

TO: CHAIR REP. NOSSE AND MEMBERS OF THE BEHAVIORAL HEALTH AND HEALTH CARE COMMITTEE

FROM: TODD ENGLE, EXECUTIVE DIRECTOR, FRIENDSVIEW RETIREMENT COMMUNITY

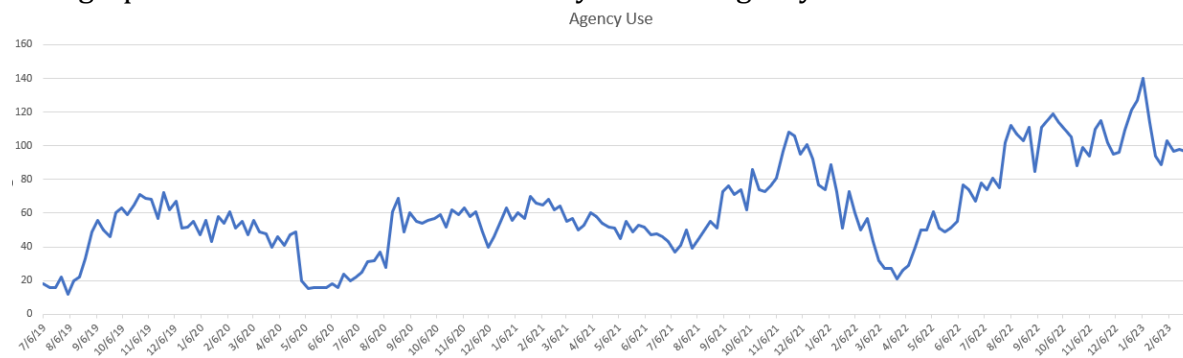
SUBJECT: HB 2665 – AGENCY USE EFFECTS AT FRIENDSVIEW

DATE: MARCH 16, 2023

Friendsview Retirement Community is a Type A Continuing-Care, Life-Plan Community. We were established in 1961 to serve the Northwest Yearly Meeting of Friends (Quakers). Over the years we have expanded our reach to other denominations. Our mission is to provide active residential living and quality continuing care to seniors in a Christ-centered community. We currently serve 420 residents, 75 of which live in our licensed residential care neighborhoods. Our deeply discounted health service rates have kept thousands of our residents from going on Medicaid.

When I came to Friendsview in January of 2004, we used agency occasionally to cover unfillable holes in our licensed areas. We were aware that the day would come that the baby-boomers would age into retirement and there would be fewer workers per retirees in the workforce. Covid made that day come sooner as workers fled the industry.

This graph shows how we have had to rely more on agency since Covid started.



Each point on the graph shows the number of agency shifts used in a week. Friendsview fills 217 healthcare (nurses, med aids, CNAs, and non-licensed caregivers) shifts each week. Many weeks, almost half of our shifts have had to be filled by agency.

Friendsview has worked hard to recruit and retain our workers and has implemented many programs including:

- CNA licensing collaborative with local high school and Chemeketa Community College.
- English Language Learner program collaborative with Rotary and Chemeketa. Promotes ELL staff to healthcare positions
- Recruitment activities with George Fox and local high schools
- Agency reduction incentives that pay current employees \$2.00 hourly bonus when agency is below specified levels
- Hired a recruitment specialist

To stay competitive in the market Friendsview regularly adjusts permanent staffing wages. Since the beginning of Covid there have been significant changes.

Hrly Wage Average	(2019) 12.11.2019	(2022) 1.3.2023	% increase	Current cost per shift
Unlicensed Caregiver	\$12.82	\$16.08	25%	\$128.65
CNA	\$15.18	\$19.42	28%	\$155.38
CMA	\$17.39	\$27.16	56%	\$217.28
LPN Charge Nurse	\$30.15	\$38.56	28%	\$308.48
RN Charge Nurse	\$32.38	\$43.00	33%	\$344.00

These number do not count additional shift differentials that we pay for evening and weekend shifts. This February we added an additional bonus of \$4.00 an hour for full time CNA staff. We are also offering free housing to full time George Fox employees to encourage them to stay in town over the summer holiday.

A sample of two agencies that we contract with show how the cost to use these services has increased since Covid. The average cost per shift includes hourly rates, incentive bonuses, mileage costs, hazard (Covid) pay, holiday bonuses and overtime fees. You can see from the chart above that Friendsview pays an average of \$344 per shift for our own nurses but we paid an agency nurse \$1212 to cover a single shift that we could not fill.

Care NW Staffing	Ave cost per shift				
Statement Date	Caregiver	CNA	CMA	LPN	RN
12/17/2019		\$ 273.54			
12/15/2020		\$ 286.48	\$ 335.60		
12/7/2021	\$ 372.93	\$ 405.04			
12/13/2022	\$ 410.13	\$ 444.46	\$ 439.65	\$ 682.96	
3/7/2023	\$ 413.64	\$ 420.90	\$ 456.47	\$ 932.22	\$1,212.75

Express Employment Pro	Ave cost per shift				
Statement Date	CG	CNA	CMA	LPN	RN
12/18/2019		\$ 252.00			
12/9/2020		\$ 272.90		\$ 454.24	
12/8/2021	\$ 313.11	\$ 402.43		\$ 594.00	
12/7/2022	\$ 360.25	\$ 411.91			
3/7/2023	\$ -	\$ 318.87	\$ -	\$ -	\$ -

We don't blame the workers for leaving our communities and working for agencies. Of course, they desire more money for their families. We don't even blame the agencies for taking advantage of a situation to grow their business and make more money. This situation is just not sustainable and will bring down businesses that take care of seniors. Long-term care providers are limiting their services and/or closing. Peers have closed their skilled units and health neighborhoods. Hospitals cannot find adequate locations to discharge clients needing long-term care or skilled services. All this drives up health costs with no end in sight.

Thank you for understanding and supporting HB 2665.