



## Federal-State Partnership Creating Hundreds of Jobs, Improving Nursing Facility Safety and Quality

— Oregon Nursing Facility Staffing Increases (Phase II) —

### Background:

In 2006, the Governor convened the Nursing Facility Staffing Commission to look at the staffing levels and quality of care in Oregon nursing facilities. The Commission included representatives of the legislature, the nursing facility industry, nursing facility workers, SEIU Local 503, the Department of Human Services, AARP Oregon and a broader stakeholder group.

The work of the Commission led to a comprehensive report released in 2007 outlining recommendations for a three-phase nursing facility staffing increase to begin March 1, 2008, with phases II and III set to take place on April 1, 2009 and 2010, respectively. Funding for phases I and II was approved by Oregon legislature in 2007 to run through the end of the 2007-2009 biennium.

The rules increase the required minimum Hours Per Resident Day (HPRD) that nursing assistants spend helping residents with daily activities, such as eating and bathing; require nursing facilities to post daily staffing ratios for the public and report daily staffing ratios quarterly to DHS; and require DHS to monitor compliance, among other improvements.

### Issue:

Phase I of the recommendations went into effect on March 1, 2008, increasing nursing assistant staffing from 1.66 HPRD to 2.07 HPRD.

Phase 2, increasing the hours of care provided to nursing facility residents in Oregon from 2.07 HPRD to 2.31 HPRD, was slated to go into effect April 1, 2009.

However, severe budget pressure from the current revenue shortfalls jeopardized this implementation.

Increased federal dollars into the Oregon Medicaid program through the American Recovery and Reinvestment Act provided a critical opportunity that legislative and policy leaders worked together to harness.

This federal-state partnership and increased match makes it possible to protect and create hundreds of critical positions – in both the last three months of the current biennium via the 07-09 rebalance and for the 2009-11 biennium.

### **Economic Impact/Stimulus:**

Funding for these nursing facility staffing standards is a powerful, cost-efficient economic engine for Oregon by:

- Maximizing available federal dollars  
For Oregon's investment of \$3-4 million, the state will be able to draw down \$8-10 million in federal matching funds. Or, for every \$1, Oregon gets \$2.64 back from the federal government.
- Creating "ready to hire" jobs today  
Nearly 300 new Certified Nursing Assistant (CNA) jobs will be created and available immediately across the state at a time when Oregon's unemployment rate is increasing rapidly. These jobs also represent important career ladders for the Oregonians who hold them, allowing them to train and move on to advanced positions.
- Supporting women in Oregon's workforce  
Females comprise the majority of the nursing assistant workforce and the nursing facility residents they serve, so investments in these services provides important job opportunities for Oregon women. And the need for direct-care workers in Oregon is expected to grow by more than 20 percent by 2016 (according to the Oregon Healthcare Workforce Institute), providing increasingly more job opportunities to working mothers and families.
- Stimulating economic activity in local communities  
The wages and benefits paid to these new health care professionals will be spent on rent, groceries and other necessities in local Oregon communities very quickly, turning state expenditures into economic stimulus now. According to analysis by ECONorthwest, every \$1 million in federal funds spent in Oregon creates \$1.7 million in local economic activity, translating into this staffing increase generating \$15.3 million in economic activity.

### **Quality of Care for Oregon's Most Vulnerable:**

Research – in study after study – has shown the dramatic relationship appropriate staffing has on the quality of life and care for seniors and people with disabilities in nursing facilities.

The Commission's work and the Legislature's funding commitment will help ensure that the both facilities and dedicated workers have the ability to provide safe, professional, quality care for the state's most vulnerable.

Reports of low staffing levels or other questions or concerns about the new rules should be directed to the Department of Human Services Client Care Monitoring Unit at 1-877-280-4555.