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WISCONSIN PROVIDER SURVEY: WORKFORCE SHORTAGE REMAINS AT CRISIS LEVEL
Long-Term Care Workforce Report Shows That Wisconsin Must Address Caregiver Shortage

MADISON – Wisconsin nursing home and assisted living providers continue to endure a workforce shortage crisis, according to a new report produced by a coalition of provider associations including the Wisconsin Health Care Association/Wisconsin Center for Assisted Living, LeadingAge Wisconsin, the Wisconsin Assisted Living Association, and the Disability Service Provider Network.

[The Long-Term Care Workforce Crisis: A 2020 Report](#) is based on data collected through an unprecedented, in-depth statewide provider survey which showed that 1 in 4 direct caregiver positions in Wisconsin's nursing homes and assisted living facilities are currently vacant. That number has worsened since a 2018 report, which found that 1 in 5 LTC positions were unfilled. The 2020 provider survey found there are as many as 20,655 job openings in long-term care (LTC) facilities across the state (compared to 16,500 openings according to the 2018 survey). This is even more troubling given the percentage of people in Wisconsin age 85 and older is projected to increase 112% in the next 20 years, we should expect an annual growth in personal care and service occupations at 17.68%, and an estimated 9,700 caregivers left for jobs outside of healthcare in the past year.

The report also shows that LTC providers continue to struggle to offer competitive wages compared to other unskilled positions available at fast-food restaurants, big box stores, national gas station/convenience store chains, and other non-healthcare-related organizations. Further, 1 in 2 respondents indicated they could not increase wages because of inadequate Medicaid and Family Care reimbursement.

By all accounts, Wisconsin's Medicaid nursing home reimbursement remains one of the worst in the country in terms of paying for the actual cost of care, despite increases provided under the current State Budget. With two-thirds of nursing home residents receiving Medicaid, provider organizations are hard pressed to increase wages and benefits to a level necessary to overcome the workforce crisis.

“The report provides clear evidence of the escalating long-term care workforce crisis, something that should be of concern to all Wisconsinites,” said John Sauer, President and CEO of LeadingAge Wisconsin. “Our community providers are struggling to attract caregivers and this workforce shortage is being felt in all corners of our State, making it increasingly difficult for individuals to receive timely access to long-term care services and supports. Now is the time for collective action by policy makers, the provider community and other stakeholders to pursue bold strategies to address this caregiver crisis so that all citizens can receive the quality of care and services they need and deserve.”

State leaders have taken notice of the long-term care workforce shortage. Governor Tony Evers signed the 2019-21 state budget that builds upon the \$60.7 million increase from the 2017-19 budget. The 2019-21 budget included an additional \$66.5 million that will go directly to caregivers, and nursing facilities were granted a 6.4% rate increase in 2019-20. The long-term care provider community appreciates the support from Governor Evers, members of the Joint Committee on Finance, Assembly and Senate leadership, and the many state legislators who made this happen. Unfortunately, the 2020 Long-Term Care Workforce Report demonstrates that more must be done to address funding deficiencies.

“While important strides were made in the 2019-21 state budget thanks to support from the State Legislature and the Governor, our state’s crisis in the availability of caregivers is not going to be resolved in one budget,” said John Vander Meer, President & CEO of the Wisconsin Health Care Association and Wisconsin Center for Assisted Living. “Wisconsin ranks the highest out of all of the states in the nation for nursing home Medicaid reimbursement losses, we have seen nearly 40 nursing homes close since 2016, and in many cases assisted living facilities receive less per day in Family Care reimbursement than the cost of your basic motel, while being expected to provide care, services and a home-like environment. With the need for LTC services expected to continue to rise, providers are eager to work with state leaders to be a part of the solution to Wisconsin’s long-term care workforce crisis.”

The workforce crisis is forcing many providers to either limit admissions or rely on current caregivers to work double shifts or overtime, which can lead to caregiver burnout. Thirty-three percent of survey respondents reported they were unable to admit new residents or tenants due to the inability to fill caregiver job vacancies, up from 25 percent in the 2018 survey.

“The workforce crisis continues to intensify as the need to care for individuals requiring assisted living services increases,” said Mike Pochowski, CEO of the Wisconsin Assisted Living Association. “As outlined in the 2020 Report, caregiver vacancies are on the rise which otherwise inhibits a provider’s ability to accept new residents into their facility. In fact, if providers were able to satisfactorily fill caregiver vacancies, providers would be able to increase their overall occupancy rates from 78% to 93%. All in all, helping to resolve the caregiver crisis also allows providers to care for the individuals needing those services, particularly at a time when that need is increasing. We must continue to find ways to resolve this crisis that has and will continue to have a significant negative impact on our state.

The coalition plans to continue working closely with the Governor, the Department of Health Services, and the Legislature to address the long-term care workforce crisis.

“As in 2016 and 2018, the 2020 workforce survey confirms that the workforce crisis remains a significant and increasing challenge for long-term care providers,” said Jeff Kaphengst of the Disability Service Provider Network. “The average caregiver vacancy rate has increased in each survey, to the highest rate of 23.5% currently. The number of providers experiencing caregiver vacancy rates 30% and higher has again increased from that reported in 2018. Long-term care providers struggle to compete with non-healthcare employers, who pay a median wage \$2.00/hour higher than long-term care providers. Yet provider rates have remained the same or decreased, resulting in compounded decreases when inflation adjusted. Through the caregiver survey and report, the partnership of long-term care provider associations will continue to educate legislators, administration staff and the public on the seriousness of the caregiver workforce crisis and the immediate need to address long-term care funding deficiencies.”

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