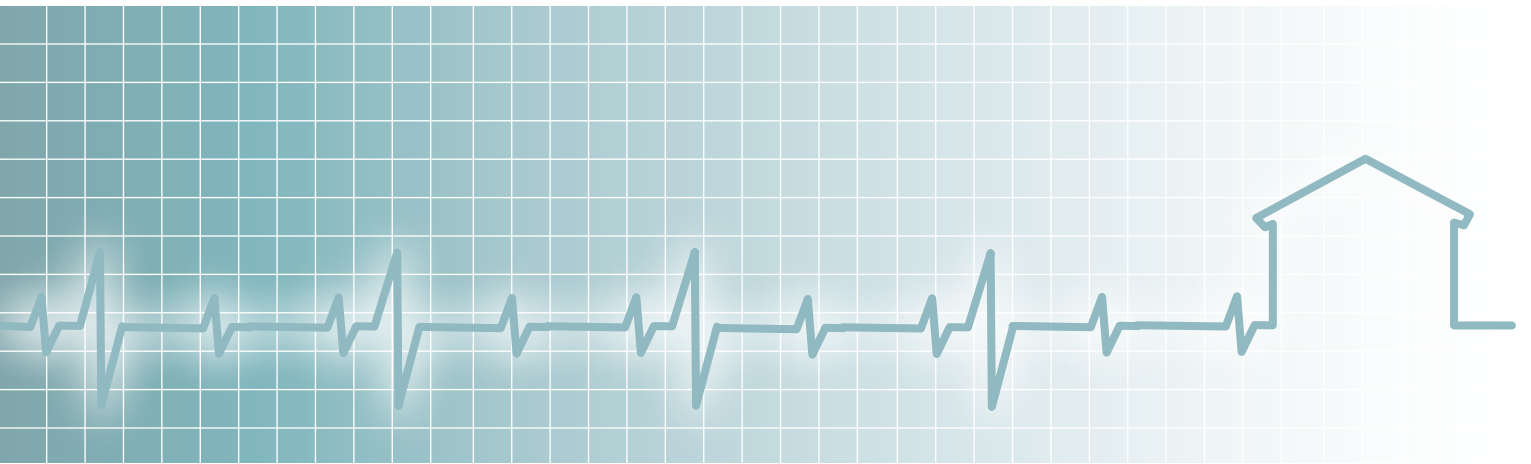


STATE OF HOME CARE AND HOSPICE SERVICES IN VIRGINIA:

# Workforce Crisis





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### Executive Summary

In the broadest sense, home care refers to health or supportive services provided by health professionals or paraprofessionals to a person in his or her home. The Code of Virginia (§ 32.1-162.7) defines a home care organization as “a public or private organization, whether operated for profit or not for profit, that provides, at the residence of a patient or individual in the Commonwealth of Virginia, one or more of the following services: **1) home health services, 2) personal care services, or 3) pharmaceutical services.** Home care is the type of care most preferred by ill or frail individuals. According to a 2008 AARP report, an overwhelming majority (87%) of people with disabilities age 50 or older would like to be cared for in their own home (VCU & VAHC, 2008). Home care has a significant future role in the treatment and care of older and disabled individuals, particularly those with chronic conditions.

Home care is provided by professionals and paraprofessionals of various disciplines and

levels. Virginia, with the rest of the country, is experiencing a significant workforce crisis in nursing and direct care workers. In home care, this workforce crisis extends to other disciplines such as physical and occupational therapists. Overall high rates of turnover in healthcare have prompted stakeholders to take a closer look at how qualified workers can be obtained and kept. As home care looks to its future, providers have become increasingly concerned with workforce issues.

Current research on recruitment and retention has been primarily with nurses and direct care workers, mostly in hospitals and residential long-term care, i.e. nursing facilities and assisted living. These studies have generally indicated that adequate wages and affordable health benefits are of primary importance to direct care workers in these settings. Other important issues are effective management, training, advancement opportunities, involvement in patient care decisions, and feasible workloads (Brannon, Barry, Kemper, Schreiner & Vasey, 2007;

Castle, Engberg, Anderson & Men, 2007; Harris-Kojetin, Lipsin, Fielding, Kiefer & Stone, 2004). While these findings have contributed greatly to our understanding of workforce issues, they may not be generalizable to the home care industry. The home care environment presents a number of unique characteristics that may influence recruitment and retention challenges and strategies. Home care workers have greater autonomy in their work, greater opportunity for building relationships with their clients, and possibly greater schedule flexibility. On the other hand, they may have less available hours, more responsibility, and increased travel (Morris, 2009). Home care stakeholders also seem to agree that home care has not been sufficiently “popularized” as an option for new professionals in the field and, in fact, may carry

negative perceptions. There is a growing need to educate students and new professionals, across disciplines, about the opportunities in home care.

