

Committee Name:
Joint Committee on Finance – Budget Hearings (JCF_BH)

Appointments

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Clearinghouse Rules

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C.N.A. Wages

State of Wisconsin
Joint Committee on Finance

Support of the
7% Wage Increase Pass Through

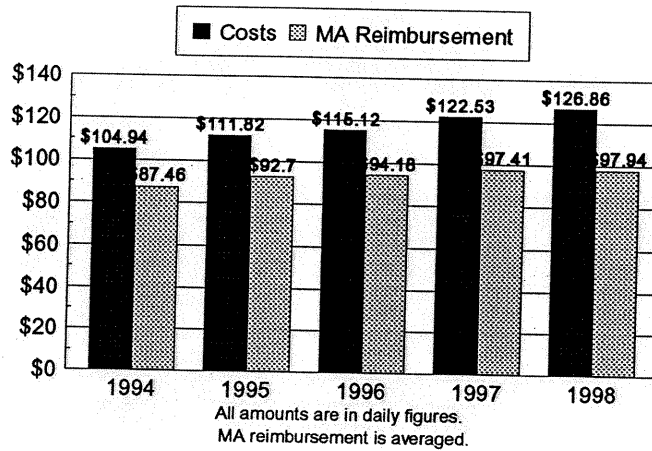
April 15, 1999

Prepared by:

Bill Bender
Administrator
St. Marys Care Center

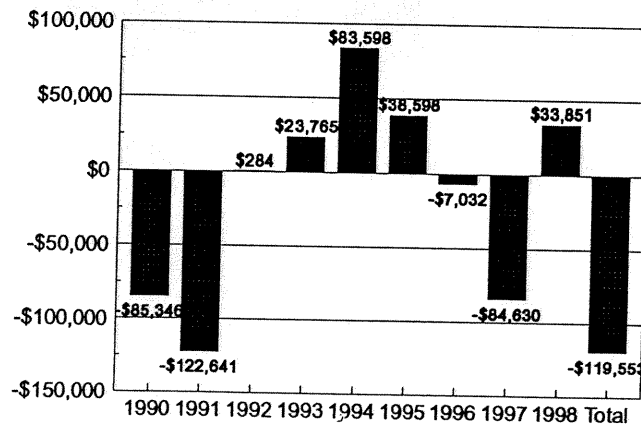
At St. Marys Care Center, Medical Assistance recipients comprise over 50% of our total patient days, yet provides only 41% of our total revenues. For the most part, Private Pay residents subsidize our Medical Assistance residents. Please refer to the below graph to see the disparity between our Medical Assistance rates and our costs. The graph figures are per day amounts.

Cost vs Medical Assistance Reimbursement



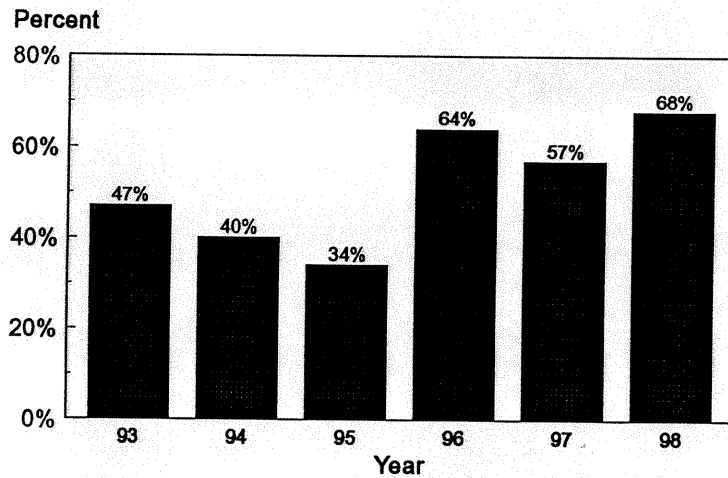
Staffing is our number one problem and is directly associated with our reimbursement from Medical Assistance. The below graph shows our Net Operating Income. After nonoperating income is added in, our finances improve. However, we must stay within budget in order to survive as a business. Because of our reliance upon Medical Assistance, our finances prevent us from instituting higher increases. We simply cannot keep passing on the cost increases to our small base of private pay residents.

