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Joint Committee on Finance

Paper #428

WisCaregiver Careers (Health Services -- Services for the Elderly and People with Disabilities)

[LFB 2023-25 Budget Summary: Page 266, #5]

CURRENT LAW

Nurse aides are individuals who provide routine client-related services under the supervision of a registered nurse (RN) or licensed practical nurse (LPN).

The Department of Health Services (DHS) maintains the Wisconsin Nurse Aide Registry, which includes nurse aides who: (a) have completed a state-approved training program of 75 hours, including 16 hours of clinical work, and (b) have passed the competency exam, which includes a knowledge test and a skill test, within one year of completing a training program.

The knowledge test is taken either as a written or oral test. Candidates have a maximum of sixty minutes to complete the 75 question knowledge test on topics such as safety, infection control, mental health, resident rights, basic nurse skills, and communication. For oral tests, only the first 67 questions are read orally, the remaining eight questions must be answered without oral assistance to assess the candidate's English reading comprehension. A candidate must have a score of 71% or better to pass the knowledge portion of the exam.

For the skill test, candidates are assigned three tasks. Most of the tasks are performed on a live actor. A candidate is scored only on steps listed in the Wisconsin Nurse Aide Candidate Handbook and must have a score of 80% on each task without missing any key steps to pass the skill component of the competency evaluation. If a candidate fails the skill test, one of the tasks on the retest will be a task that candidate previously failed.

To work in a federally-certified facility, a certified nurse aide (CNA) must work for pay at least eight hours during each 24-month certification period. An RN or LPN must supervise the work. The work must occur in one of these settings: (a) a federally certified (Medicare and/or

Medicaid certified) nursing home; (b) a hospice; (c) a home health agency; (d) an intermediate care facility for individuals with intellectual disabilities; (e) a state-licensed hospital; (f) a facility for people with developmental disabilities; or (g) a rural medical center that provides one or more of these services. If an individual loses eligibility to work in federally certified facilities, the individual must retake and successfully pass the competency test. In the meantime, the individual may continue to work in hospitals, including critical access hospitals, and facilities that are not certified as Medicaid providers.

The WisCaregiver Career program is a workforce development program that provides free nurse aide training and certification testing, as well as a retention bonus after six months of employment as a nurse aide. Currently the program is funded from a \$6,000,000 one-time grant DHS received under the Centers for Disease Control and Prevention (CDC) Nursing Home & Long-term Care Facility Strike Team program.

DISCUSSION POINTS

1. Overall, there has been a downward trend in the number of people on the Nurse Aide Registry in recent years. In January, 2018, approximately 61,400 individuals were on the registry. However, as of February, 2023, there were approximately 50,800 individuals on the Nurse Aide Registry.

2. The 2022 Long-Term Care Workforce Crisis Report, co-authored by the Disability Service Provider Network, LeadingAge Wisconsin, Wisconsin Assisted Living Association, and Wisconsin Health Care Association/Wisconsin Center for Assisted Living, notes CNA and direct care worker vacancy rates of 28.4% among Wisconsin's long-term care providers (skilled nursing facilities, adult family homes, residential care apartment complexes, and community based residential facilities), which is significantly higher than rates for both other healthcare sector jobs and the overall labor market. Further, according to the report, 112 organizations surveyed reported difficulty accessing CNA or other training programs.

3. Based on the types of care provided by nurse aides and the settings in which they are often employed, it is likely that the shortage of nurse aides will increase as the population continues to age. DHS estimates that between 2010 and 2040, the percentage of Wisconsin residents ages 65 and older will increase from 13.7% to 23.7% and the percentage of Wisconsin residents ages 85 and older will increase from 2.1% to 4.4% of the state's total population.

4. AB 43/SB 70 would provide \$8,000,000 GPR in 2024-25 to fund the WisCaregiver Career program. As previously mentioned, the program is currently funded from a \$6,000,000 one-time grant DHS received from CDC. However, this funding is set to expire one year from the end of the federal public health emergency (May, 2024).

5. Under the current WisCaregiver Career program, between May 1, 2022, and February 28, 2023, 3,171 students registered for CNA training, of which 495 completed the training and testing. Of those 495, 402 became certified as CNAs, and 120 received the six-month retention bonus. 36 individuals received a \$300 mentorship bonus and 495 employers received a \$300 employer bonus for having an individual complete the training and testing.

