



Survey of Health Care Employers in Arizona: Home Health Agencies, 2015

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PREFACE

Survey Background

This report summarizes findings from a survey of home health agency employers in Arizona conducted from summer to fall of 2015. This is the first survey of home health agency employers in Arizona and provides an opportunity to evaluate overall demand for health care workers in the state. The survey also collected information specific to the hiring and training of newly graduated nurses because they are at particular risk for unemployment during a weak labor market. The data obtained in this survey reveal the regional variation in the demand for health care workers across Arizona.

Summary of Findings

The *Survey of Health Care Employers in Arizona: Home Health Agencies, 2015*, found that there is a perception of shortage for many occupations, with the greatest concern regarding physical and occupational therapists, physical and occupational therapy assistants, respiratory therapists, registered nurses, and social workers. Vacancy rates were above 15 percent for staff registered nurses (RNs), occupational therapists, occupational therapy assistants, respiratory therapists, and social workers. Demand was more balanced with supply for nurse practitioners, home health aides, and personal care aides. Rural agencies reported more severe shortages than urban agencies for most occupations.

Over half of home health agencies reported that employment of staff RNs has increased over the past year, and nearly half reported increased employment of licensed practical nurses (LPNs). Nearly one-quarter reduced employment of nurse practitioners (NPs). Nearly 40 percent indicated they had created new job classifications in the past year, most often related to care coordination and clinical documentation specialists.

Most home health agencies prefer to hire RNs with prior employment experience and with a bachelor's degree. One-quarter indicated a preference for RNs who can speak a second language, with Spanish most often indicated as the preferred language. Forty-one percent of agencies offer a higher salary to RNs who hold a bachelor's degree, and 41 percent offer a differential to RNs with a specialty certification.

Nearly 40 percent of agencies offer tuition reimbursement to staff who are working toward additional degrees or certifications, with most offering under \$3000 per year.

Nearly all home health agencies indicated they expect to increase employment in all occupations over the next three years, although nearly 35 percent plan to reduce employment of nurse practitioners. More than 30 percent of home health agencies anticipate the creation of new RN-related job classes in the next two years, most often related to care coordination and case management. Home health agencies expressed concern that falling reimbursement levels, potential state budget cuts to Medicaid, and the behavioral needs of their patients could impact the adequacy of their workforce.

Arizona Healthcare Workforce

Home Health Agencies, 2015

The University of California, San Francisco conducted the *Survey of Health Care Employers in Arizona: Home Health Agencies, 2015* in the summer and fall of 2015. The survey elicited 25 unique responses, representing 11.4% of the total number of home health agencies in Arizona. Yuma, Gila, and Pinal Counties were not represented in this survey, since fewer than two responses were obtained for these counties. Overall survey results indicate:

DEMAND for MEDICAL STAFF



Positions with the **MOST CONSISTENT** reports of high demand include:

- Occupational Therapists
- Physical Therapists
- Occupational Therapy Assistants

Respondents report a **MODERATE TO HIGH** demand for

- Registered Nurses – Staff
- Registered Nurses – Managerial
- Licensed Practical Nurses
- Home Health Aides
- Certified Nursing Assistants

Supply and demand were **BALANCED** for Licensed Practical Nurses and Home Health Aides.

63% of agencies **DID NOT** create new job classifications in the last year

30% **ANTICIPATE CREATING NEW** jobs within the next three years, related to care coordination and case management.

VACANCY RATES

Positions with over **10%** vacancy rate:

- Registered Nurses – Managerial
- Certified Nursing Assistants
- Personal Care Aides
- Physical Therapy Assistants
- Occupational Therapists
- Social Workers

Positions with over **20%** vacancy rate:

