a strong and functioning long term care system has never been clearer. We appreciate that our federal and state partners, as well as our hospitals, recognize the important role long term care plays in our overall health care delivery system and trust that together we will craft meaningful solutions that will serve to strengthen and sustain access to health care when needed during both extraordinary and usual circumstances.

As we discussed, the workforce shortage is the most significant barrier we face in admitting patients from hospitals. Some national studies have Washington as one of the top states for staffing shortages, with an estimated turnover of almost 40% for some positions, leaving us unable to safely meet the needs of patients needing to be discharged from the hospital. Our staffing shortage started long before COVID-19 due to chronic Medicaid underfunding, but has gotten exponentially worse during this pandemic because staff are exhausted, retiring, and finding employment elsewhere. We are losing competent and caring staff for better pay and a less stressful working environment. In 2021, job openings for CNAs grew by 64% and 67% for RNs. And we know this has gotten worse in 2022. Following this letter is supporting data on Washington's workforce shortage. Below are three imminent disruptions to our workforce that require immediate solutions.

TNA to Certification Deadline

Solving the staffing crisis starts with the immediate problem of ensuring that all staff that have been working in nursing facilities as temporary nursing assistants (TNAs) are able to test and obtain certification. In Washington, we currently have approximately 5,000 nursing assistants who must complete their examinations by October 5, 2022, or they will no longer be able to work. While our state is currently offering mass examination events from August through September, there will still only be 1,600 testing slots available through this process, leaving thousands more still needing to test. We urgently need the certification deadline (1135 waiver) to be extended to avoid what will otherwise be a disastrous loss in staff.

Nurse Aide Training and Competency Evaluation Program (NATCEP)

The inability to train individuals to become CNAs is highly problematic given our workforce crisis. Any time a facility has fines imposed at a level equal to or exceeding \$10,483, it triggers the loss of the facility's nurse aide training program. There are many examples where the citations, leading to the ban on the CNA training program, have nothing to do with resident care. Yet the facility loses its ability to train and grow a vitally important CNA workforce.

We believe the nurse aide training program should be restored as soon as the facility corrects the survey issue that caused the loss of the program if the citations did not result in an immediate risk to resident safety or arise because of resident harm from abuse or neglect, and the facility has not received a repeat deficiency related to resident harm in the past two years. This must be addressed to create a much-needed workforce essential to serving older adults.

Agency Staffing

As our workforce shrinks, the use of agency staff in the health care sector has exponentially grown during the pandemic. These agencies have used the pandemic and our workforce shortage to increase hourly rates that can be up to 6 or 7 times higher than previously charged. The cost of agency staff is now so expensive that many long term care providers are unable to afford temporary staff to fill open positions or cover shifts as needed. Whenever possible, agency staff are a last resort for those who can afford to pay the fees because quality of care is placed at risk as agency staff are less experienced and unfamiliar with resident preferences and care plans and are unfamiliar with policies and procedures. Relying on agency staff, even for a limited duration, can lead to inconsistent care for residents, create risk of citation and require providers to spend more on payroll and incur millions in unreimbursed costs. This leads to greater instability in our workforce and inequities in pay for employees who deserve livable wages.

Additionally, these agencies are largely unregulated yet provide care for Medicare and Medicaid recipients. In Washington, these agencies are only required to register with the Department of Health, leaving a significant gap in oversight. We believe staffing agencies should be federally regulated so there is greater oversight and uniformity in business practices state to state. Areas to regulate may include prohibiting the agency from recruiting staff from the organization while under contract, ensuring staff have successfully completed background checks, are current in the training and competencies, and arrive on site with the necessary supplies, such as PPE. We also believe there should be a federal solution to prevent price gouging especially during a state of emergency. Approaching these solutions on a national level will prevent agencies from moving out of more restrictive states to other non-regulated states which would then worsen access to needed temporary staff.

Other Long-Range Solutions

In addition, we believe there are some long term solutions to the workforce crisis that will help us rebuild and ensure access to care for the growing population of older adults and better assist in transitioning patients out of hospitals into more appropriate care settings.

We must focus on promoting training and advancement opportunities for this profession and building a dependable pipeline of trained caregivers. Immigration reform is likely necessary, as demographically in the United States, the demand for long term care is already outpacing the supply of workers. Over the next eight years, the number of individuals aging into long term care is predicted to grow by 60%, while our state's working-age population will only increase by 3%. Any advancements we can make in funding and other workforce solutions will help our entire healthcare systems work as intended.

