

# National Trends Shaping the Post-Acute and Long-Term Care Workforce

Prepared for the Oregon Joint Task Force on Hospital Discharge Challenges

March 28, 2024

**ATI Advisory**



# Introduction

Fred Bentley, Managing Director

Post-Acute & Long-Term Care Practice Leader

**ATI Advisory**



National Post-Acute Care Workforce Trends

---

Drivers of the PAC Workforce Shortage

---







Moving Forward: ATI's Oregon-Specific Analyses

---

Discussion and Questions

---

# CLINICAL ROLES BY POST-ACUTE CARE SETTING

	Institutional Settings			Home and Community-Based Settings		
	Nursing Facilities	Assisted Living	Residential Care	Home Health	Home Care	Adult Day Care
						
Descriptions	Provide health and personal care for residents with significant functional limitations	Provide daily assistance with personal care. Residents live in their own apartments/rooms.	Provide services similar to Assisted Living but typically smaller in size.	Skilled care provided in home by professional caregiver	In-home care provided by non-clinical caregiver	Provide health care and/or companionship for older adults who need medical assistance / supervision during the day
NPs	X	X	X			
RNs	X	X	X	X		X
LPNs/LVNs	X	X	X	X		X
CNAs	X	X	X	X		X
Home Health & Personal Care Aides				X	X	X

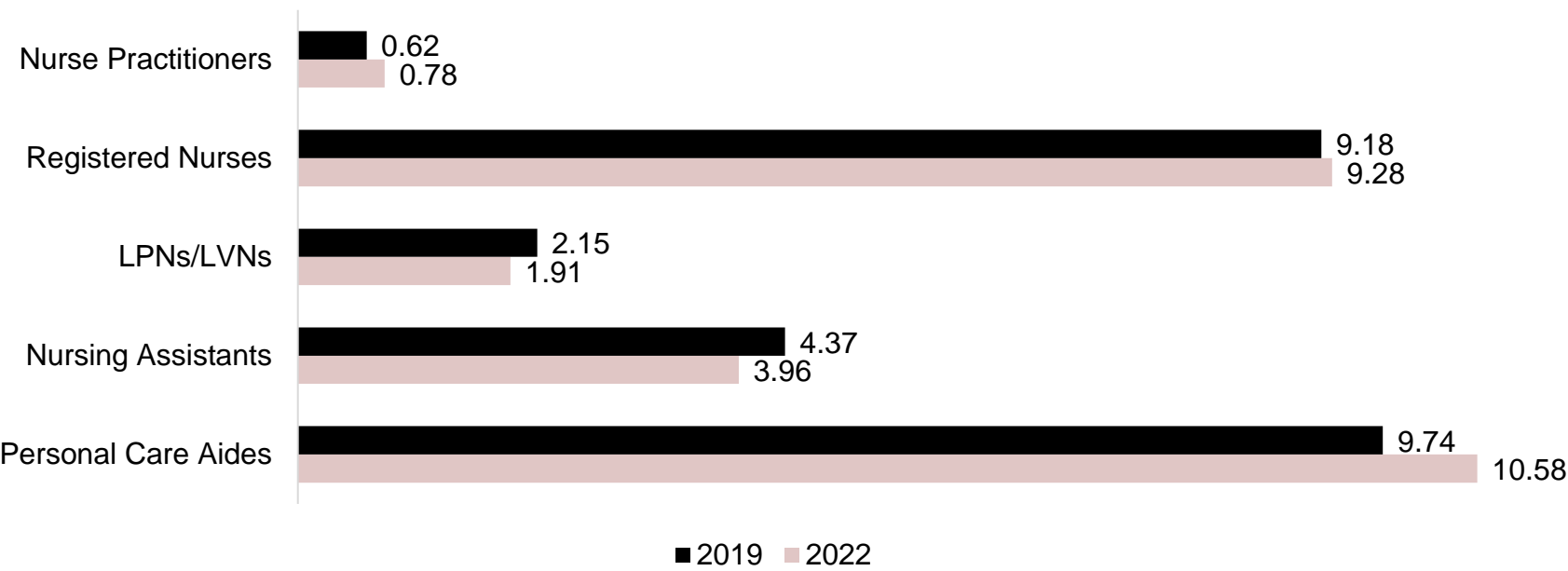
Adult day health only

---

# National Post-Acute Care Workforce Trends

CRITICAL NURSING ROLES NOT KEEPING PACE WITH POPULATION GROWTH

National Employment by Occupation,  
Per 1,000 Total Population



There was a decrease in CNAs and LPNs/LVNs both at the national and Oregon state levels.