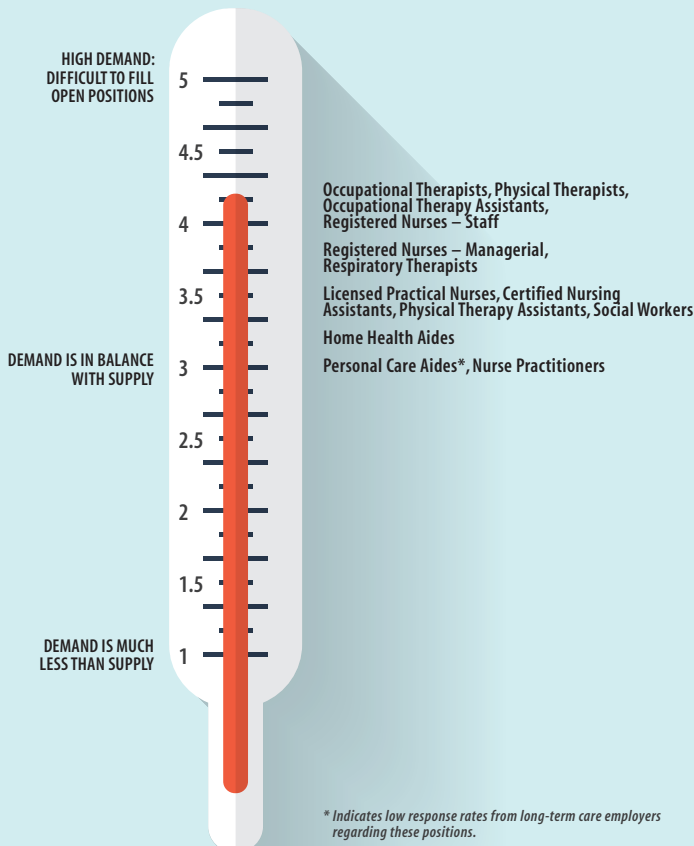
- Occupational Therapy Assistants
- Respiratory Therapists
- Staff Registered Nurses



RURAL AND URBAN AGENCIES

RURAL agencies reported higher demand for most positions compared to **URBAN** agencies, but less than urban demand for Personal Care Aides.

LABOR MARKET DEMAND FOR LONG-TERM CARE FACILITIES IN MARICOPA COUNTY



CONCERNS for HOME HEALTH AGENCIES

Agencies greatest concerns regarding the adequacy of their workforce were about:

- the impact of falling reimbursement levels
- potential state budget cuts to Medicaid
- how to manage the behavioral needs of their patients



TABLE OF CONTENTS

PREFACE 2

 Survey Background 2

 Summary of Findings..... 2

 Visual Summary 3

LIST OF TABLES 5

LIST OF FIGURES 6

BACKGROUND: HEALTH WORKER DEMAND IN ARIZONA 7

 Survey Participation and Data Analysis..... 9

FINDINGS 11

 Perception of Labor Market Conditions..... 11

 Current Employment of Staff..... 20

 Current Vacancies 20

 Changes Experienced in the Past Year 21

 Requirements for RN Employment 23

 Professional Competency Gaps 26

 Clinical Residency Programs for New RN Graduates 26

 Employment Expectations for the Next Year..... 26

CONCLUSIONS 31

ACKNOWLEDGEMENTS 32

LIST OF TABLES

Table 1. Geographic regions and the counties they represent, 2015 9

Table 2. Perception of labor market demand by home health agencies in Arizona, 2015 13

Table 3. Number of current staff (headcount) by position, as of May 1, 2015 20

Table 4. Vacancy rates by position, May 1, 2015 21

Table 5. Changes in employment in the past year, by position, 2015..... 22

Table 6. Organization differentiates RN salaries by degree or advanced certification, 2015 25

Table 7. Tuition reimbursement benefits per RN per year, 2015..... 25

Table 8. Orientation/onboarding program for recent hires, 2015 26

Table 9. Expectations for RN employment in the next three years, 2015..... 28

Table 10. Planned new job classifications in the next two years, 2015 28

Table 11. Impact on adequacy on hospital’s workforce, 2015 30

Appendix Table 1. Labor market demand by geographic region, 2015 33

LIST OF FIGURES

Figure 1. Distribution of responding home health agencies vs. home health agencies in Arizona, 2015.. 10

Figure 2. Distribution of responding home health agencies vs. home health agencies in Arizona, by rural/non-rural geographic location, 2015..... 11

Figure 3. Perception of labor market demand by home health agencies in Arizona, 2015 12

Figure 4. Average ranking of overall labor market demand by geographic region, 2015 15

Figure 5. Average ranking of overall labor market demand by geographic region, 2015 15

Figure 6. Average ranking of overall labor market demand by geographic region, 2015 16

Figure 7. Average ranking of overall labor market demand by geographic region, 2015 16

