

Sandy Shores Care Center: A Long-Term Care Staffing Crisis

Lindsey J. G. Creapeau, Ed.D., LALD, CDP, FACHCA
University of Wisconsin – Eau Claire

Kevin E. Hansen, Ph.D., J.D., LL.M., FACHCA
Bellarmine University

Correspondence email: creapelj@uwec.edu

Authors:

Dr. Lindsey Creapeau is Administrative Residency Coordinator and an Instructor in the Health Care Administration (HCAD) program at University of Wisconsin – Eau Claire (UW-Eau Claire). Her areas of teaching and research include (but are not limited to) health care leadership, human resources, regulations, marketing, hospitality, and long-term care (LTC) staffing. Working primarily with students who are on-site at LTC communities across the country, Dr. Creapeau utilizes a teaching methodology incorporating students' first-hand field experiences, various case studies, and theory to enhance students' applied knowledge and their abilities in long-term care leadership.

Dr. Kevin Hansen is Associate Professor and the Chair of the Department of Health Care Administration and Public Health at Bellarmine University. His areas of teaching and research include (but are not limited to) quality of care and quality of life in skilled nursing facilities, health law and policy, leadership in health care, ethical and legal issues in aging, elder abuse and neglect, risk management in health care, and long-term care facility operations. Dr. Hansen previously taught at UW-Eau Claire and the University of South Florida, and has worked as an attorney, ombudsman specialist, and victim advocate. *(Sadly, prior to publication, Dr. Hansen unexpectedly passed away much too soon. His legacy lives on through his incredible past work and through his loved ones.)*

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Sarah Martin, CEO of Sandy Shores Care Center, Minnesota, USA, was attending her daily leadership stand-up meeting held in May of 2014. Stand-up meeting attendees generally included her Director of Nursing (DON), Tammy Ohm; the Nursing Home Administrator (NHA), Megan VanEckel; Director of Human Resources, Sue Sherman; and other department heads. The group met each weekday at 9:00 AM to discuss census, changes in resident condition, and any other pertinent organizational business. The DON, Tammy, started the stand up by sharing her concern regarding staffing. She emphasized her position by stating, “This is not sustainable. We’re at our breaking point. We need more staff. I need help.” Sarah and the rest of the team heard Tammy loud and clear, exchanging concerned glances.

Sarah Martin

Having previously worked as a Nursing Home Administrator (NHA), Sarah was hired as the CEO of Sandy Shores Care Center in the fall of 2010. Sandy Shores was a continuing care retirement community (CCRC), with a skilled nursing facility, assisted living, memory care, adult day care, hospice, and home health care provided to the residents and members of the surrounding neighborhood. Over the past 10 years, Sarah had emerged as a dynamic, intelligent, and engaged leader in the post-acute care field in the state of Minnesota. As a lifelong learner, she continued to pursue her education and in 2012 earned her Juris Doctor and active law license. Sarah was well-known in the post-acute care field for being both an advocate for her industry and a successful leader. Under Sarah’s leadership, Sandy Shores’ expansion of service lines, increases in profitability, and low staff turnover rates were frequently highlighted by state provider associations.

Past Success in Addressing Staffing Issues

Staffing crises, and the ability to quickly rebound, were nothing new to Sarah. During her first week on the job in 2010, she attended the organization’s Board of Directors meeting. Dennis Chastain, the Board Chairman, was direct with her. He said:

“Sarah, the nursing home here at Sandy Shores Care Center has a big staffing problem. As CEO, we need you to work with both the NHA and your Human Resources Director to

fill the open direct care staff positions we have. It's a lot. We have 19 open positions and we're using agency staff for about six shifts per week. I know I don't need to tell you this, but agency costs almost double what it would take for us to have our own staff members working those positions. We're hoping you can eliminate the use of this agency staff within 30 days. We're doing okay in our other service lines, but we really need to turn around our numbers in the skilled nursing facility. The deficit is too big to maintain and keep us viable."