A recent study by Morris (2009) sought to look specifically at direct care workers in home care. The findings indicated that while improved supervision, training, and schedule flexibility may decrease a workers’ intent to leave the job, higher wages, more hours, and better benefits were the actual influences of turnover. The purpose of this descriptive study was to explore the recruitment and retention practices and challenges of Virginia home care providers. One unique aspect of this study is its broadened inclusion of various home care positions.

# Research Results:

## VAHC WORKFORCE DEVELOPMENT TASK FORCE

In 2008 The Virginia Association for Home Care and Hospice created a Workforce Development Task Force to explore workforce challenges amongst home care agencies. The Task Force formed a survey development team comprised of providers and staff to create a survey to gather information about recruitment and retention challenges and strategies experienced by Virginia home care providers. A 69-item survey was developed and administered through Survey Monkey. Respondents who completed the survey were given a “Recruitment and Retention Toolkit.” Surveys were distributed to approximately 280 home care agencies. Although 83 individuals started the survey, 39 completed it. Not all respondents completed every question. This report summarizes the data collected. On average, there were 28.4 responses per question.

### Difficulty Recruiting Enough Staff

Of the 49 agencies for which we had identifying information, 41 indicated they were Medicare certified home health agencies, 13 provided Medicaid personal care, 16 provided private duty, and 10 provided hospice services. Diversity in the size of home care agencies is evidenced by the wide range of home care and hospice visits reported. The number of annual home care visits ranged from 300 to 118,000, with a mean of 27,816 visits.

Agencies were asked to report the numbers and types of their full-time, part-time and PRN staff. Forty-nine respondents indicated that RN’s made up the largest number of their full-time staff, with an average of 11.28 per agency. This was followed by an average of 10.46 full-time home health aides per agency. In terms of part-time staff, most were certified home health aides, with an average of 19.1 home health aides per agency. Interestingly, while on average agencies only had 3.04 full-time personal care aides, they reported 18.55 part-time personal care aides. This is consistent with another finding that personal care aides report they do not have sufficient hours. Home health aides also made up the majority of PRN staff, with an average of 8.93 per agency.

Seventy percent of the nurses in home care agencies who responded are below the age of 50. By comparison, according to *2004 National Sample Survey of Registered Nurses*, the average age of registered nurses

in nursing facilities is 49, suggesting that nurses in home care may be younger than nursing facility nurses. In contrast, a larger percentage of home care aides were reported to be in the 51+ age range (21.3% versus 12.8% for nurses).

The survey team was interested in the impact of recruitment and retention challenges on providing services to those who request them. When asked if they had a waiting list, 73.3% of respondents indicated that they do not have a waiting list for clients. For those having waiting lists, they were asked the reasons why. The most frequently cited number one reason was “difficulty recruiting enough staff to provide services.”

Recruitment refers to the process of identifying and hiring the best qualified candidates for employment. Retention refers to a systematic effort by employers to create environments in which currently employed individuals remain employed by them. Healthcare workforce recruitment and retention issues have become particularly popular in light of an impending workforce crisis fueled by the unavailability of health care workers. Nearly forty-six percent of agencies reported that recruitment was their greatest challenge. Twenty-seven percent reported that recruitment and retention were equally challenging for their agencies. Interestingly, 20.8% stated that they did not experience recruitment or retention challenges.

Very few agencies identified retention alone as their major challenge, suggesting the interconnectedness of these two issues.

Another possible interpretation of this is a “selection bias” in home care—that it is difficult to find people to work in home care, but those who are interested in home care may tend to stay in their positions.

### Physical Therapists, RNs Needed

The following data gives us a picture of home care agencies’ recruitment challenges.