Behavioral health reform must also be a priority. Nursing facilities are often asked to admit hospital patients that have a history of or are currently manifesting behaviors (combative or aggressive behaviors, resistant to treatment, following care plans). New programming and standards of care and services are needed to care for individuals who are not appropriate for care in a traditional nursing facility. Many, not all, hospital long-stay patients are those who require special focus and present a significant risk to nursing facilities and the residents they serve. Some behaviors simply cannot be managed in nursing homes without specialized programming, environments, staff, and the funding to support the success of the program and persons served.

A new federal solution to provide the right care, in the right place, to some individuals with behavioral health needs could be created as an optional program under Medicaid. There are some individuals who require dedicated physical environments that are appropriate to their needs and would also benefit from a more robust staff (1:1) with specialized training to address behaviors. These individuals are not appropriate for care in a more traditional nursing home setting.

In addition to having the right physical environment and trained staff, the regulatory overlay in the nursing home setting does not recognize and allow these behaviors to be well managed. We have many examples where nursing facilities have been required to have 1:1 staff, 24/7; for one member, it cost them over \$150,000 annually. The citation, fine amount, and solution to caring for this individual contributed to this organization's decision to close its doors. Other facilities have been cited for being unable to anticipate and prevent resident-to-resident harm. Depending on the assigned scope and severity, these citations have come at a high cost and resulted in the loss of their nurse aide training program. Caring for individuals with certain behaviors presents an untenable risk to facilities in terms of cost, and it shuts off their pipeline of CNAs, exacerbating workforce problems.

Cautionary Note

We also urge great caution on implementing any federal staffing ratio requirements once the study is completed. Washington has some of the most stringent staffing ratios in the nation, requiring 24/7 RN coverage and 3.4 Hours Per Resident Day staffing ratios. Both requirements have been waived

throughout the pandemic. Even before the pandemic, many facilities could not meet these staffing standards. For the 24/7 RN requirement, a waiver process was built in because regulators and legislators recognized that providers might be unable to meet these standards, but they nonetheless wanted facilities to make reasonable efforts to recruit and strive to meet the mandate. Given the current state of our workforce, mandating staffing ratios that are unachievable may further stress post-acute and long term care providers while doing nothing to solve the workforce crisis.

We are committed to ensuring we have a competent and robust staff to provide quality care to older adults, but we must first work together to create that workforce, ensure providers have sufficient funding to pay livable wages to attract and retain workers and ensure that any mandate considers the unique needs of the resident population.

Conclusion

If we are to ease the discharge and capacity problems faced by hospitals, we must ensure we have a well-resourced post-acute system that is prepared and able to accept patients. This includes solving the staffing crisis and creating a dedicated program to serve the difficult-to-discharge, long-stay patients. We look forward to future conversations and working as partners to advance these solutions.

Sincerely,

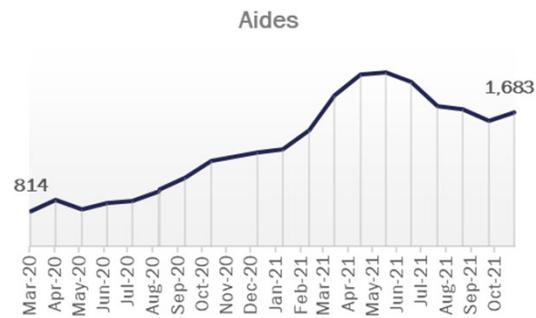
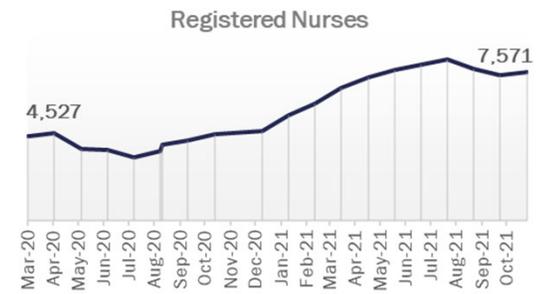


Deb Murphy, MPA, JD
Chief Executive Officer
LeadingAge Washington



Lauri St. Ours
Executive Vice President, Government Relations
Washington Health Care Association

With COVID, Monthly Postings for Direct Care Workers Has Grown Significantly



Job Openings Have Grown Since March of 2020 By:

67% for RNs

84% for LPNs

64% for CNAs

107% for Aides

Source: Employment Security Department, Labor Market & Economic Analysis. Total Job Postings March 2020 – November 2021.