Sarah took the request to heart. She made this initiative her top priority in her first month on the job. She quickly teamed up with her NHA Megan and her Human Resources (HR) Director Sue to determine what recruitment and retention efforts were in place and what could be added, enhanced, or discontinued. This was an all-hands-on-deck effort for the three leaders, who knew they were under a tight timeline. After tirelessly recruiting, interviewing, and following up with candidates, Sarah, Megan, and Sue concluded the 30 days having eliminated staffing agency use, and thus terminating their contract with the staffing agency. By the end of February 2010, the numbers were clear: Sandy Shores had turned it around by filling all 19 open positions and had been able to fill all open shifts with the staff they had on board. At the March board meeting, Sarah felt a huge sense of pride when the financials were reviewed and staffing costs were no longer above budget. Dennis said, "On behalf of the Board, way to go! We knew you were a great hire."

Flash Forward: The Current Staffing Crisis

Over the next four years, staffing continued to present some challenges as usual. As CEO, Sarah was not actively involved in the day-to-day operations of the Human Resources activities nor of the skilled nursing facility. She had confidence in Sue's 16 years of experience in recruitment and retention, and Sue had always been able to "figure it out." As the nursing home administrator, Megan had done a great job with her staff, too. Between overtime hours and continual hiring, Sue had been able to keep the use of agency staff at bay. In January of 2014, Sue began periodically mentioning that their skilled nursing facility staffing numbers were concerning. Tammy, the DON, reiterated this periodically, stating, "Our staff is getting worn out. We're asking too much of them."

By May of 2014, the situation had reached a breaking point. One morning, during a leadership team standup meeting, Tammy made a plea. While great at their jobs, her direct care staff were overworked, overwhelmed, and exhausted. There were too many vacancies in the staffing schedule at the time, and staff had become more unwilling to work extra shifts to cover the gaps. The leadership team knew that there was generally a high morale and low turnover rate (for the long-term care industry) at Sandy Shores, but after Tammy's statement, Sarah asked the rest of the group what they had heard from workers, specifically about staffing.

Overwhelmingly, leaders said that their reports shared feelings of concern, agitation, upset, and frustration. Other than the open positions, this was one of Sarah's biggest areas of concern. The leadership team had told her that staff were complaining that "the leadership team wasn't doing anything" to solve the staffing problems. Sue replied, "I just don't know what else to do. Maybe we need to rethink how we've approached this."

While human resources and staffing were not her direct area of responsibility, Sarah was ultimately accountable for maintaining a fiscally sound budget and had a personal sense of responsibility to help based on the communication from her Board years earlier. As a previous NHA, Sarah believed that if you took great care of staff, they would take care of residents; in short, high staff satisfaction reflected an excellent care center. Additionally, Sarah had previously worked as a Certified Nursing Assistant (CNA) and kept her license up to date. Her prior knowledge of the day-to-day struggles working short-staffed motivated her to find a solution for her care center. Sarah suggested that she, Megan, and Sue, who had successfully tackled the issue in 2010, reconvene to revisit their plan. They put a meeting date on their calendar for the following week.

Quantifying the Staffing Problem

Once together, Sue shared the numbers with Sarah and Megan. At that time, there were a total of 106 direct-care CNA staff employed at SSCC, with 14 direct-care CNA positions open in the skilled nursing facility. Some of these were full-time positions, but others were part-time. Her vacancies totaled 7.7 full-time employees (FTEs).

As CEO, Sarah could be as creative as she wanted to be in staffing, but she had to be mindful of her budget as Sandy Shores was a nonprofit organization. She had \$10,633 budgeted each month for staffing recruitment and retention initiatives. Ultimately, upon recommendations from local partners, the three decided to hire an agency to offload recruitment efforts. SSCC hired “as needed” (i.e., PRN) recruitment service for \$8,400 per month rather than resorting to the prior practice of using agency staff to fill open shifts, which was exponentially more expensive. With that task covered, SSCC was left with the issue of retaining the current staff they had, and the group could be flexible with the remaining \$2,233 per month.