When asked to indicate the primary reason why they have difficulty hiring the staff they need, qualitative responses were varied. Responses supported

quantitative data on the challenges in recruiting therapy positions and the general lack of availability of qualified, interested candidates. However, some agencies suggested that their recruitment challenges were related to the care with which they selected candidates. One respondent stated, “We are very choosy about who we hire. We hire for the long term and expect high quality staff.” Another respondent echoed this sentiment: “We search for high quality individuals and even though the market for caregivers is good at this point, due to unemployment, the caliber is not what we expect.”

Agencies most frequently ranked physical therapists as the top position for which they recruited, followed by occupational therapist and home health aides. The third most common position recruited was RN.

On a scale of 1 to 5, with 5 being “extremely significant” and 1 being “not significant at all” how significant are each of these issues in recruiting staff?		
Staff position	Most significant recruitment issue	Least significant recruitment issue
NURSES (LPN/RN)	Finding nurses having sufficient work experience (M=3.51)	Nurses’ comfort level with charting electronically (M=2.38)
CERTIFIED HOME HEALTH AIDES (HHA)	Competitive opportunities in other types of healthcare settings (M=3.05)	Lack of benefits (M=2.37)
PERSONAL CARE AIDES (PCA)	Agency offering sufficient hours to meet financial needs of aides (M=3.61)	Working environment (condition of client’s homes) (M=2.5)
PHYSICAL THERAPISTS (PT)	Availability of PTs in general (M=4.66)	PT preferences for working with specific populations (M=3.69)
LICENSED PHYSICAL THERAPY ASSISTANTS (LPTA)	Availability of LPTAs (M=4.0)	Reputations/relationships with supervising PTs (M=2.48)
OCCUPATIONAL THERAPISTS (OT)	Availability of OTs in general (M=4.73)	OT preferences for working with specific populations (M=3.70)
OCCUPATIONAL THERAPY ASSISTANTS	Availability of OTAs (M=4.08)	OTA preferences for working with specific populations (M=3.04)
SPEECH LANGUAGE PATHOLOGISTS (SLP)	Availability of SLPs (M=4.52)	SLP preferences for working with specific populations (M=3.90)
RESPIRATORY THERAPISTS (RT)	Competitive wages (M=3.60)	Availability of RTs (M=3.0) and RT preferences for working with specific populations (M=3.0)
RESPIRATORY TECHS (R-TECH)	Competitive wages (M=3.0), Availability of R-TECHS (M=3.0), and Finding R-TECHS willing to travel over large geographic areas (M=3.0)	R-TECH preferences for working with specific populations (M=2.50)
SOCIAL WORKERS (SW)	Availability of Masters-prepared social workers (M=3.80)	Competitive wages (M=3.0)
PHARMACISTS (PH)	Competitive wages (M=3.67)	Competitive wages (M=3.33), On-call commitments/challenges (M=3.33), Perceived awareness of high demand of their skills (M=3.33), Multiple employment opportunities available to them (M=3.33), Lack of interest in working in home care (M=3.33)
PHARMACY TECHS (P-TECH)	Multiple employment opportunities available to them (M=3.0)	Competitive benefits (M=2.0), Perceived awareness of high demand of their skills (M=2.0)
REGISTERED DIETICIANS (RD)	Competitive wages (M=4.0) and Lack of interest in working in home care (M=4.0)	Reputation/relationships with other professionals in home care (M=2.63)

When asked to rank their top three hiring competitors, agencies most frequently cited hospitals and other home care agencies as their biggest competitors. The least competitor was “other (e.g., supermarkets, retail, and other service jobs).” This suggests that health care workers may not leave healthcare, but move between settings.

Agencies were asked to rate on a scale of 1 to 5, with 5 being “extremely difficult,” how difficult it was to recruit various types of staff. Occupational therapists and physical therapists were rated as the most difficult to recruit (means of 4.63 and 4.36 respectively). One interesting finding is that while agencies previously indicated home health aides as top positions for which they most frequently recruited, they rated the difficulty of hiring home health aides fairly low (M=2.12). This raises a number of questions about turnover of home health aides, as well as availability. One interpretation could be that home health aides turn over quickly but are relatively plentiful in supply.

Interestingly, the large majority of home care agencies (73%) do not hire new nursing graduates. Home care agencies are more likely to hire new graduates for therapy positions (41.7% will do so) and aide positions (60.9% will do so).