Figure 8. Average ranking of labor market demand by geography, 2015 18

Figure 9. Average ranking of labor market demand by geography, 2015 18

Figure 10. Average ranking of labor market demand by geography, 2015 19

Figure 11. Average ranking of labor market demand by geography, 2015 19

Figure 12. Vacancy rates by position, May 1, 2015 21

Figure 13. Changes in employment in the past year, by position, 2015 22

Figure 14. Creation of new job classifications in the past year, 2015 23

Figure 15. Requirements for registered nursing employment, 2015 24

Figure 16. Currently employed BSN-prepared registered nurses, 2015 24

Figure 17. Support for staff working toward degrees or certification, 2015..... 25

Figure 18. Expectations for employment in the next three years, 2015 27

Figure 19. Impact on adequacy on hospital’s workforce, 2015..... 29

BACKGROUND: HEALTH WORKER DEMAND IN ARIZONA

Arizona, along with the rest of the nation, experienced a deep economic recession starting in December 2007 and a slow economic recovery since mid-2009. While the state's economy has been recovering, there have been significant changes in health care financing and delivery. The state restored and expanded Medicaid coverage, and the implementation of the Affordable Care Act (ACA) of 2010 expanded private health insurance access to thousands in the state. The ACA contains provisions that are spurring an increased emphasis on the integration of care, providing high-value care, and considering population health broadly. In addition, Arizona faces an aging population, with increasing rates of chronic conditions and disabilities.¹

These factors are driving a growth in demand for health care workers across the state. Over the past decade, employment grew in all of the health occupations in Arizona, from 75,490 in 2004 to 135,070 in 2013.² In home health agencies, nursing personnel play a central role in the delivery of services. These nursing personnel include registered nurses, licensed practical nurses, certified nursing assistants, home health aides, and personal care aides. Nursing shortages are a significant concern for Arizona. The U.S. Bureau of Health Workforce (BHW) projects that Arizona will need 87,200 registered nurses (RNs) by 2025, but supply will be only 59,100 RNs, producing a shortfall of 32 percent. BHW also forecasts a shortfall of 9,590 licensed practical nurses, which is about 50 percent of anticipated demand.³ This shortfall is alarming, particularly since graduations from Arizona's RN education programs grew 166 percent from 2002 to 2012.⁴

About 47,000 new jobs are expected in the allied health professions between 2013 and 2020, with the greatest growth projected for personal care aides, for whom projected demand will rise from 21,760 in 2013 to 43,967 in 2020.⁵ The Affordable Care Act's provisions also are expected to spur growth in emerging occupations that interact with home health care, such as health and transition coaches, community health workers, and integrated care case managers.⁶

The challenge of meeting anticipated demand for health care workers is made more complex by the significant geographic variation found in Arizona. The state has one of the largest metropolitan areas in the United States, as well as some of the most rural areas in the country.⁷ The numbers of physicians,

¹ Borns, Kristin, and VanPelt, Kim. Health Workforce, Healthy Economy. Arizona Health Futures Policy Primer, December 2014.

² Data from the Arizona Department of Administration, reported in Irvine, Jane, and William G. Johnson, Allied Health Needs Assessment. Phoenix, AZ: Maricopa Community Colleges. May 14, 2015.

³ Bureau of Health Workforce, Health Resources and Services Administration, U.S. Department of Health and Human Services. The Future of the Nursing Workforce: National and State-Level Projections, 2012-2025. Rockville, MD: U.S. Department of Health and Human Services. December 2014.

⁴ Randolph, Pamela K. Arizona State Board of Nursing Summary and Analysis of Annual Reports from Arizona Nursing Education Programs Calendar Year 2012. Arizona State Board of Nursing. 2012.

⁵ Irvine, Jane, and William G. Johnson, Allied Health Needs Assessment. Phoenix, AZ: Maricopa Community Colleges. May 14, 2015.

⁶ Irvine, Jane, and William G. Johnson, Allied Health Needs Assessment. Phoenix, AZ: Maricopa Community Colleges. May 14, 2015.