Sue shared her thoughts on the staffing issues they were experiencing. One of her concerns was competition. The past few years had brought increased competition in the local labor market from other care homes and service-related businesses including retail, restaurants, and hotels, as more businesses were established and/or moved to the area. The wages Sandy Shores was able to offer were competitive for the area in health care: Sandy Shores had always aimed to be at the 75th percentile in CNA wages for all positions at the care center based on statewide association data and continued to do so (see Exhibit 1- SSCC was medium-sized, freestanding, non-profit, in the West Central region). However, Sue knew that their wages were occasionally lower than those in other industries (see Exhibit 2).

Sue indicated that staff retention for CNAs was not optimal at 49.8%, but higher than state and national averages in long-term care (see Exhibit 3). This retention had allowed for residents to work with familiar caregivers, given that Sandy Shores utilized consistent staff assignment practices, which provided comfort to residents and their family members.

Human Resources regularly conducted stay interviews with staff. Stay interviews asked staff members about aspects of their jobs that were working well and what Sandy Shores could do to

continue to foster a welcoming work environment. These interviews were conducted at 30, 60, and 90 days post-hire and during annual performance evaluations. Stay interviews consistently echoed findings from the past employee satisfaction surveys, yet official metrics were not collected or regularly reviewed. Direct care staff valued their supervisor Tammy (see Exhibit 4 for organizational chart), saw her as a strong and effective leader, and appreciated her for encouraging and modeling a welcoming work environment. Staff were hard-working, engaged, and passionate.

Staff members that were past their probationary period generally reported high morale. In fact, past internal employee satisfaction surveys indicated that 100% of staff would recommend Sandy Shores as a great place to work to friends and family (although a survey had not been conducted recently). Sue reported that Tammy approached her earlier in the month to let her know that at least one CNA quit after three weeks on the job because of how she was treated. As was the case in other care centers, seasoned CNAs historically seemed to be tough on new employees. Sarah, Sue, and Megan shared feelings of frustration about this; they didn't understand how those staff members couldn't see the "big picture." Sarah felt that a new team member meant less work was on the horizon for the team as a whole, if they could just make it through training.

Sue reminded Sarah and Megan that the organization's retention committee had been meeting biweekly, and the group advised leadership of novel suggestions or concerns related to retention techniques that were working, could work, or were not working. They had implemented potluck meals, a gratitude board for staff, holiday parties, and themed weekly activities, but the same staff had been part of this committee for quite a few years.

Sandy Shores had still not used agency staff in recent years, but rather had a large internal float pool of current staff to cover open shifts. This was beneficial in that employees often wanted to pick up shifts, residents had caregivers with whom they were familiar, and staff were paid at a higher rate for doing so (see Exhibit 5). However, a negative impact was that staff were burning out and overtime costs were climbing, resulting in staff members who were less willing to pick up extra shifts. Sarah recalled previous discussions of reconsidering their current staffing pattern of 8-hour shifts with a 30-minute unpaid lunch break (which was consistent with local long-term care competitors). The team also discussed reviewing fringe-benefits offered to CNAs outlined in the job description (see Exhibit 6) to see if there were low- or no-cost strategies that could further enhance employee satisfaction. To this point, however, they had not revisited the idea of exploring more flexible shift options or other benefits that were offered by competitors, such as discounted partnerships with childcare or restaurants, free on-site health screenings, or use of the fitness center.

Action Needed

As CEO, Sarah could be as creative as she wanted to be in staffing, but she had to be mindful of her budget as Sandy Shores was a nonprofit organization. With staff recruitment being addressed, she and the team needed to decide the best course of action to retain their current staff despite the barriers presented. From her years of experience, Sarah determined that what

the team needed to do was to develop a plan related to their current staffing issues. They needed to keep the CMS 5-Star Rating of SSCC (see Exhibit 3) in mind compared to local competitors before working to craft a sustainable solution for the problem. Sarah needed to present a plan to outline how to increase retention of CNA staff at the next Board of Directors meeting in four weeks' time.