In an attempt to better understand recruitment challenges, agencies were asked to rate the significance of potential recruitment issues for various types of staff. The survey development team, which consisted primarily of providers, identified what they perceived to be significant recruitment challenges. The table on page 4 identifies what agencies rated as the most and least significant recruitment issues for each type of staff.

As you can see, most issues were rated rather moderately, with fairly small deviation between the highest and lowest average ratings. This suggests that there is a wide range of multiple challenges rather than one that stands out in particular. Previous research has indicated that there is no one recruitment challenge that stands alone. The highest average rating was associated with Physical Therapists, which corroborates previous results indicating a high degree of difficulty in recruiting Physical Therapists.

Because the availability of benefits have been shown to be important in recruitment, we asked agencies about their experiences with offering benefits. Nearly 88% of agencies reported they believed the availability of benefits drew potential employees to positions

FIGURE 1. On a scale of 1 to 5, with 5 being “extremely important,” how important are each of these “benefits” in successfully recruiting staff?

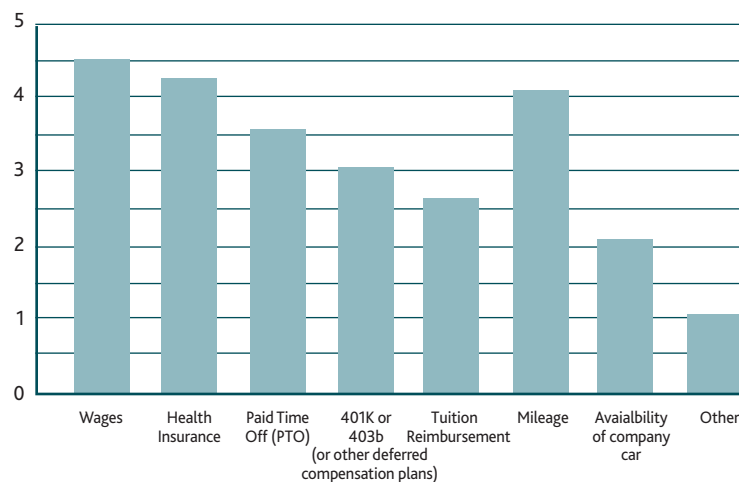
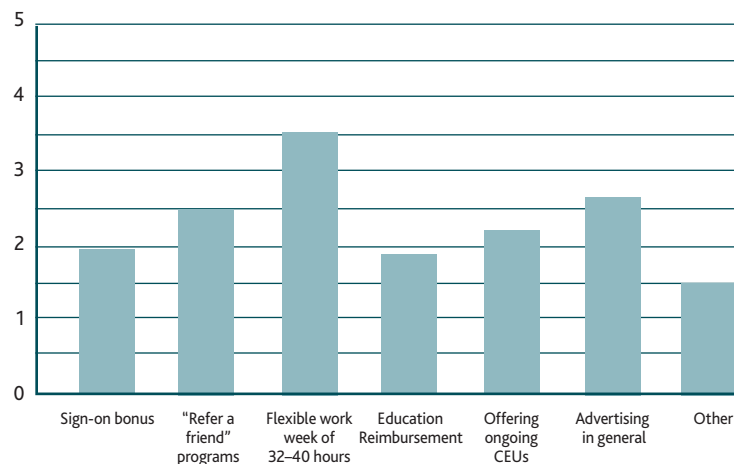


FIGURE 2. On a scale of 1 to 5, with 5 being “extremely effective,” and 1 being “not effective at all,” how effective have the following strategies been for you in recruiting staff?



available at their agency. Figure 1 on page 5 presents how agencies rated a variety of benefits on a scale of 1 to 5, with 5 being “extremely important.” “Wages” received the highest mean rating, followed by “health insurance.”

In terms of recruitment strategies, agencies were asked to rate the effectiveness of a series of strategies on a scale of 1 to 5, with 1 being “not effective at all” and 5 being “extremely effective.” Figure 2 presents these results. The availability of a “flexible work week” received the highest mean rating.

It is interesting to note that most strategies were rated as being moderately effective to ineffective. This suggests the importance of further evaluation of recruitment strategies.

FIGURE 4: With what organizations have you developed relationships to help in your recruitment efforts?

