

To: DHHS-NC Medicaid Medical Care Advisory Committee
From: Ted Goins for the N.C. Direct Care Workforce Crisis Workgroup
Date: 11-25-20
Subject: Direct Care Workforce Update

Thank you for allowing the workgroup to continue to share information on the workforce crisis, the issue that most negatively affects quality of care and access to care for Medicaid recipients. The workgroup remains an independent, self-identified group of concerned individuals from a wide variety of providers, state government, advocacy groups, and academia.

Please let us highlight just a few of the issues the workgroup is supporting and discussing to address the crisis, which is now made even more critical due to Covid-19. North Carolina had thousands fewer direct care workers than it needed before Covid-19. NC nursing homes in 2019 had to utilize staffing agencies for providing care at the 12th highest rate in the country, nearly double the rate at which nursing homes in South Carolina and Virginia needed to utilize staffing agencies. More than 35% of NC nursing homes are forced to rely on staffing agencies to help deliver needed care.

Covid-19 has made it worse. As of the end of October, more than 5,700 nursing home employees alone tested positive for Covid-19, resulting in time away from the facility and further exacerbating the workforce crisis.

FutureCareNC, a not-for-profit organization whose mission is to foster and promote innovations to improve the quality of care and residential living in Skilled Nursing Facilities, is trying to recruit more North Carolinians to work in the LTSS workforce. FutureCareNC, founded by the N.C. Health Care Facilities Association, has applied for and received a \$2.5 million grant from the civil money penalty fund to attract 4,000 new CNAs to North Carolina's skilled nursing homes. The grant will allow FutureCare to market a career in long term care to current and former workers from retail and other industries, and help train them for careers as CNAs. The grant is now in the state's contracting process and should be finalized in January 2021. FutureCareNC is preparing now to be ready to proceed as soon as the grant paperwork is finalized. LTSS providers are trying to recruit more individuals to become nurse aides, but the key to success and long term retention will be additional Medicaid funding to pay a living wage to nurse aides.

Medicaid is the largest funder for most long-term services and supports (LTSS), group homes, and many other health and human services. The entire workgroup acknowledges that, while the state does not have an unlimited purse, Medicaid does need to pay providers enough for providers to be able to pay a living and competitive wage to direct care workers. The median nursing home in NC in 2019 had a negative operating margin—it was losing money. Currently, predominately-Medicaid-funded providers cannot compete with other healthcare settings or private industry wages, or even with the State of North Carolina which raised its minimum wage to \$15 per hour. Before Covid-19 this gap between needed funding and provided funding was primarily responsible for a shortage of nearly 4,000 nurse aides just in NC's nursing homes, with likely thousands more in other LTSS settings. Advocacy around a living/competitive wage is a top priority of the group.

Appalachian State University's Dr. Sandi Lane continues to review and analyze surveys received before the Covid pandemic from CNAs from across the state to identify recruitment and retention issues. Low wages were identified as the number 1 area of job dissatisfaction among active nurse aides in nursing homes across the state.

In other settings, Matthew James, Director of Clinical Operations for Horizons Residential Care Center, has spearheaded the development of a pilot “Disability Support Professional” program starting in Jan. 2021, at Mt. Eagle College. The curriculum design was a collaborative process between self-service recipients, providers, MCO partners, DHHS partners, and other stakeholders (Community & Private College instructors, National Alliance for Direct Support Professionals, and any others). It has the potential to go state-wide. The pilot program is being supported through incumbent worker upskill grant opportunities through NCWORKS, with the potential to be supported with additional Workforce Innovation and Opportunity Act funding. The program includes a database, hosted by Rapid Resource for Families, to store graduates of the program for direct recruitment and emergency staffing reserves. This program is focused on connecting evidence-based practices in the field of disabilities with adult-learning theory to begin addressing the multi-faceted workforce crisis of disability service providers.

A new 3-state study sponsored by PHI on the direct care workforce which includes North Carolina is just getting underway. The N.C. Coalition on Aging will be the lead organization for the study, and has asked to work closely with the workgroup.

The North Carolina Institute of Medicine remains interested in conducting a study on the direct care workforce crisis, which would bring analysis and much needed attention to the crisis. Funding and other details are still being discussed.

The workgroup welcomes any input, ideas, or assistance in addressing these issues. For more information or input, please email me at tgoins@LSCarolinas.net.

Thank you for your time and attention regarding this still-too-silent crisis.