

Wisconsin Provider Survey: Workforce shortage intensifies

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

[The Long-Term Care Workforce Crisis: A 2022 Report](#) is based on data collected through an unprecedented, in-depth statewide provider survey which showed an increase in caregiver vacancies from 23.8% in 2020 to 27.8% in 2022 amongst Wisconsin's long-term care (LTC) providers. That number has worsened since a 2018 report, which found that 20% of caregiver positions were unfilled. The 2020 provider survey found there are as many as 23,165 job openings in LTC providers across the state (compared to 20,655 in 2020 and 16,500 in 2018). This is even more troubling given there are only 19,600 Wisconsinites not in the labor force who are looking for a job.

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. For example, the median wage offered to non-healthcare employees is almost 25% higher than the starting wage offered to certified nursing assistants (CNAs). Namely, this is because the Medicaid/Family Care programs are unable to rapidly respond to the economic environment and increase provider rates to help offset inflation and compete with similar industries.

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, providers are hard pressed to increase wages and benefits to a level necessary to overcome the workforce crisis. And, the same is true for providers that rely on the Family Care program to help fund caregiver wages and benefits and related care and service expenses.

"The 2022 Workforce Report documents the challenges facing our long-term care system and amplifies the need for proactive solutions," said John Sauer, President and CEO of LeadingAge Wisconsin.

"Wisconsin needs a path towards a long-term sustainable workforce in order to meet the needs of its aging population. Creating this path will require collective action among stakeholders, policymakers and the Governor to provide the necessary investments in the state's long-term care system to ensure that providers have the continued resources needed to provide high-quality care to Wisconsin's most vulnerable citizens."

State leaders have taken notice of the long-term care workforce shortage. Governor Tony Evers signed the 2021-23 state budget that included an additional \$104 million (all funds) that will go directly to caregivers. 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. We are also appreciative of the 5% rate increase within the Family Care program as part of the American Rescue Plan Act (ARPA) for 2022 and the \$54 million directed rate increase within Family Care provided in the summer of 2021. Unfortunately, the 2022 Long-Term Care Workforce Report demonstrates that more must be done to address funding deficiencies.

"The results of our Workforce Study, while very troubling, are not very surprising. But we cannot dwell on the past. We cannot dwell on the present. Instead, we must act with dispatch to ensure a stable long term care labor infrastructure for all Wisconsinites for the future. Accordingly, we look forward to working with Executive and Legislative branch policymakers on the practical solutions that we propose." noted Rick Abrams, CEO, Wisconsin Health Care Association/Wisconsin Center for Assisted Living.

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. In fact, 18,482 individuals who sought care and services from a long-term care provider were denied or delayed services due to lack of staff.

“Providers are at a breaking point as the workforce crisis continues to worsen,” said Mike Pochowski,

President & CEO of the Wisconsin Assisted Living Association. “This is extremely problematic as Wisconsin’s population continues to age, yet providers struggle to find necessary staff. Further, facilities have closed all across the state mainly due to caregiver staffing shortages. We appreciate everything the legislature, Governor, and the Department of Health Services has done to help with this crisis but unfortunately, more must be done.”

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.

“Even after weathering the pandemic, members have told us their ability to compete in the current environment is at its most critical point now,” said Lisa Davidson, CEO of the Disability Service Provider

Network. “With new American Rescue Plan Act funds available to Home and Community Based Services, we look forward to once and for all addressing years of inadequate reimbursement to providers, and grow the profession of caregiving for our most vulnerable.”