Exhibit 1

Statewide Association Certified Nursing Assistant Wage Data

Breakdown	Number of Facilities	Number of Employees	Weighted Avg. Bottom of Wage Scale Rate	Weighted Avg. Minimum Actual Rate	Average Hourly Rate				Weighted Avg. Top of Wage Scale Rate	Weighted Avg. Maximum Actual Rate
					25th Percentile	Median	75th Percentile	Weighted Average		
Facility Size										
Small (0-75 beds)	89	2,253	\$15.24	\$15.50	\$15.65	\$17.00	\$18.00	\$17.11	\$20.11	\$19.76
Medium (76-125 beds)	45	2,280	\$15.57	\$15.80	\$16.43	\$17.51	\$18.28	\$17.58	\$20.29	\$20.86
Large (126+ beds)	17	1,239	\$16.46	\$16.31	\$17.64	\$18.94	\$19.40	\$18.65	\$21.03	\$22.32
All Facilities	151	5,772	\$15.63	\$15.80	\$16.20	\$17.41	\$18.35	\$17.63	\$20.38	\$20.75
Facility Type										
Freestanding	128	4,990	\$15.64	\$15.79	\$16.02	\$17.14	\$18.33	\$17.57	\$20.16	\$20.65
Hospital-Attached	23	782	\$15.62	\$15.82	\$17.24	\$17.91	\$18.94	\$18.02	\$21.59	\$21.38
Facility Ownership										
Non-profit	110	4,369	\$15.60	\$15.81	\$16.01	\$17.23	\$18.23	\$17.59	\$20.30	\$20.70
For-profit	22	708	\$15.52	\$15.35	\$15.77	\$17.49	\$18.32	\$17.35	\$20.12	\$20.74
Government	19	695	\$15.91	\$16.12	\$16.90	\$17.75	\$19.05	\$18.18	\$21.10	\$21.04
Location										
Northwest	13	374	\$15.24	\$15.32	\$16.51	\$17.47	\$17.91	\$17.43	\$19.57	\$19.84
Northeast	12	361	\$15.32	\$15.48	\$17.05	\$17.76	\$18.83	\$17.94	\$20.80	\$21.36
West Central	16	688	\$15.57	\$16.15	\$16.58	\$17.74	\$18.11	\$17.81	\$21.42	\$21.69
East Central	26	924	\$15.29	\$15.47	\$15.98	\$16.66	\$17.52	\$17.04	\$19.73	\$19.95
Southwest	18	510	\$13.81	\$14.35	\$15.05	\$15.44	\$15.99	\$15.60	\$18.96	\$18.27
Southeast	23	842	\$15.60	\$15.83	\$15.49	\$16.68	\$17.80	\$17.12	\$19.89	\$20.14
Twin Cities Metro	43	2,073	\$16.34	\$16.31	\$17.25	\$18.35	\$19.22	\$18.52	\$20.92	\$21.71

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Exhibit 2

Entry- Level Starting Wages in Nearby Competitors- Industries Outside Long-Term Care

Job Title	Starting Wage (per hour)
Delivery driver	\$16.50 - \$21
Receptionist/Administrative assistant	\$12 - \$18
Production worker	\$20 - \$25.50
Clothing store retail	\$13 - \$19
Furniture sales professional	\$22 - \$30
Fast food service	\$ 13 - \$18
Housekeeper	\$10 - \$20
General school assistant	\$14.81 – \$19.28
Cashier	\$13 - \$15
Security officer	\$17.50 - \$18.00

Author note: salary ranges were obtained via Indeed.com. Assume the zip code for Sandy Shores Care Center is 56301.