⁷ Borns, Kristin, and VanPelt, Kim. Health Workforce, Healthy Economy. Arizona Health Futures Policy Primer, December 2014.

physician assistants, nurse practitioners, RNs, and pharmacists per 100,000 population are substantially higher in urban settings of Arizona than rural settings.⁸

To understand the impact of Arizona's aging population, growing insurance coverage, and changing delivery system on current and future needs for health care workers, the Vitalyst Health Foundation and the City of Phoenix commissioned the University of California, San Francisco, to survey hospitals, community health centers, long-term care facilities, and home health agencies in Arizona. Separate surveys were sent to each type of health care delivery organization, including questions about employment, vacancies, perceptions of the labor market, anticipated changes in demand, and reasons for future changes. Together, these surveys are designed to develop an accurate and up-to-date understanding of the demand for health care workers in Arizona.

⁸ Tabor, Joe, Nick Jennings, Lindsay Kohler, Bill Degnan, Howard Eng, Doug Campos-Outcalt, and Dan Derksen. Arizona Center for Rural Health 2015 Supply and Demand Study of Arizona Health Practitioners and Professionals. Tucson, AZ: University of Arizona. February 2016.

SURVEY METHODS

The Survey of Health Care Employers in Arizona: Home Health Agencies was one of four survey instruments based on the questionnaire used by the University of California, San Francisco (UCSF) in the Survey of Nurse Employers. With input from an Advisory Committee convened by Vitalyst Health Foundation and the City of Phoenix, a survey instrument was designed for each setting to meet the research goals of the Foundation, and to understand the current and future hiring needs of health care employers in Arizona, including hospitals, home health agencies, community clinics, and long-term care facilities. The surveys were designed to provide a snapshot of the current workforce in Arizona, and the challenges of training, recruiting, and retaining an adequate workforce. The Survey of Health Care Employers in Arizona: Home Health Agencies was structured for human resources directors in home health agency settings to provide data on staffing, including current headcounts and vacancies, as well as their perceptions of the labor market, expectations for hiring, and the characteristics of their new RN graduate residency programs.

The survey was posted online following approval by the UCSF Committee on Human Research. Survey emails were sent to all human resources directors provided by the Vitalyst Health Foundation and the City of Phoenix. The invitation from UCSF included a link to the online version of the survey, as well as a fillable-PDF form that could be completed by the respondent and returned to UCSF via email or fax. Facilities were contacted with follow-up emails and telephone calls, both by UCSF and members of the Advisory Committee, to encourage participation.

Survey Participation and Data Analysis

The Survey of Health Care Employers in Arizona: Home Health Agencies elicited 25 unique responses. These totals represent approximately 11.4 percent of the total number of licensed home health agencies in Arizona.⁹

Throughout the report we provide the number of facility responses (N) represented by the statistics in tables and figures. Certain data are used to describe differences in labor market conditions across geographic regions of Arizona. Table 1 below lists the regions used in this report and the counties each region represents.

