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Jeffrey A. Meyers
Commissioner

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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES

GLENCLIFF HOME

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May 6, 2019

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to New Hampshire RSA 99:8, Increases for Recruitment Purposes, and in accordance with Per 904.01 of the Rules of the Division of Personnel, Request for Temporary Increase, authorize the Department of Health and Human Services (DHHS), Glenclyff Home (GH) to renew a fifteen percent (15%) base hourly wage enhancement to nursing staff currently paid under the Institutional Nurse (N130) pay scale for recruitment and retention purposes. This request is projected to increase funding by \$344,965 in FY-20 and \$355,400 in FY-21. Funds are anticipated to be available in 00095-091-910010-5710-010 for SFY-20 & SFY-21. This enhancement would be effective upon Governor and Executive Council approval starting July 1, 2019, through June 30, 2021. 24% General Funds, 76% Other Funds.

EXPLANATION

Glenclyff Home (GH) continues to experience an increasing amount of difficulty in filling and retaining nursing positions in the current labor market, which is evidenced by the current vacancy rates in nursing positions (Table 1 below). Glenclyff Home has the following positions that require licensure as a registered nurse and those positions are being paid from the Institutional Nurse Pay Scale (N130). A 15% enhancement to the Institutional Nurse (N130) pay scale was approved for a period of 24 months by Governor and Executive Council on August 2, 2017 item #9 with a retroactive effective date of July 1, 2017. The local and State unemployment rate was at a 16-year-low of 2.6 percent last year according to Business NH magazine and is currently at 2.5 percent according to Governing magazine making for more than 3 years at less than 3 percent, and which indicates the economy is at full employment. Consequently, employers, including GH, are pursuing "passive" candidates for vacant positions. Passive candidates are employees who are not actively seeking employment. To be successful in recruiting passive candidates and to retain current nurses, GH must be competitive with the other health care facilities in the State in regards to compensation. Adding to the vacancy rate concerns, nursing staff are increasingly eligible for retirement consistent with the State employee population. GH has 6, or 19%, of our nurses who will be eligible to retire in the next 3 years.

Table 1 below illustrates the trend and the sharp increase in the vacancy rate at GH. GH has had 3 nurses transfer to other State Agencies

Table 1

| GH Nurse Positions | | | | | | |
|-------------------------------|-------|-----------|-------------------------------|------------------------------|------------------|------------------|
| State Title | LG | Positions | April 1 st 2019 | July 1 st 2018 | July 1st 2017 | July 1st 2016 |
| Director of Resident | 34 | 1 | 0 | 0 | 0 | 0 |
| Registered Nurse I-III | 19-23 | 18 | 5 | 3 | 6 | 3 |
| Licensed Practical Nurse I-II | 21 | 8 | 1 | 2 | 3 | 2 |
| Nursing Coordinator (shift) | 27 | 3 | 2 | 2 | 1 | 2 |
| Nurse Coordinator (training) | 27 | 1 | 1 | 0 | 0 | 0 |
| Totals | | 31 | 9 | 7 | 10 | 7 |
| Vacancy Rate | | | 29.0% | 22.6% | 32.3% | 22.6% |

There are currently 9 nursing vacancies in the N130 pay scale at GH, as shown above. These vacancies have created an increase in use of Overtime (OT) for nursing staff. In the past 4 months in which GH lost 3 nurses (1 State Agency, 2 Other Facility), the use of OT more than doubled. Of the remaining 6 vacancies, 5 have been vacant for a year, and 1 has been vacant for 9 months. This increase in use of OT is despite efforts such as increasing the use of Medication Nursing Assistants (MNAs). MNAs are licensed nursing assistants who have completed additional training allowing them to administer medications under the supervision on an RN. Knowing the nursing shortage was eminent; in 2016 GH provided an in-house course to increase our number of MNAs from 8 to 12, there is another class planned for FY-20.

GH has had to continue to mandate OT which is expensive and more troubling, it has the potential to negatively impact the quality of care provided by a group of dedicated nurses who already work in a stressful, demanding, and challenging environment. Additionally, there is the concern of "burning out" nurses who can find better compensated employment.

Many factors contribute to GH not being able to effectively compete in the nursing labor market. First and foremost, State salaries are not competitive with area employers. Table 2 below shows the salaries in the local labor markets compared to the State salary schedule N130. GH is significantly low in compensation for Registered Nurses, especially any nurse with experience (13-16%). While, GH appears comparable in compensation for LPNs, LPNs are becoming scarcer as most Nursing Educational institutions are no longer offering LPN programs. Additionally, to recruit "passive" LPN candidates, GH needs an increase to entice them to consider changing employment.

Nurses at New Hampshire Hospital (NHH), Veteran's Home, and Department of Corrections receive a 15% enhancement for the same reasons for which GH is making this request. This requested enhancement for GH would bring equity to all State institutional nurses.