The Conference Board® Burning Glass® Help Wanted OnLine™ data series.

Providers Struggle with High Turnover Rates in Washington

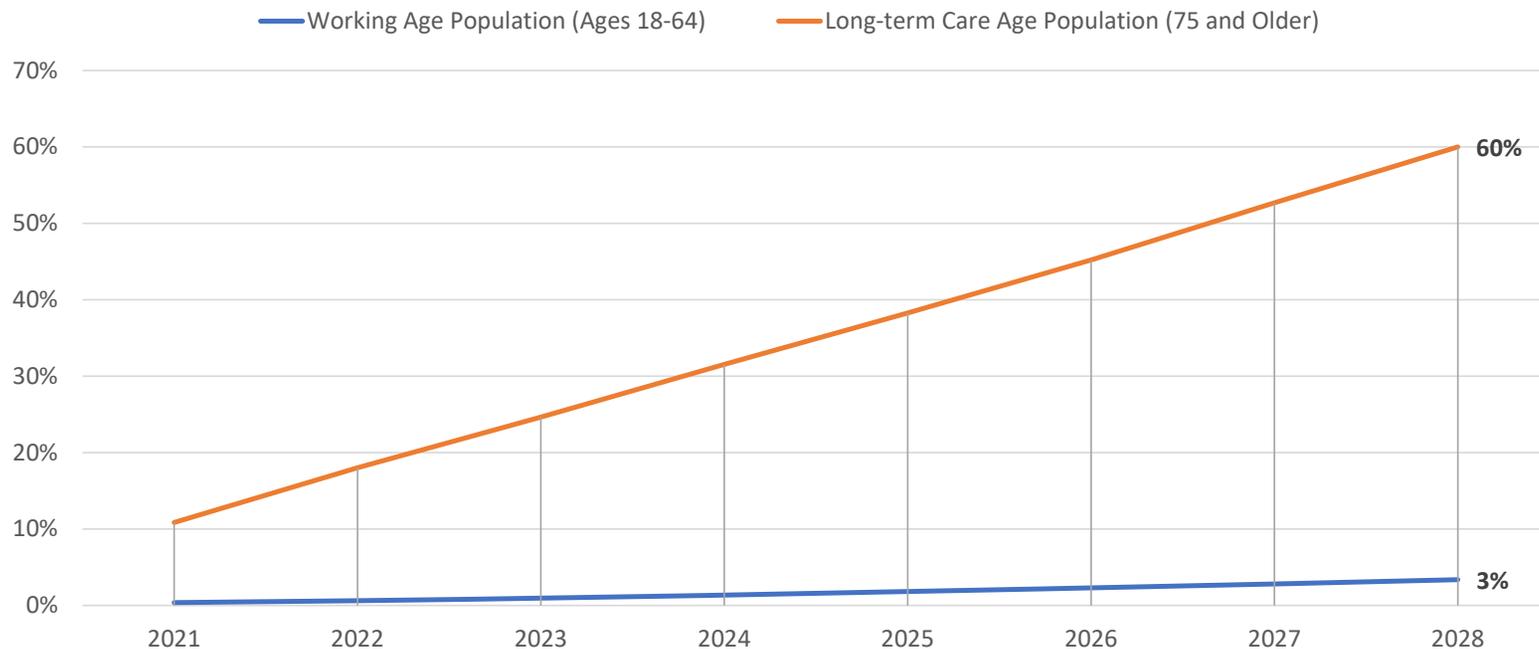
Occupational title	Estimated employment 2021Q2	Average annual total openings 2019Q2-2021Q2	Average Annual Openings due to Replacement 2019Q2-2021Q2	Estimated Annual Rates of Turnover
Registered Nurses	61,845	17,188	16,088	26%
Licensed Practical Nurses	8,408	3,024	2,972	35%
Personal Care Aides	68,139	26,926	25,578	38%
Certified Nursing Assistants	36,520	13,782	13,413	37%
Total	174,912	60,920	58,051	33%

- The “Great Resignation”- Rates of Retirement Doubled in 2020.
- Market Place Competitors
 - Better Pay
 - More Flexibility
 - Less Training
 - Less Intense Lines of Work
- It’s an Employee’s Market
 - Life Balance. Ample career choices and workplaces.
- Employee Burnout
 - The more the employee pool is stretched, the more stressful these jobs become: Overtime, double shifts, pandemic fatigue, child care challenges