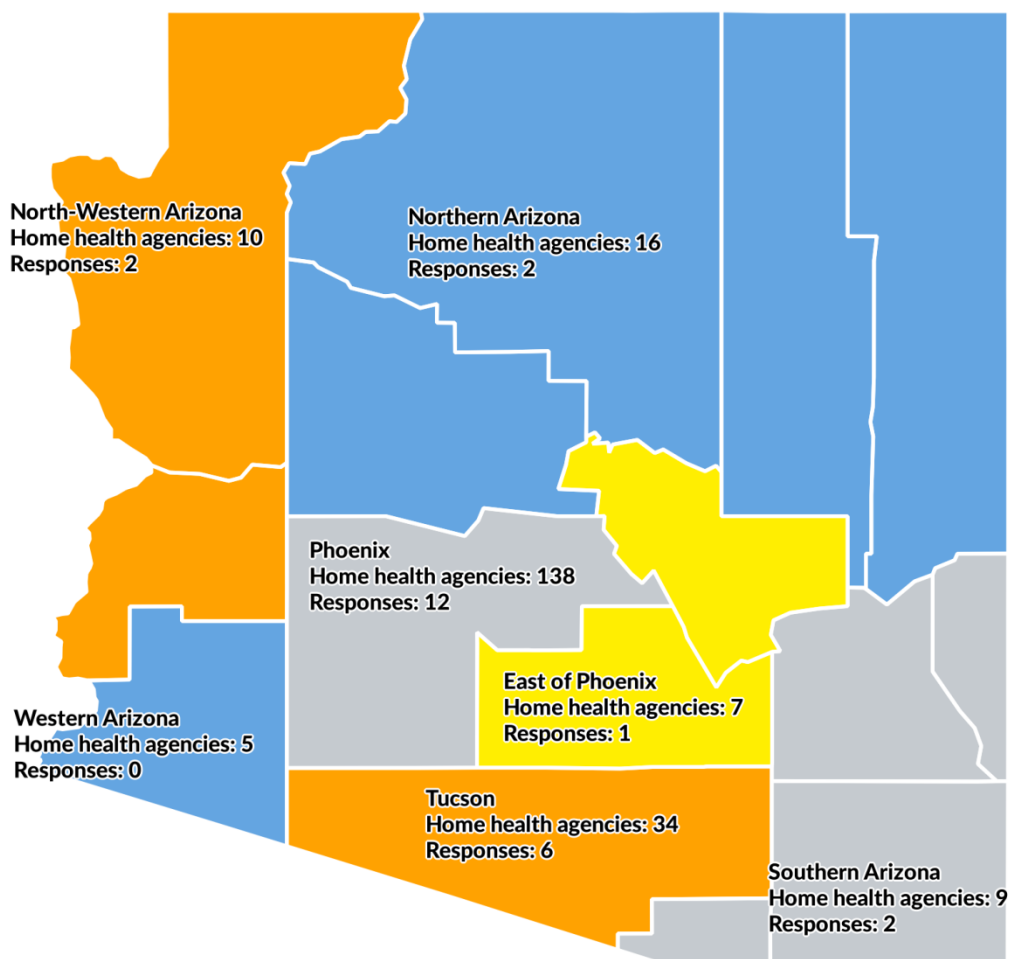
Table 1. Geographic regions and the counties they represent, 2015

Region	Counties
Phoenix	Maricopa
Tucson	Pima
Northern Arizona	Apache, Coconino, Navajo, Yavapai
East of Phoenix	Pinal, Gila
Western Arizona	Yuma
North-Western Arizona	Mohave, La Paz
Southern Arizona	Santa Cruz, Cochise, Graham, Greenlee

⁹ Home health agencies were identified using the Arizona Department of Health Services hospital listing database.

Figure 1 compares the geographic distribution of home health agencies that responded to the UCSF survey with the distribution of home health agencies across the geographic regions used in this report. In the UCSF survey, home health agencies in Phoenix are underrepresented, while home health agencies in the Tucson, North-Western Arizona, and Southern Arizona regions are overrepresented. Because there was only one respondent in the East of Phoenix, we do not report disaggregated data for this region. Western Arizona is not represented in the data.

Figure 1. Distribution of responding home health agencies vs. home health agencies in Arizona, 2015

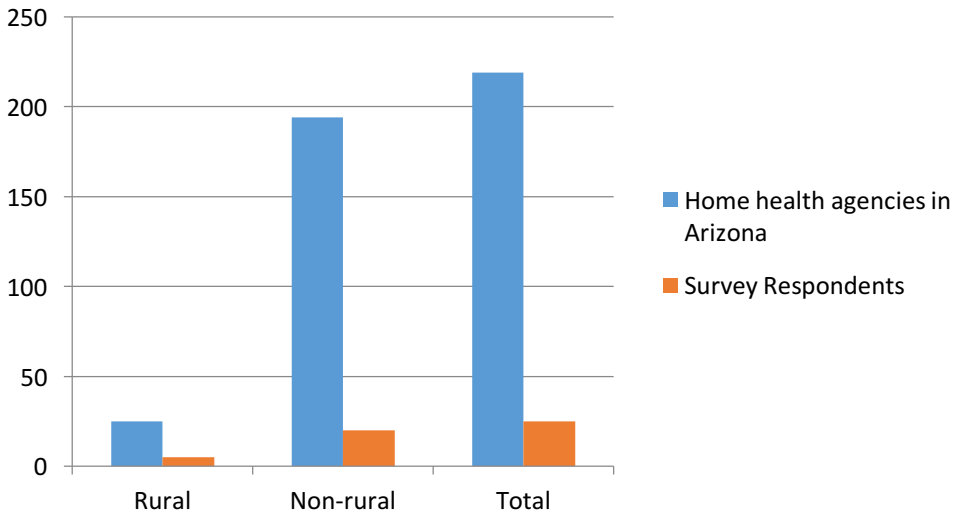


Note: Percentages may not sum to 100% due to rounding

Figure 2 compares the distribution of survey respondents with home-health agencies in the state based on whether or not the geographic location of the facility is considered rural.¹⁰ Rural facilities are somewhat overrepresented in the data.