CNAs and LPNs/LVNs provide most direct patient care in post-acute care settings.

% Change 2019 to 2022	Nurse Practitioners	Registered Nurses	LPNs/LVNs	Nursing Assistants	HH and Personal Care Aides
National	26%	1%	-11%	-9%	9%
Oregon	-17%	0%	-8%	-1%	3%

---

# Drivers of the PAC Workforce Shortage

## DRIVERS OF THE POST-ACUTE CARE WORKFORCE SHORTAGE



Strong Demand  
Fueled by  
Demographics



Nurse Pipeline  
Not Keeping Pace  
with Demand



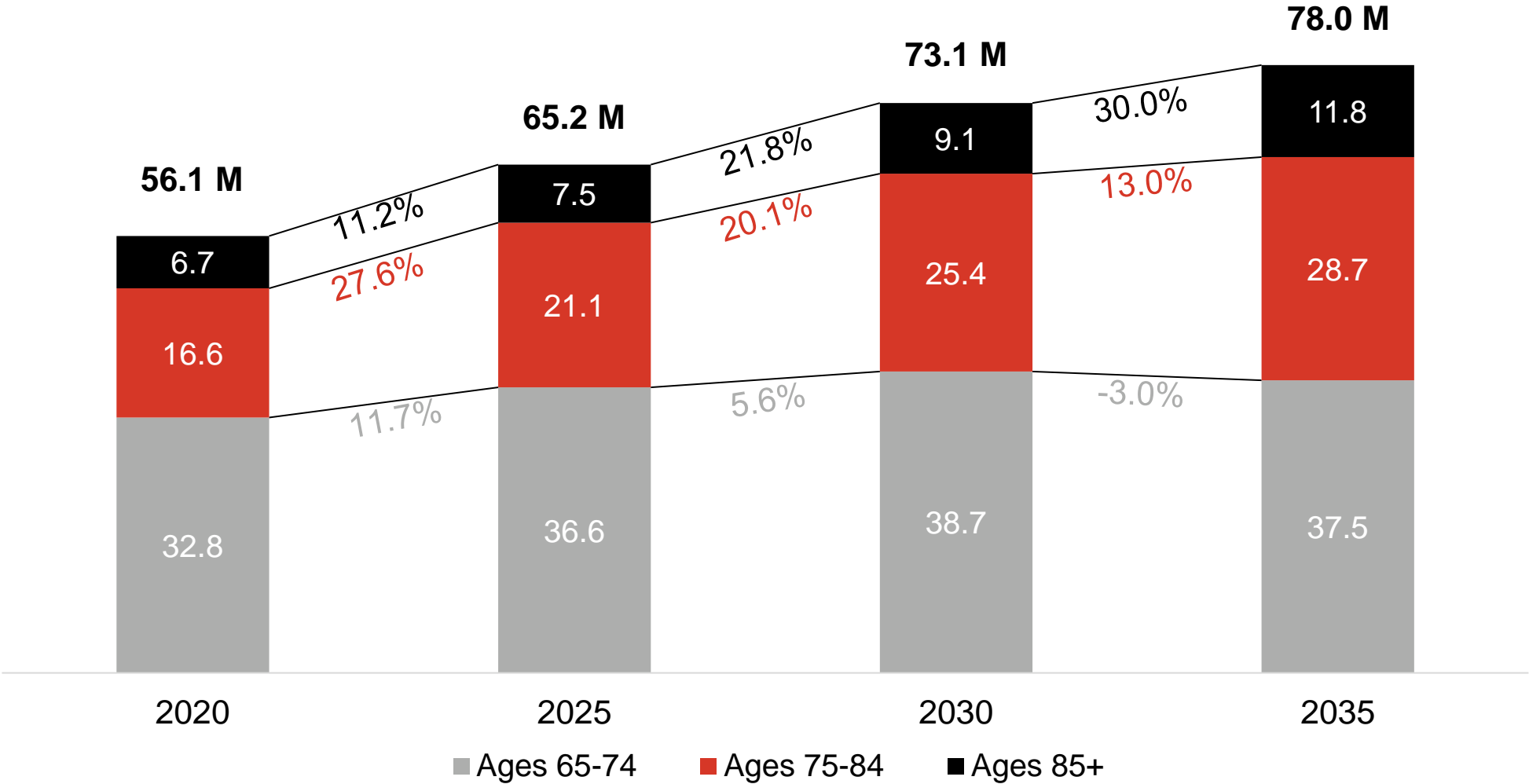
Labor Costs  
Outpacing  
Reimbursement



Federal Regulations  
Creating Additional  
Challenges

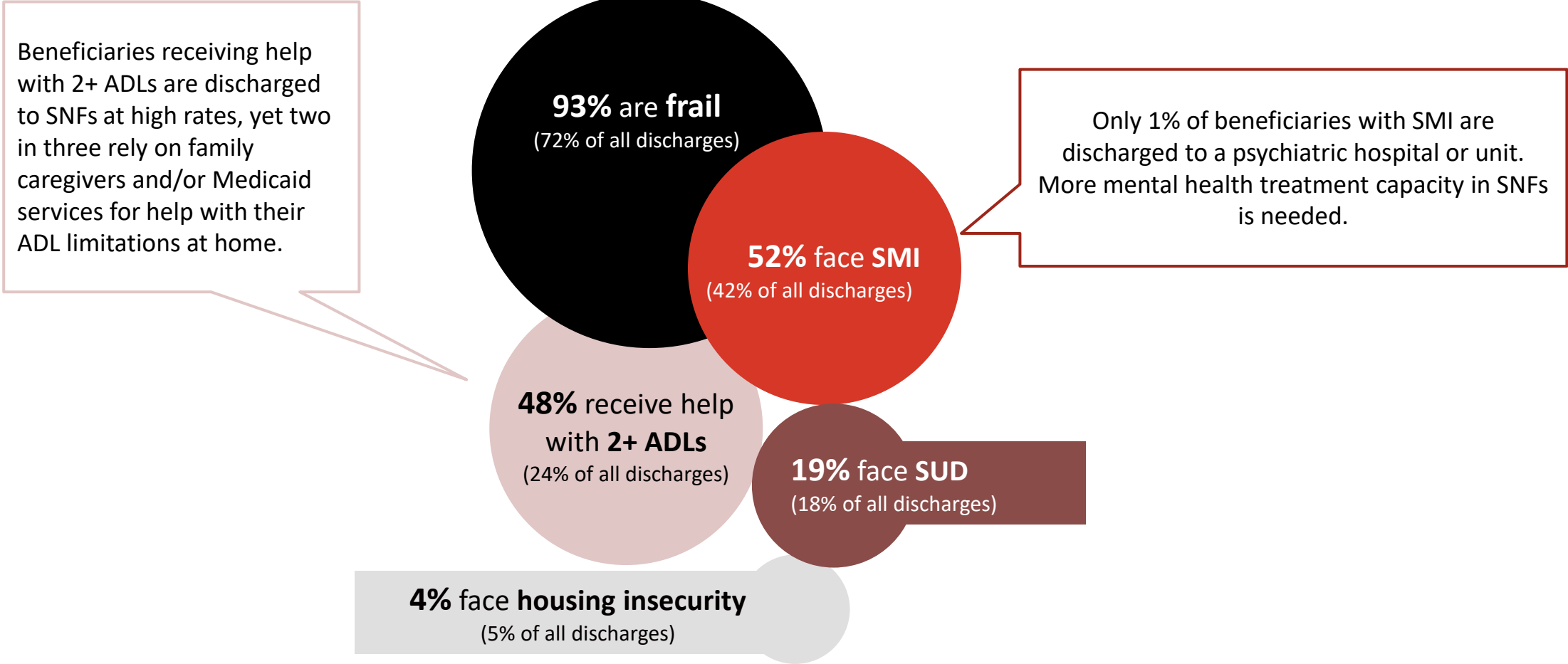


DEMOGRAPHICS: THE “SILVER TSUNAMI” HAS HIT THE US HEALTHCARE SYSTEM