Exhibit 3

CMS Care Compare Data for Sandy Shores Care Center

Overall rating



Above average

The overall rating is based on a nursing home's performance on 3 sources: health inspections, staffing, and quality measures.

[Learn how Medicare calculates this rating](#)

Health inspections



Average

[View Inspection Results](#)

Staffing



Average

[View Staffing Information](#)

Quality measures



Much above average

[View Quality Measures](#)

Other Metrics:

- Sandy Shores Care Center participates in both the Medicare and Medicaid programs.
- The nursing home portion of Sandy Shores has an active Resident Council.
- There are 125 certified beds in the care center.
- Sandy Shores Care Center had its last annual standard re-certification survey last year (2013) and received only one (1) F-Tag citation, below the state and national averages (6.7 citations and 8.1 citations, respectively).
- There have been zero (0) complaints at Sandy Shores Care Center over the past three (3) years (2011-2013) that have resulted in an F-Tag being issued.
- With respect to staffing, Sandy Shores Care Center has 4 hours and 14 minutes of nurse staff hours per resident per day, higher than both the state and national averages (3 hours and 55 minutes and 3 hours and 46 minutes, respectively).
 - This includes higher numbers of RN nurse staffing and CNA staffing per resident per day, but lower numbers of LPN/LVN nurse staffing per resident per day.
 - Weekend nurse staffing hours per resident per day are also higher than state and national averages.
- Currently, the staff turnover rate at Sandy Shores is 49.8%, which is lower than the state and national averages (51.1% and 51.6%, respectively). This is especially true for RN staff turnover, which is much lower than state and national averages.

Exhibit 4

Sandy Shores Organizational Chart (Partial)