¹⁰ The rural vs. non-rural status of a facility was determined using the 2010 Rural-Urban Commuting Area codes and the hospital's zip code. For more information see: <http://depts.washington.edu/uwruca/>

Figure 2. Distribution of responding home health agencies vs. home health agencies in Arizona, by rural/non-rural geographic location, 2015



FINDINGS

Perception of Labor Market Conditions

Home health agencies were asked to report their perceptions of labor market conditions for home health agency staff in their region, using a rank order scale of 1 to 5. A score of “1” indicated that demand for staff was much less than the available supply, while a score of “5” indicated high demand for staff and difficulty filling open positions. Figure 3 and Table 2 compare the reported results of overall labor market conditions for home health agency staff in fall 2015.

Approximately 29 percent of home health agencies reported a perception of high demand for staff RNs (difficult to fill open positions), and 10 percent of home health agencies reported the same for RNs in other roles (management, care coordination, utilization review, etc.). Other positions with reported high demand include occupational therapists (63.2%), physical therapists (61.9%), and occupational therapy assistants (44.4%).

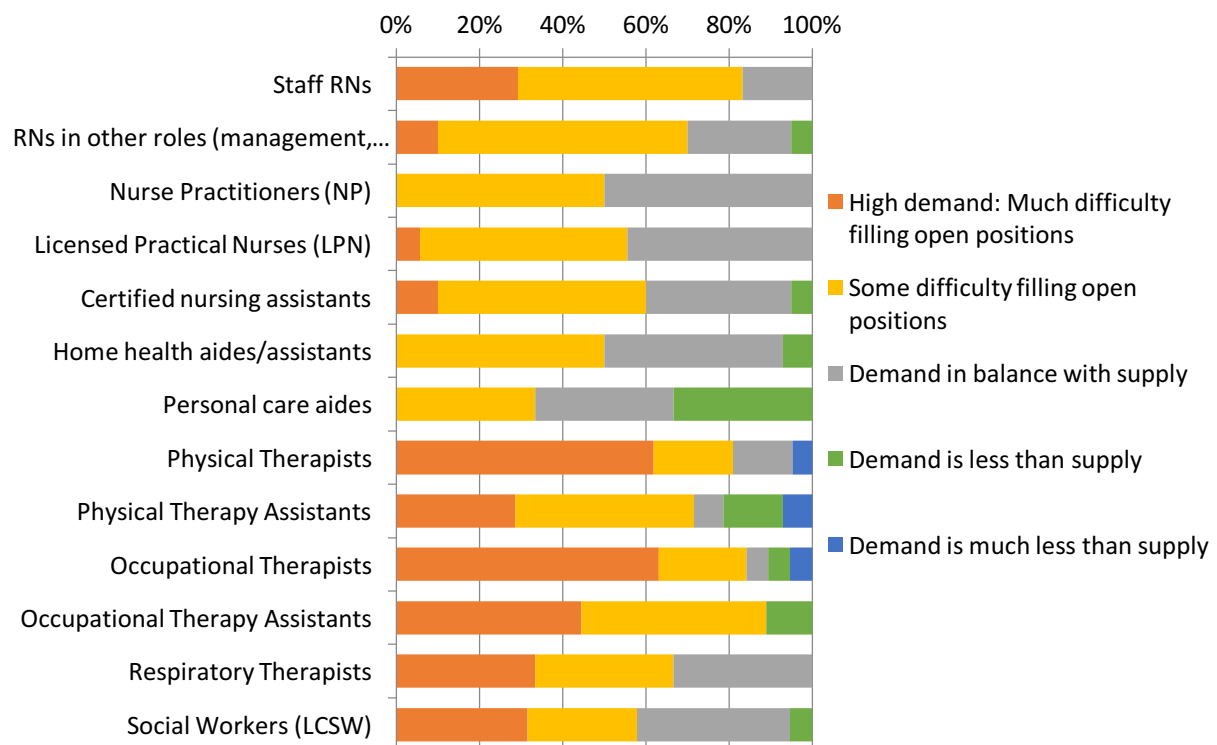
Moderate demand, with some difficulty filling positions, was reported by Arizona home health agencies for the following positions: RNs in other roles (60%), staff RNs (54.2%), licensed practical nurses (50%), home health aides (50%) and certified nursing assistants (50%).