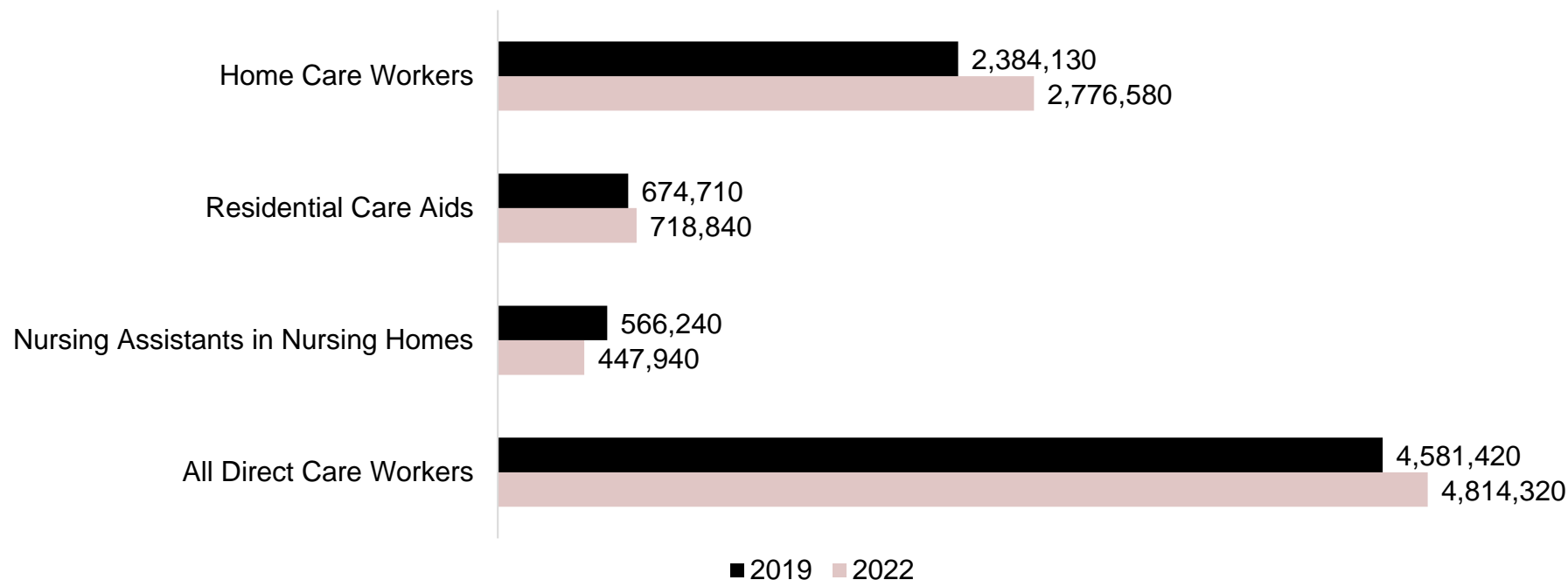
# DEMOGRAPHICS: POST-ACUTE PROVIDERS ARE MANAGING INCREASINGLY COMPLEX PATIENTS

Nationally, Medicare beneficiaries discharged from hospitals to SNFs present complex health and social needs. This complexity further strains PAC providers abilities to recruit and retain an adequately trained and specialized workforce.