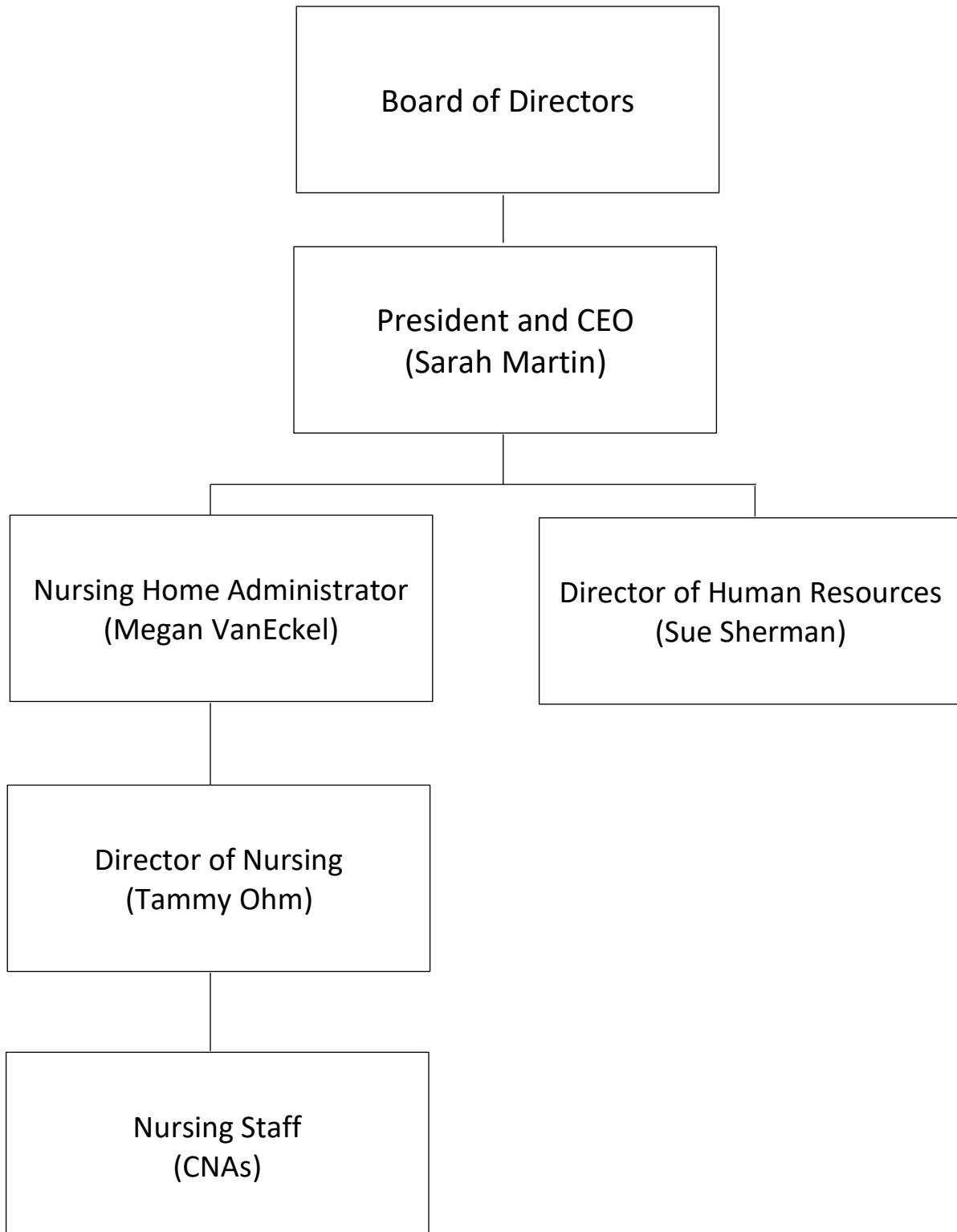


Exhibit 5

Sandy Shores Certified Nurse Aide (CNA) Float Pool Staff Pay Differentials

Shift	Pay Differential
Standard Shift – Day (AM)	\$0/hour
Standard Shift – Evening (PM)	\$0/hour
Standard Shift – Overnight (NOC)	\$1/hour
Standard Shift – Weekend	1.5x standard rate

Exhibit 6

Job Posting for CNA Positions at Sandy Shores Care Community

Join our team of unique and compassionate associates who meet the challenges and know the rewards of caring for the elderly.

To apply, click on a position title below to complete our online application, or apply in person by stopping into our Care Center.

If you would like further information regarding our career opportunities, please contact us at [phone number deidentified].

Full and part-time positions eligible for our benefit package or benefits may be waived for additional pay. Our benefit package includes:

- Paid Vacation
- Holiday Pay
- Health Insurance
- Dental Insurance
- Vision Insurance
- Short Term Disability
- Life Insurance
- 403(b) Retirement Savings Plan
- Free On-site Fitness Center

We also offer shift differential and weekend pick-up premiums.

[Sandy Shores Care Center] is an equal opportunity employer. [Equal Employment Opportunity Policy](#)

CNA | AMs, PMs, NOCs (overnight) | Full-Time, Part-Time, Casual

- Providing great patient care.
- Answering patient calls and determining how best to help them.
- Providing physical support for patients or residents with daily activities and personal hygiene, including bathing, dressing, getting out of bed, – using the toilet, walking, standing, or exercising.
- Turning and repositioning bedridden patients.
- Ensuring patients or residents receive appropriate diet by reviewing their dietary restrictions, food allergies, and preferences.
- Obtaining a wide range of information from physicians, caregivers, and nurses about patient conditions, treatment plans, and suggested activities.
- Measuring and recording food and liquid intake and urinary and fecal output and reporting changes to medical or nursing staff.
- Recording vital signs, including blood pressure, pulse, temperature, and respiration rate as requested by staff.

- Examining patients to detect issues requiring medical care, including open wounds, bruises, or blood in the urine.
- Reminding patients to take medications and nutritional supplements.
- Noting observations of patient behavior, including complaints, or physical symptoms to nurses.
- Stay up to date on CNA training and facility policy and procedure.