Return on Operations



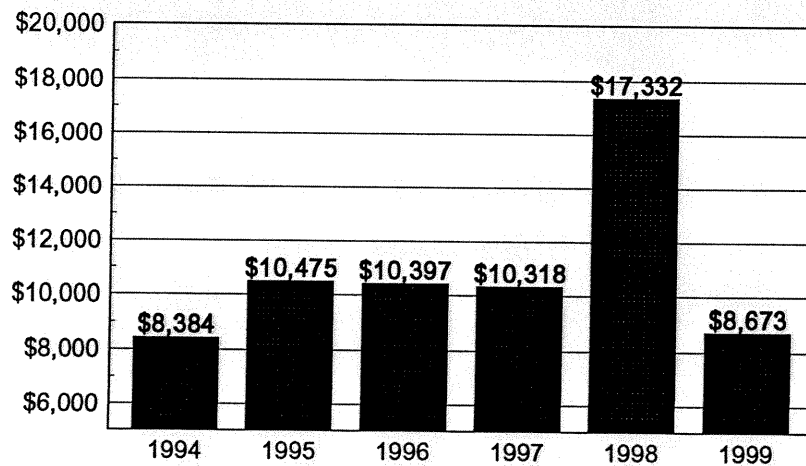
Yet our staffing situation gets worse. The next graph shows our turnover rate. The years 1993 to 1995 we averaged a 45% turnover rate. The years 1996 through 1998 this average jumped to 63% turnover.

St. Marys Care Center Staff Turnover



We advertise continually in the help wanted section of area newspapers. Below is what is spent on an annual basis for these help wanted ads. If 1999 were annualized, the cost would be over \$69,000!

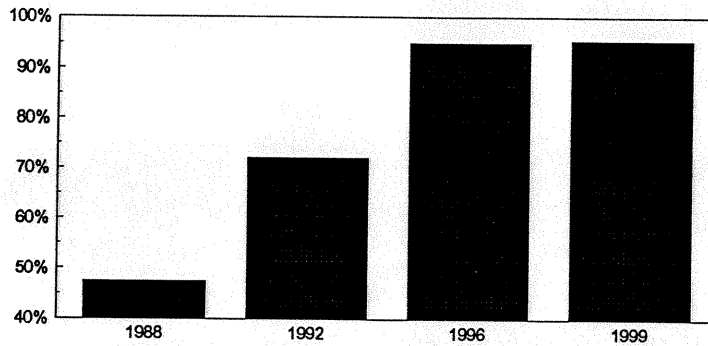
Advertising Costs



The amount in 1999 is only thru the end of March.

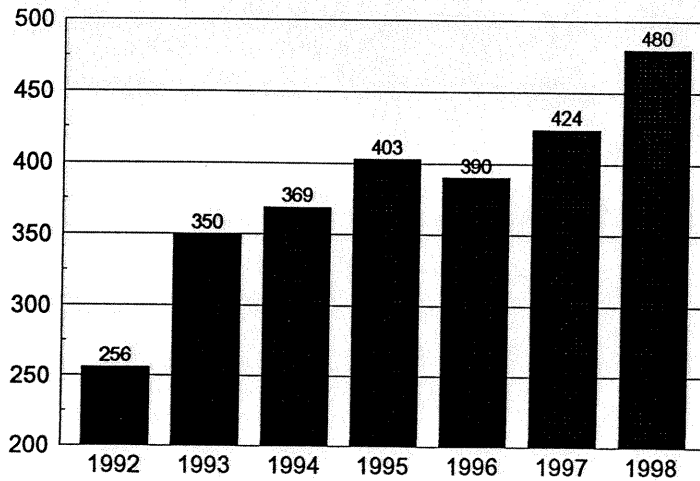
Meanwhile our work load increases. The below graph shows the percentage of higher acuity residents who receive services at St. Marys Care Center.