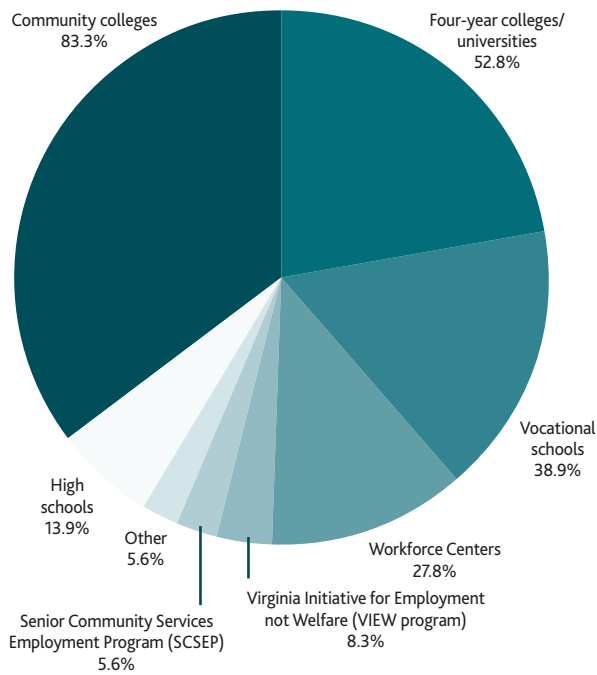
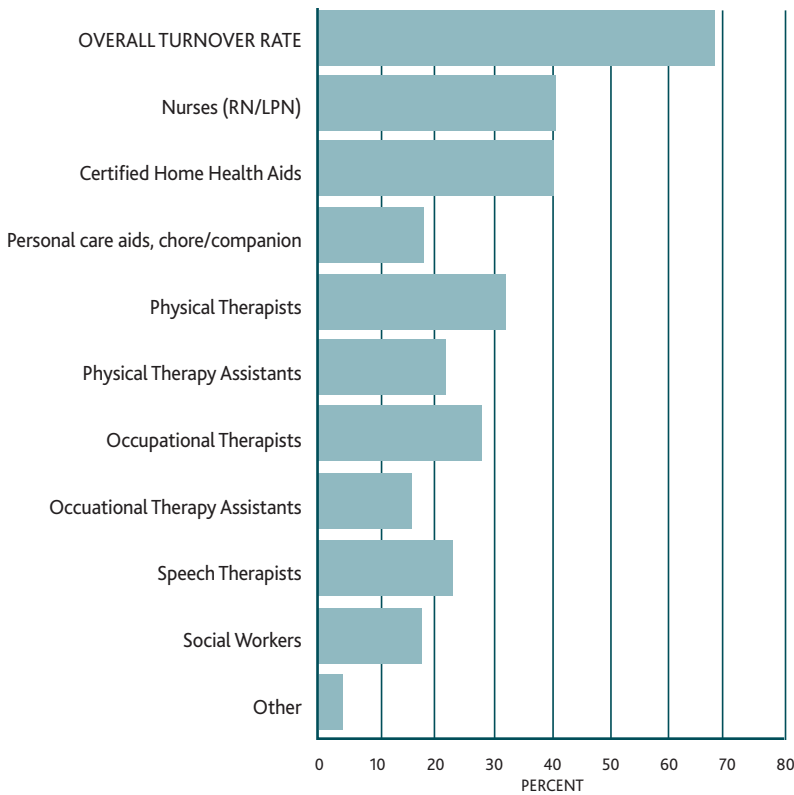


FIGURE 5. What is your turnover rate for the following types of staff (over the last fiscal year)?



Agencies were also asked to describe “unique recruitment strategies” they have attempted. Below are some examples they shared:

- “Facebook, corporate recruiter, video on YouTube...”
- “We visit job fairs and in particular as many rehab continuing ed programs as possible.”
- “We obtained \purchased a list of RN’s in our service area and mailed flyers at a rate of 50 a week, until we went through the entire list.”
- “Pay staff a referral bonus if they bring employees in who stay at least 6 months.”

Agencies were then asked about recruitment strategies they have not tried but would like to. The reasons for not trying these strategies primarily related to time and money. Following are some of these responses:

- Three respondents indicated “tuition reimbursement”
- “Advertising in the New York papers for PTs and OTs”
- “Goodyear blimp”

The importance of community partnerships was supported by the finding that agencies have developed relationships with organizations to help in their recruitment efforts, with community colleges being the most frequently cited partner.