SUPPLY: PIPELINE NOT PRODUCING ENOUGH DIRECT CARE WORKERS FOR POST-ACUTE CARE SETTINGS

National Direct Care Worker Employment, 2019 - 2022

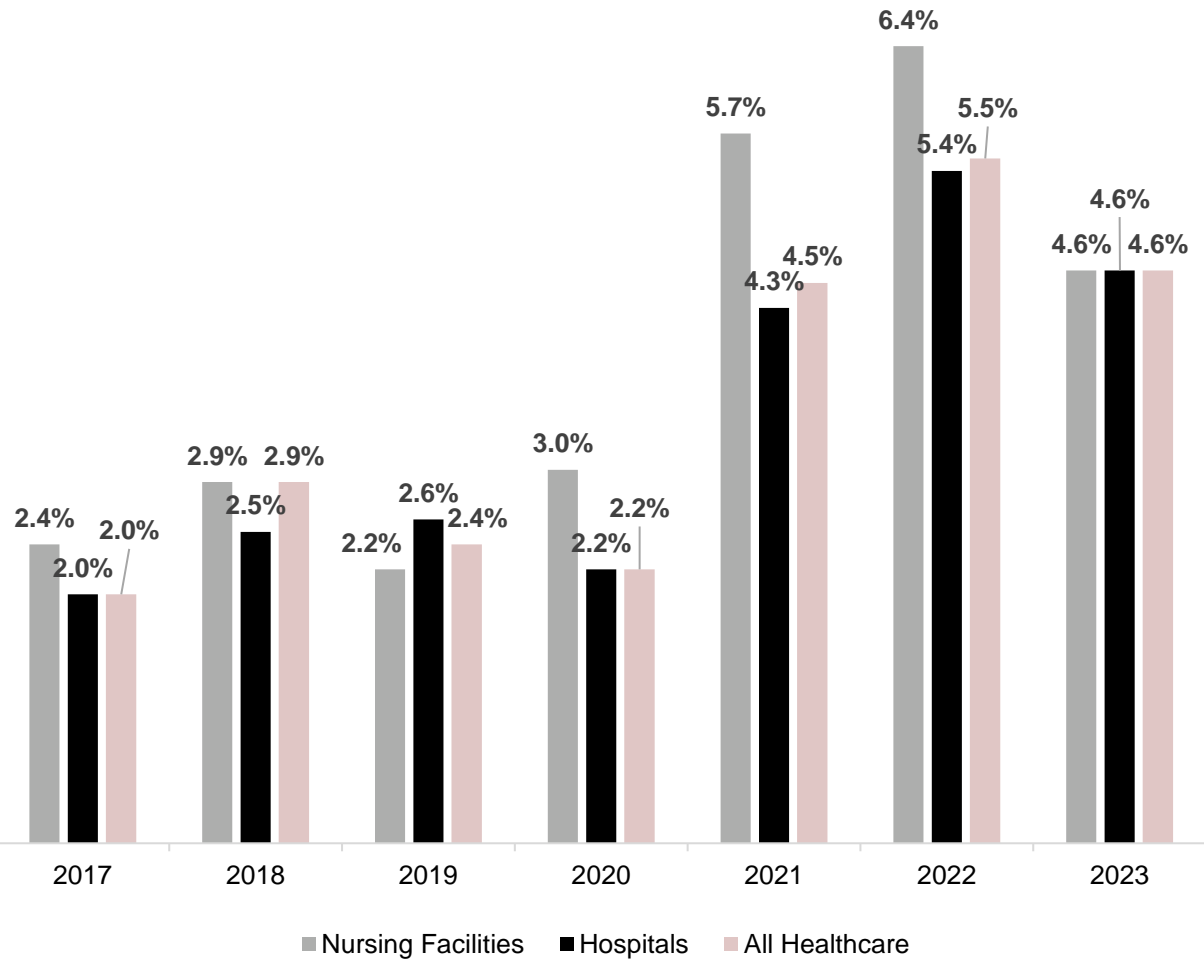


Nursing homes **lost** more than one fifth of their direct care workforce between 2019 and 2022.