Table 2

| Department of Employment Security | | | |
|--|-----------------------|------------------------|------------------------|
| New Hampshire Occupation Employment & Wages – 2018 | | | |
| Versus GH Salaries | | | |
| | Entry | Mean | Experienced |
| Registered Nurse | RN I - Step 1 | RN II - Step 4 | RN III - Step 4 |
| GH Wage | \$24.44 | \$29.94 | \$32.74 |
| Laconia-Belmont | \$26.32 | \$32.63 | \$35.80 |
| <i>Difference</i> | -7.7% | -9.0% | -9.3% |
| Plymouth Area | \$25.65 | \$32.22 | \$36.52 |
| <i>Difference</i> | -5.0% | -7.6% | -11.5% |
| Dartmouth Hitchcock | \$26.63 | \$34.79 | \$38.94 |
| <i>Difference</i> | -9.0% | -16.2% | -18.9% |
| State Wide | \$26.35 | \$34.40 | \$38.43 |
| <i>Difference</i> | -7.9% | -14.9% | -17.4% |
| | | | |
| | Entry | Mean | Experienced |
| LPN | LPN I - Step 1 | LPN II - Step 1 | LPN II - Step 4 |
| GH Wage | \$21.72 | \$23.50 | \$25.44 |
| Laconia-Belmont | \$19.34 | \$22.45 | \$24.01 |
| <i>Difference</i> | 10.9% | 4.5% | 5.6% |
| State Wide | \$20.78 | \$24.63 | \$26.55 |
| <i>Difference</i> | 4.3% | -4.8% | -4.4% |
| | | | |
| <i>LPN wages not available for Plymouth Area</i> | | | |

Growing demand for healthcare services from an aging population, coupled with an aging nursing workforce has created a significant nursing shortage not only in New Hampshire but across the United States. The American Association of Colleges of Nursing (AACN) notes that a combination of more people from the baby boomer generation living longer, the advancing age of registered nurses heading for retirement and fewer seats available in nursing school classrooms underlies the nursing shortage in the U.S. and that “employers must engage creative recruitment strategies to attract and maintain qualified

nurses, particularly registered nurses, where job growth is expected to rise by 26% by 2020," according to the U.S. Bureau of Labor Statistics. In New Hampshire the Economic and Labor Market Information Bureau is projecting the growth rate of job openings to be 19% for RNs and 24% for LPNs, which will create even more competition between health care providers. When using Medicare's Nursing Home Compare site, there are 22 other Nursing Homes listed in the vicinity of GH as well as three hospitals, including Dartmouth Hitchcock Medical Center. Additionally, GH has to overcome the stigma related to being a facility that specializes in providing services to people with mental illness. While GH is a Centers for Medicare and Medicaid Services (CMS) certified nursing facility, we serve only individuals that have a mental illness or developmental disability as well as the medical need for long term care. GH only accepts applicants that have been rejected by at least two other nursing facilities. When it comes to recruitment, many nurses are hesitant due to the perceived difficulty of the related mental health behaviors.

GH will continue our urgent recruitment efforts, such as advertising in local and State wide newspapers, posting on the NH.gov website, placing advertisements in professional publications and websites, attending job fairs, and serving as a Plymouth State University nursing clinical site.

If this request is not approved, the shortage of nurses will lead to more vacancies as nurses retire and continue to take positions at other health care facilities due to higher wages. As positions take longer to fill and more positions become vacant, the increased workload on existing employees will have a detrimental effect on the quality of care as well as increase the likelihood of more staff turnover.

Respectfully submitted,



Jeffrey A. Meyers
Commissioner

Caraway, Michelle

From: Lincoln, Kevin
Sent: Friday, May 10, 2019 2:40 PM
To: Caraway, Michelle
Subject: GH 15 % Enhancement

Michelle,
Here is the email that I received from DOP

Kevin A. Lincoln
Business Administrator III
Department of Health & Human Services – Glencliff Home
PO Box 76
393 High St
Glencliff, NH 03238

Direct – (603) 989-5219
Fax: (603) 989-3040

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From: Rudis, Lorrie <Lorrie.Rudis@das.nh.gov>
Sent: Wednesday, May 1, 2019 7:37 AM
To: Lincoln, Kevin <Kevin.Lincoln@dhhs.nh.gov>
Cc: Jerry, Carol B <Carol.Jerry@das.nh.gov>
Subject: 15 % Enhancement

Greetings Kevin,

I did not see an attachment with your email; but I do understand the nursing shortage and support your continued enhancement for the 15%. As I'm sure you are aware, you will need to put this request through G&C for a final approval.

Have a wonderful day!

Lorrie A. Rudis
Director of Personnel
NH Department of Administrative Services
28 School Street
Concord, NH 03301