Supply was often reported to be in balance with demand for licensed practical nurses (44.4%) and home health aides/assistants (42.9%).

Few positions were reported as having demand less than or much less than the supply available; the roles reported by home health agencies as being in less demand include: personal care aides (33.3%), physical therapy assistants (14.3%), and occupational therapy assistants (11.1%). When demand was reported as much less than supply for a position, it was only by one home health agency for each

position. These positions were physical therapy assistants (7.1%), occupational therapists (5.3%) and physical therapists (4.8%).

Figure 3. Perception of labor market demand by home health agencies in Arizona, 2015



Figures 4 through 7 show the average ranking of overall labor market conditions for all surveyed positions by region. There was a small number of individual respondents from the Northern Arizona, North-West Arizona, East of Phoenix, and Southern Arizona regions. The data from these regions were combined, and displayed as “Rest of Arizona.” The data presented are the average scores for each type of worker, with a 1 indicating low demand relative to supply, and a 5 indicating high demand relative to supply. A score of 3 indicates a balanced labor market. Appendix Table 1 presents the distribution of home health agencies in each region according to how they characterized labor markets for home health agency staff in 2015.

Demand for staff RNs was reported to be greater than supply in all regions (Figure 4). The demand for staff RNs was similar across these regions, according to the Home health agency ratings, as were the ratings for non-staff RNs. Demand for non-staff RNs was reported to be greater than supply, but the shortage does not appear to be as great for staff RNs. Demand for NPs was greater than supply in Phoenix. Respondents in Tucson did not report regarding the NP labor market. In the rest of Arizona, the shortage of NPs was reported to be not as great as in Phoenix.

Table 2. Perception of labor market demand by home health agencies in Arizona, 2015

Perception of labor market demand in Arizona, 2015											
Description	High demand		Some difficulty filling positions		Demand is in balance with supply		Demand is less than supply		Demand is much less than supply		Responses
	#	%	#	%	#	%	#	%	#	%	#
Staff RNs	7	29.2	13	54.2	4	16.7	0	0.0	0	0.0	24
RNs in other roles (management, care coordination, utilization review, etc.)	2	10.0	12	60.0	5	25.0	1	5.0	0	0.0	20
Nurse Practitioners (NP)	0	0.0	1	50.0	1	50.0	0	0.0	0	0.0	2
Licensed Practical Nurses (LPN)	1	5.6	9	50.0	8	44.4	0	0.0	0	0.0	18
Certified nursing assistants	2	10.0	10	50.0	7	35.0	1	5.0	0	0.0	20
Home health aides/assistants	0	0.0	7	50.0	6	42.9	1	7.1	0	0.0	14
Personal care aides	0	0.0	2	33.3	2	33.3	2	33.3	0	0.0	6
Physical Therapists	13	61.9	4	19.0	3	14.3	0	0.0	1	4.8	21
Physical Therapy Assistants	4	28.6	6	42.9	1	7.1	2	14.3	1	7.1	14
Occupational Therapists	12	63.2	4	21.1	1	5.3	1	5.3	1	5.3	19
Occupational Therapy Assistants	4	44.4	4	44.4	0	0.0	1	11.1	0	0.0	9
Respiratory Therapists	1	33.3	1	33.3	1	33.3	0	0.0	0	0.0	3
Social Workers (LCSW)	6	31.6	5	26.3	7	36.8	1	5.3	0	0.0	19