### Retention: Wages, Benefits, Environment

Agencies were asked to identify the primary reason they have difficulty retaining staff. Qualitative responses by individual agencies typically indicated more than one reason and a number of agencies indicated that it was the combination of these issues that created a “vicious cycle” of poor retention. Workers get overloaded, burned out, another offer comes around, they accept it, and the cycle repeats. Some additional comments included:

- “Staff either love home care or hate home care. After a significant amount of time, energy and resources, about 50% of staff are leaving due to not feeling like this is a good fit or feeling the follow-up and documentation is too cumbersome.”
- “Many staff work for more than one agency. They have a tendency to follow the money, meaning they work for the agency that offers them the highest hourly wage.”
- “They do not realize how much work goes into being a home health clinician despite discussions beforehand.”



In terms of specific positions, agencies most frequently identified RN's as the position hardest to retain, followed closely by physical therapists. Home health aides were most frequently identified as the second hardest position to retain. This finding is interesting when compared to data on recruitment challenges, which suggested that physical therapists were hardest to recruit.

To get a sense of market competition, we asked agencies where employees went when they left their positions. Most agencies (77.5%) were aware of where employees went when they left their agencies. Agencies most frequently ranked "another home care agency" as the most common place employees go to when they leave.

Staff retention difficulties bring a variety of challenges to home care agencies, some of which extend to patient care. Nearly eighty-four percent of respondents experienced the high cost of turnover, 70.3% have seen a lack of continuity of care, and 45.9% have seen an inability to grow as an agency as a result of retention challenges. The average overall turnover rate for respondents was 68.8%. Although turnover rates vary, estimates for turnover rates for home care workers in

other states range from 25-50% (Wright, 2005). For those agencies who tracked turnover by position, the average turnover rates are shown in Figure 5.

Agencies were asked to rate the significance of various factors in retaining different types of staff. The chart at the bottom of this page identifies the most and least significant retention issues for each type of staff.

Agencies were asked to rate the effectiveness of particular benefits in retaining staff on a scale of 1 to 5, with 5 being "extremely effective" and 1 being "not effective at all." Figure 6 presents the average ratings for each benefit.

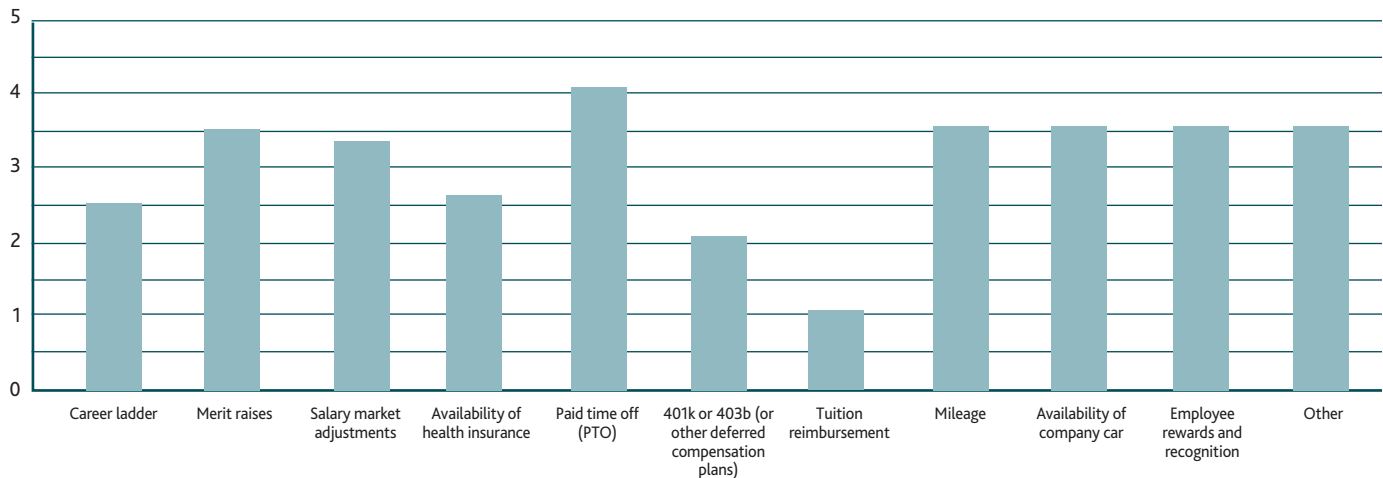
When asked to identify "unique retention strategies" they have attempted, the following comments were shared:

- "Provide a better co-worker environment. Our staff really gets along with each other well. Have monthly social events in office."
- "Bonus tied to performance."
- "A lot of personal recognition and personal thank-you's and really caring about them as individuals."