6. During that same period, in addition to the \$479,175 paid by the WisCaregiver Career program to CNAs, mentors, and employers as bonuses and reimbursement, the program spent \$1,105,765 on administrative costs, mentorship training contractors, marketing and media including the program website, and contracts for data collection, reporting, and accounting.

7. Funding in the bill modifies the payment amounts from the current program in various categories to align with the Administration's proposal and is based on the cost assumptions outlined in the following table, in order to fund an estimated 4,000 scholarships. While a significant portion of current funding has been expended on administrative costs, the Administration assumes that there will be existing capacity, for example within current staffing, for ongoing administrative work associated with this proposal.

Programmatic Costs for WisCaregiver Careers

<u>Type of Expense</u>	<u>Estimated Cost</u>
Training per Participant	\$700
Facility Bonus per Participant	300
Bonus per Employee	500
Bonus per Mentor	<u>500</u>
Total Cost per Participant	\$2,000
Number of Participants	<u>4,000</u>
Annual Cost	\$8,000,000

8. Federal law states that no one who was employed by, or received an offer of employment from, a Medicaid-certified nursing facility on the date on which he or she began a facility-based nurse aide training and competency evaluation program may be charged for any portion of the program, including textbook fees and other required course materials. As such, a nursing facility is eligible to request reimbursement when the nursing facility incurred training or testing costs for an employee, or when the employee incurred training and/or testing costs within 365 days of his or her hire date.

9. Further, federal law states that nurse aides may not bear any cost of training or testing if they become employed by, or receive an offer of employment from a Medicaid-certified nursing facility within 12 months of completing a nurse aide training and competency evaluation program. In order to comply with this portion of the federal regulation, a nursing facility is required to reimburse up to the current maximum cap (\$225.00 for training and \$61.50 for the competency test) any certified nurse aide who independently completes a certified nurse aide program within 365 days of his or her hire date. Even though a nursing facility may not receive 100 percent of the maximum cap, they are required to reimburse the certified nurse aide the maximum cap if the CNA's training and testing costs are equal to or greater than the maximum cap.

10. Current testing fees are: \$125 for the knowledge test and skill test; \$130 for the oral knowledge test and skill test; \$93 for the skill test only; \$32 for the knowledge test only; and \$37 for the oral knowledge test only.

11. According to DHS, participants in the current WisCaregivers program have been

advised that they can either seek reimbursement through the WisCaregivers program or, if they are eligible nursing homes, through the Medicaid program, but not both. Currently, reimbursement provided through WisCaregiver Careers exceed the maximum amount that facilities can receive under Medicaid by providing \$700 for certified trainees and full coverage of all trainee exam costs for up to three attempts.

12. In an effort to address the current workforce shortage facing healthcare providers particularly as it pertains to nurse aides, the Committee could provide \$8,000,000 GPR in 2024-25 to fund the WisCaregiver Career program. [Alternative 1]

13. Based on current utilization, the Committee could provide \$4,000,000 GPR in 2024-25 on a one-time basis to fund the WisCaregiver Career program. By providing funding on a one-time basis additional data relating to ongoing need and interest may be obtained prior to making an ongoing commitment of state resources as part of the next biennial budget. [Alternative 2]

14. Due to limitations on the use of federal monies currently funding the program, only nursing homes are eligible to participate in the present version of WisCaregiver Careers program. As such, in addition to choosing Alternative 1 or 2, the Committee could require DHS to provide priority in funding for CNAs that work in assisted living facilities, since these providers are currently unable to participate in the program. [Alternative 3]

15. Finally, the Committee could choose to take no action on this item. [Alternative 4]

ALTERNATIVES

1. Provide \$8,000,000 GPR in 2024-25 to fund the WisCaregiver Career program.

ALT 1	Change to Base
GPR	\$8,000,000

2. Provide \$4,000,000 GPR in 2024-25 on a one-time basis to fund the WisCaregiver Career program.

ALT 2	Change to Base
GPR	\$4,000,000

3. In addition to Alternative 1 or 2, require DHS to give priority to providing reimbursements payments to assisted living facilities that are currently unable to participate in the program.

4. Take no action.

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