Source: Employment Security Department, Data Architecture, Transformation, and Analytics.
 Jeff Robinson, Current Labor Force Statistics Manager. File: “LongTermCare_ESD Information_2021”

Demand for Long-Term Care is Already Outpacing the Supply of Workers, and This is Expected to Get Worse

Over the Next Eight Years, Those Aging Into Long-Term Care Will Grow by 60%, But Washington's Working Age Population Will Only Grow by 3%¹⁶



Washington's LTC Direct Care Wages are Some of the Highest in the Nation

Assisted Living Wages Compared Across all States* (May 2020 BLS data)	
Occupation	Ranking from the Highest in the Nation
RN	7th
LPN	3rd
CNA	4th
PCA	3rd

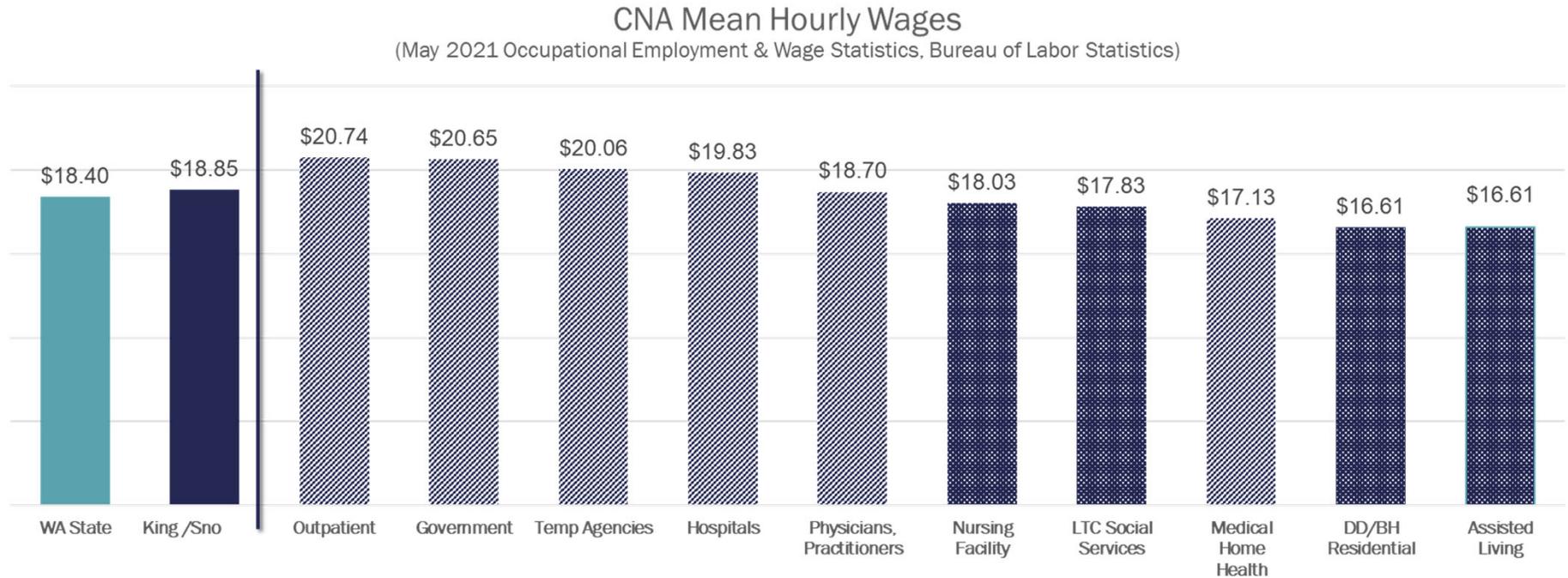
*Detailed graphs in the appendices.

Skilled Nursing Facility Wages Compared Across all States** (2019 Medicare Cost Report)	
Occupation	Ranking from the Highest in the Nation
RN	3rd
LPN	1st
CNA	7th

**Data provided by CliftonLarsonAllen (CLA).
Details available upon request to CLA.
Contact: Martin Yanushev.
Email: Martin.Yanushev@CLAconnect.com

LTC Providers Struggle to Pay Prevailing Wages while not being Reimbursed by Medicaid for Labor Costs

SNFs and AL are the 2nd and 3rd largest employers of CNAs, yet, wages fall below the statewide average



High Reliance on Medicaid Revenue Contributes to Low RN Wages for LTC Providers, Making it Very Difficult to Hire and Retain During Staffing Shortages