Agencies were also asked "if there were no budget restraints or other restrictions, what would be the one

On a scale of 1 to 5, with 5 being "extremely significant" and 1 being "not significant at all" how significant are each of these issues in recruiting staff?		
Position	Most significant retention issue	Least significant retention issue
NURSES	"Too much paperwork" (M=3.47)	"Dislike/discomfort with electronic documentation"
HOME HEALTH AIDES (HHA)	"Wages" (M=3-48)	"Working environment/condition of clients' homes" (M=2.33)
PERSONAL CARE AIDES (PCA)	"Insufficient hours" (M=3.69)	"Working environment/condition of clients' homes" (M=2.13)
PHYSICAL THERAPISTS (PT)	"Wages" (M=4.05)	"Insufficient hours" (M=1.95)
LICENSED PHYSICAL THERAPY ASSISTANTS (LPTA)	"Availability of other employment opportunities" (M=3.73)	"Benefits not available or affordable" (M=1.85)
OCCUPATIONAL THERAPISTS (OT)	"Wages" M=3.95 and "Availability of other employment opportunities" (M=3.95)	"Benefits not available or affordable" (M=1.89)
OCCUPATIONAL THERAPY ASSISTANTS (OTA)	"Availability of other employment opportunities" (M=3.87)	"Benefits not available or affordable" (M=1.93)
SPEECH LANGUAGE PATHOLOGISTS (SLP)	"Availability of other employment opportunities" (M=3.95)	"Benefits not available or affordable" (M=2.11)
RESPIRATORY THERAPISTS (RT)	"Wages" (M=3.75)	"Dislike work schedule" (M=2.75), "Benefits not available or affordable" (M=2.75), "Working environment/condition of clients' homes" (M=2.75)
RESPIRATORY TECHS (R-TECH)	All rated same(M=2.0)	
SOCIAL WORKERS (SW)	"Availability of other employment opportunities" (M=3.47)	"Benefits not available or affordable" (M=1.92)
PHARMACISTS	"Wages" (M=4.0) and "Availability of other employment opportunities" (M=4.0)	"Position requires too much travel" (M=2.0)
PHARMACY TECH (P-TECH)	"Availability of other employment opportunities" (M=3.67)	"Position requires too much travel" (M=1.0)
DIETICIANS	"Availability of other employment opportunities" (M=4.0)	"Benefits not available or affordable" (M=1.88)

FIGURE 6. On a scale of 1 to 5, with 5 being “extremely effective,” and 1 being “not effective at all,” how effective are the following “benefits” in retaining staff?



thing you believe could be done to improve the retention of staff.” Of the 26 responses, 16 specifically stated “increase wages.” Other responses included:

- “Providing them with a manageable case load in order to actually spend time with the patient teaching instead of hours spent on mandated paperwork.”
- “Having weekend and evening positions that would eliminate the need for full-time staff to assume these positions.”
- “Company paid health insurance.”

## How Agencies Avoid Crisis

Recruitment and retention of home care workers is clearly a complex issue with no single “problem” as well as no “magic bullet” answer. Its complexity and variability is demonstrated in this study by low to moderate ratings for effective strategies, as well as moderate ratings of issues influencing recruitment and retention. These findings of this survey suggest the importance for home care agencies to continually evaluate recruitment and retention strategies to deem their effectiveness. An example is with sign-on bonuses. Sign-on bonuses, while widely used, were rated quite low in their effectiveness. Studies have indicated that sign-on bonuses are considered short-term fixes that do not serve to retain workers, or encourage loyalty to the agency. (Numerof, Abrams, & Ott, 2004). In fact, sign-on bonuses may also cause feelings of anger and unfairness between long-standing and new employees (Mantler, Armstrong-Stassen, Horsburgh, & Cameron, 2006). New tools have been developed that can help organizations

evaluate the effective of workforce strategies. For example, Quality Partners of Rhode Island, the state Quality Improvement Organization (QIO,) has developed a staff stability toolkit for nursing facilities. The toolkit includes a number of worksheets that help providers in calculating the costs of their turnover, as well as evaluating financial incentives being used in hiring and retaining staff. Although developed for nursing facilities, these tools may have applicability in home care and might help providers develop evaluation processes for their own recruitment and retention strategies.