Percentage of Residents Requiring Skilled and Intense Skilled Nursing Care



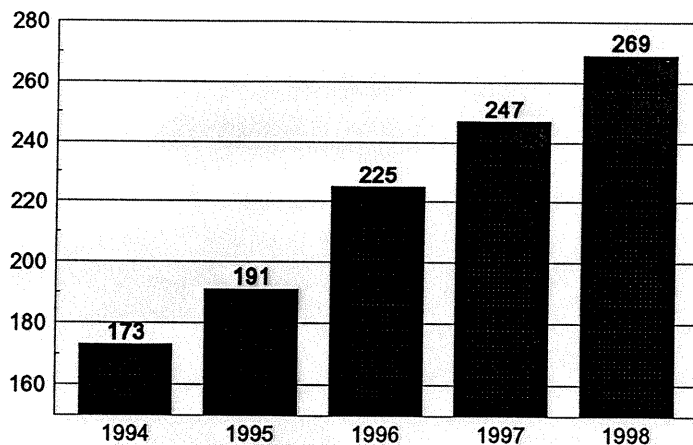
Our market niche has also changed, further adding to the workload of staff. The below graph shows the number of admissions we process from year to year. In 1990 an admission took an average of an hour and a half to process. With mandated paperwork required by State and Federal regulations, an admission now requires approximately six hours of staff time. Even if this person is here for only a week or less!

Admissions



This trend is further shown by the next graph, which shows our discharges back to an individuals home or apartment. While we are very proud of sending such large numbers of people back to the community, this again adds to our already heavy workload requirements.

Residents returning home



We need the 7% wage pass through in order to attract and retain the types and numbers of staff the public has a right to expect. Please support the wage pass through for nursing homes. While \$17 million is a great deal of money from our State budget, it would be money well spent. Below are the pay rates currently paid the main job classifications of our 230 staff members. This is after we implemented a \$.50 per hour across the board increase.

ST. MARYS CARE CENTER

STARTING WAGES:

RN	\$15.75
LPN	\$12.25
CNA	\$ 8.00
HOUSEKEEPING AIDE	\$ 7.25
LAUNDRY AIDE	\$ 7.25
DIETARY AIDE	\$ 7.25

AVERAGE HOURLY WAGE:

RN	\$16.89
LPN	\$14.47
CNA	\$ 8.50
HOUSEKEEPING AIDE	\$ 8.02
LAUNDRY AIDE	\$ 8.68
DIETARY AIDE	\$ 7.86

Thank you for your time in reading this document.

4/13/99

To whom it may concern,

I'm a CNA and work at St. Mary's Care Center. I have worked there on and off for the last 7 years now.. I do love my job and the people that I work with everyday. I feel the place would be even better, But it seems that we can't keep the CNA staff up. It seems that we are always short people. They are moving on to jobs that pay more. We are over worked most of the time. That's not the fair to us, or the residence of St. Mary's.

Most of the people have quit, have done so because of the wage. We are over worked and under paid for our services. After all, We are taking care of real people here. Not animals in a zoo. Some day all of us will have to live in a place like this, and would want a good staff to take care of us. We treat the residence at St. Mary's with dignity and respect, and should also be treated the same from the people who pay us. We need a raise for the work that we do. Then maybe we can keep a CNA staff that we need to give the residence the true care that they need. After all,

the way we feel at work, when we are under
staffed, Can't be be good for the residence. Please
consider these factors. Thank you for your time.

Deborah A. Trummer
Deborah A. Trummer
CNA

April 15, 1999

To the Members of the Joint Committee on Finance:

I am writing on behalf of Meriter Hospital to express my serious concerns with key health care funding provisions in the 1999 state biennial budget, and to request your support for affordable measures that will maintain the quality and accessibility of health care in Wisconsin.

Meriter is a not-for-profit, locally-governed community hospital located in Madison. During 1998, Meriter celebrated 100 years of providing health care services to Dane and surrounding counties in southern Wisconsin. Through its two locations, Meriter offers an extensive array of medical and surgical programs and services for inpatients and outpatients.

Budget Concerns for Meriter

The proposed 1999 state budget would freeze medical assistance (MA) rates for care provided in Wisconsin hospitals, despite the fact that medical costs are projected to rise by 2.4 percent in the first year of the biennium and 2.6 percent in the second year. A small one percent increase is proposed in the budget for outpatient MA rates during the second year of the biennium.

The proposed budget also begins the first two years of a process to reduce the state's financial support for training of the physicians that Wisconsin needs today and in the future.

By freezing MA rates and reducing medical education funding, the state will forego almost \$14 million in federal matching funds. Every 40 cents that the state invests in medical education, for example, leverages a 60-cent federal matching contribution.

The MA rate freeze in the state budget also comes when Meriter and other Wisconsin hospitals are already bracing for significant cuts in Medicare payments under the federal Balanced Budget Act of 1997. These cuts began in Fiscal Year 1999 (FY 99) and will extend through FY 2002.