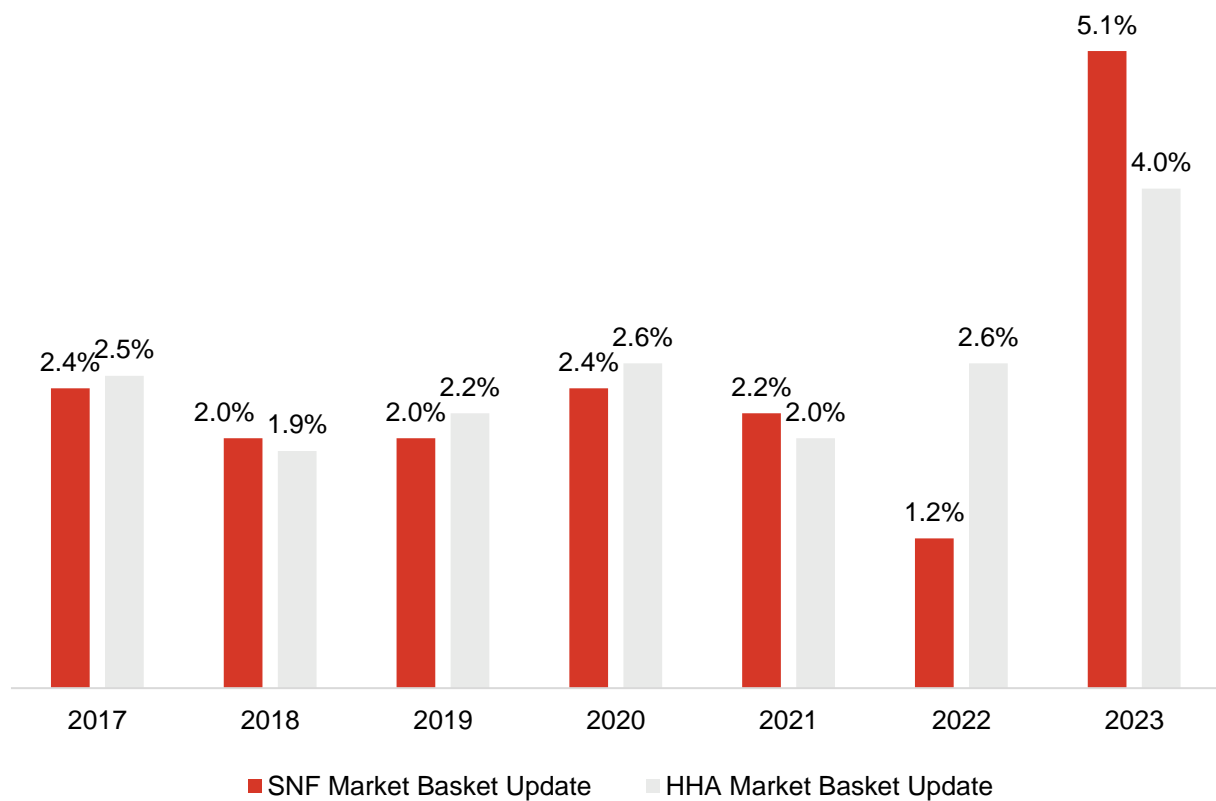
	Home Care Workers	Residential Care Aids	Nursing Assistants in Nursing Homes	All Direct Care Workers
% Change 2019 - 2022	16%	7%	-21%	5%

# LABOR COSTS: PAYMENT RATES ARE NOT KEEPING UP WITH LABOR COST INCREASES

Annual % Change in Total Compensation for All Civilian Workers by Setting, 2017 - 2023



Skilled Nursing Facility (SNF) and Home Health Agency (HHA) Market Basket Update, 2017 - 2023



## FEDERAL GOVERNMENT ACTIONS ARE CAUSING UNCERTAINTY IN STAFFING

### Proposed Minimum Staffing Standards for LTC Facilities

- Proposed rule on September 1, 2023 requiring new skilled nursing facility and nursing facility minimum staffing standards
- Hours per resident day (HPRD) requirement: SNFs and NFs would be required to provide a minimum of 2.45 nurse aide (NA) HPRD and 0.55 hours of registered nurse (RN) HPRD.\*
- 24/7 RN coverage: SNFs and NFs would be required to have 24-hour, 7-day-a-week RN coverage.

### Patient Driven Patient Model (PDPM)

- Effective October 1, 2019
- Created a new case-mix classification model for SNFs
- Payments based on patient characteristics versus therapy utilization

### Patient Driven Groupings Model (PDGM)

- Effective January 1, 2020, creating a new case-mix adjustment methodology
- Created a new case-mix adjustment methodology for HHAs
- 30-day episode rates based on patient characteristics versus therapy utilization