Another area for further discussion may be in the ethics of recruitment and retention practices. Increased competition for and dwindling supply of workers encourages an open discourse on an ethical approach to addressing these challenges. This calls for a national discussion that would not be limited to home care, but address the ethics of recruitment and retention through all care settings and disciplines. Australia, similarly facing a workforce crisis, called for a national code for the ethical recruitment and retention of nurses in 2003 (Johnstone & Stewart).

The results of this study validate a general lack of availability of workers, particularly therapists. This suggests the need for students in physical and occupational therapies to be exposed to home care early in their studies. There is also the need for more research to explore why therapists choose not to work in home care. Other healthcare disciplines would certainly also benefit from earlier and increased awareness of opportunities in home care.

Increased wages was recognized as an important component of recruitment and retention strategies. Improving wages and benefits for home care workers is a significant operational and policy issue. With continued decreased reimbursement for home care services, home care providers find themselves hard pressed to offer competitive wages, affordable benefits, and sufficient hours. These realities may influence home care workers to “jump” from agency to agency or work in another healthcare setting. The Paraprofessional Healthcare Institute has recommended that efforts at improving the attractiveness of home care jobs be focused on higher wages, affordable health benefits, and more hours (Morris, 2009). Policymakers and home care stakeholders will need to continue to evaluate

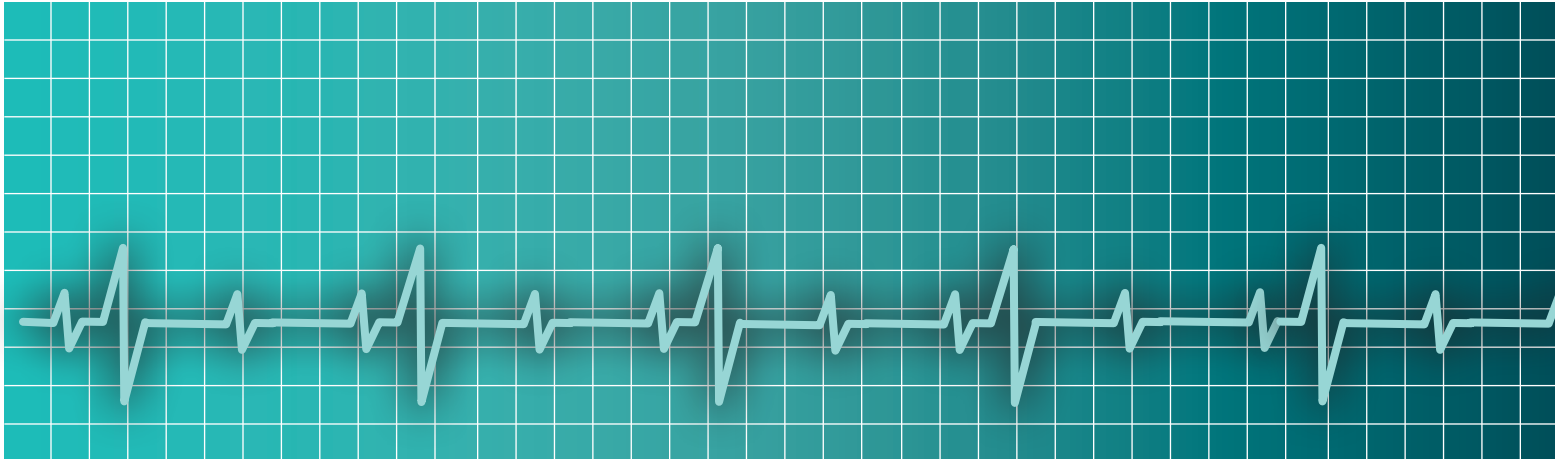
these workforce challenges and develop innovative strategies to encourage qualified professionals and para-professionals to make home care their setting of choice.

In conclusion, there appears to be wide variability amongst agencies in their recruitment and retention practices. In the absence of increased wages, this calls for individualized approaches to these challenges. Agencies are encouraged to evaluate their strategies to determine financial impact and whether they are meeting their recruitment and retention objectives, particularly because there is inconclusive research support for the effectiveness of some of these strategies.

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