- **Item 3:** Preserve the provision that funds a medical assistance supplement for providers experiencing charity care increases as a result of welfare reform.
Cost: \$2.4 million.

Thank you for your consideration on this very critical matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Terri L. Potter".

Terri L. Potter
President and CEO

To whom it Concerns:

4-15-99

I am a Certified Nursing Assistant at St. Mary's Care Center here in Madison.

I have been a CNA for almost seven years and ^{one of the} ~~the only~~ things that is and has been difficult is to be able to make ends meet. Between Rent in a decent area, car payments, child care, etc. ~~the~~ money I receive just makes ends meet.

I have been told since I've gone through my certification, is that "we" as CNA's are the back bone of a facility. We have the hands on to these residents + know them the best.

But the thing is, that we are expected to talk to, walk, help in feeding, Range of motion and personal cares. Each ~~res~~ resident expects to have thing done certin ways, some take longer than others + also, things do come up.

~~To~~ To follow through with the expectations of the resident + the facility, the ratio of residents to nursing assistant needs to drop. One of the only ways to do this is the facility needs more help. I have seen different "sales pitches" to draw CNA's to ~~the~~ a facility but the one thing I haven't seen, is ^{constant} ~~constant~~ support

from those who make the "rules" that we need to follow. ~~what I am getting out~~
~~is~~ It breaks my heart to hear that there are facilities in this state are having to refuse admits ~~to do~~ to the fact that there just isn't enough help. I have a grandparent in a nursing home and I know that the care they are receiving is the best of their ability but I know for a fact it would be a lot better if there was more help.

But there needs to be a draw for people to work ~~here~~ hard + to come into the facilities. It saddens me to look around at the job postings throughout this town alone fast food + grocery stores are actually our competitors not just other nurising homes or hospitals.

They are offering about the same wages + benifits and the job is less stressful, less dangerous, + they don't have to work as hard. Every day I go into work I have the potential of contracting some disease, life threatening or not or just simply hurting my back just enough so I am not able to lift ^{up} my daughter or a bag of groceries.

I have only two hands + there only ~~are~~ so many hours in a day to make money and until any nursing home can ~~find~~ get the staffing that is willing to take all these chances

the only people that are suffering are the residents. Don't we owe it to them not to suffer anymore, they have been through enough. They deserve the help, time + ^{Compassion} ~~compassion~~ that they can only get, if the ratio is dropped.

We as nursing assistants, ~~we~~ need the financial help in order to survive + to hopefully recruit more CNA's. The ratio situation is bad now, in nursing homes, what happens in 20 years from now when the baby-boomers are in their 70-80's. We are having trouble now, fix the problem now don't just ignore it.

We are asking for your help now + a re-evaluation of this situation every year to every couple of years in the years to come. I have spoken to people in administration about ^{our} wages + the problems the facilities are having and the answers I have heard + see is they wish they could give more financially but they can't.

I don't know if you have a family member in a nursing home now or maybe you will in the future, but do you want them not to receive the help you + they would want or do deserve to receive?

Joy Brunke

Joy Brunke CNA 4-15-99

Eric Brunke

Eric Brunke CNA 4-15-99

My name is Bobbi Stiteley. I'm an RN at St Marys Care Center. I've been there for three years and I love my job. Working with the elderly is personally rewarding. A smile and a touch can make their day brighter. Knowing I can make a difference in the quality of their life is my reward.

In the last three years I've watched management try to improve the quality of care by instituting new programs and protocols. What's sad is that many times we don't have enough staff to meet the basic needs, so all these good ideas are shoved aside for a time when we are "fully staffed."

Because of the low wage it's hard to get, and keep staff. We as a facility spend thousands of dollars training and orienting new staff, only to have them leave for a higher paying job. What does this mean for our residents? They lose the continuity of care. Someone who knows the resident is quicker to pick up on changes that could be symptoms of a worsening or new diagnosis. Symptoms are subtle or unexpected in the elderly and early detection is so important. Also for our confused residents it's reassuring for them to see faces they can recognize.

like I said, I love my job. The biggest frustration I have at work is staff shortages. It's very frustrating to work so hard, and leave at the end of the day knowing that people weren't taken care of like they should have been, because there weren't enough workers.

Please support this proposal, and support our elderly. They depend on us.