## KEY TAKEAWAYS – DRIVERS OF THE NATIONAL WORKFORCE SHORTAGE

---

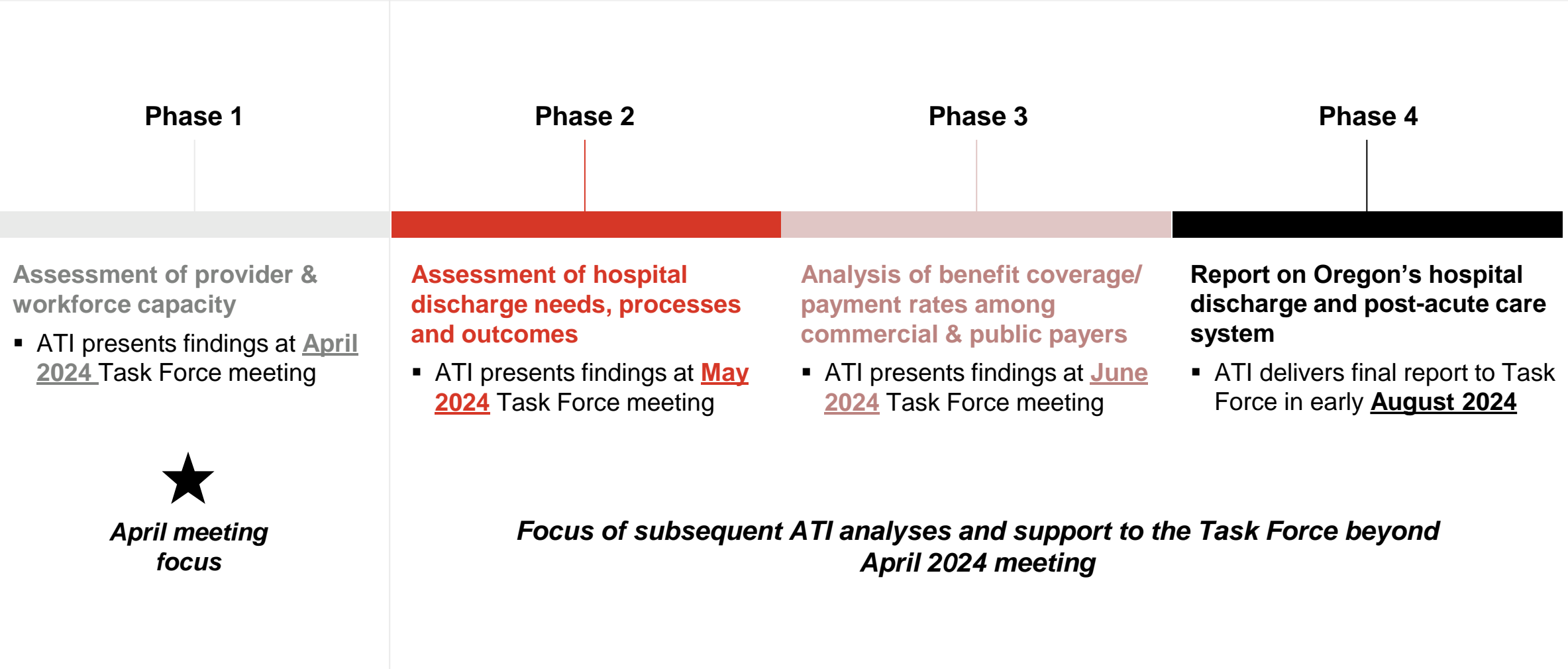
- Demand for staff in post-acute care settings has intensified due to the rapidly growing 65+ population with more complex care needs.
- The current workforce is not equipped to meet the demand of this population, particularly in the SNF/NF setting where direct care workers have declined by more than one fifth in the last few years.
- Labor costs are outpacing reimbursement, particularly for SNFs/NFs.
- Federal action has added further uncertainty around future staffing needs across post-acute care settings.

---

# Moving Forward: ATI's Oregon-Specific Analyses

ATI WILL PRESENT FINDINGS AND IMPLICATIONS FROM OUR OREGON-SPECIFIC WORKFORCE ANALYSES AT THE APRIL TASK FORCE MEETING

At the April Task Force meeting, ATI will present findings from Oregon-specific analyses regarding current workforce challenges faced by post-acute care settings and provide a menu of policy options to address identified challenges.





---

# Discussion and Questions

# ATI Advisory