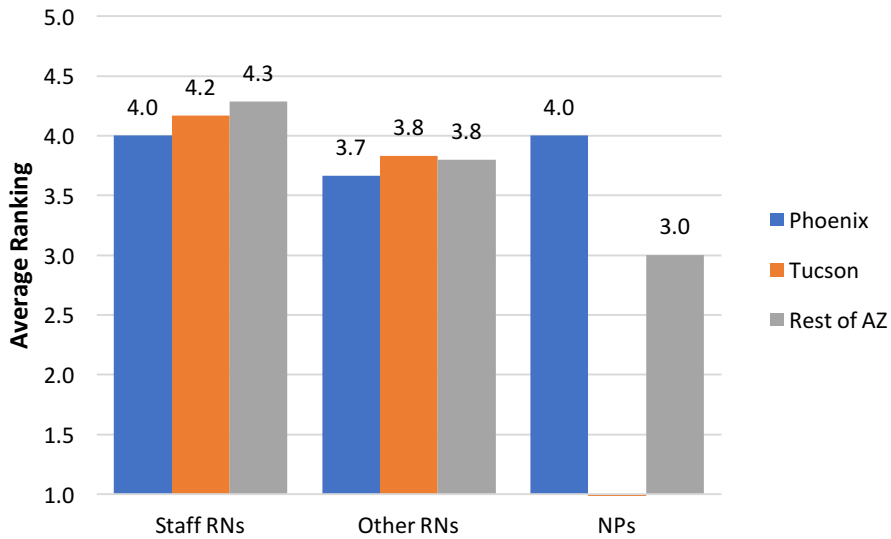
Note: percentages may not sum to 100% due to rounding.

As seen in Figure 5, home health agencies in Tucson and the rest of Arizona reported that demand was greater than supply for LPNs; the shortage of LPNs appears less severe in Phoenix. Demand was high relative to supply for certified nursing assistants, with little variation across regions. Demand for home health aides and assistants varied notably across the state, with agencies outside Phoenix and Tucson generally reporting a shortage, while agencies in Tucson reported a relatively balanced labor market.

Home health agencies reported that the labor market for personal care aides was balanced in Phoenix and Tucson, and that there was a surplus of personal care aides in the rest of Arizona (Figure 6). Demand for physical therapists was reported to be greater than supply in all regions of the state, with the greatest shortage reported in Phoenix. The labor market for physical therapy assistants appears to vary by region, with a relatively balanced labor market in Phoenix, some shortage in Tucson, and a notable shortage in the rest of the state.

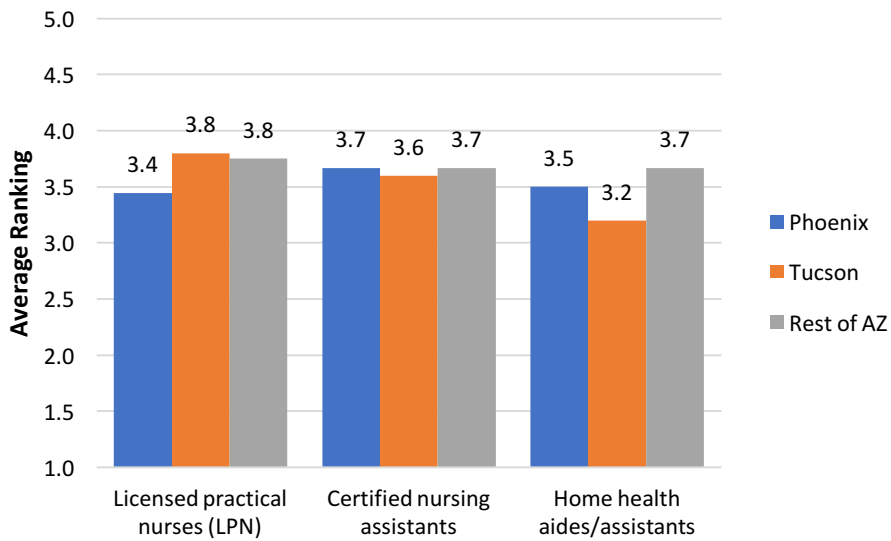
As seen in Figure 7, a substantial shortage of occupational therapists was reported by home health agencies across Arizona. Shortages of occupational therapy assistants were also reported for Tucson and regions outside Tucson and Phoenix, while the market was relatively balanced in Phoenix. Demand was greater than supply for respiratory therapists throughout Arizona. A slight shortage of social workers was indicated for Phoenix and Tucson, while a substantial shortage of social workers was reported for the rest of Arizona.

Figure 4. Average ranking of overall labor market demand by geographic region, 2015



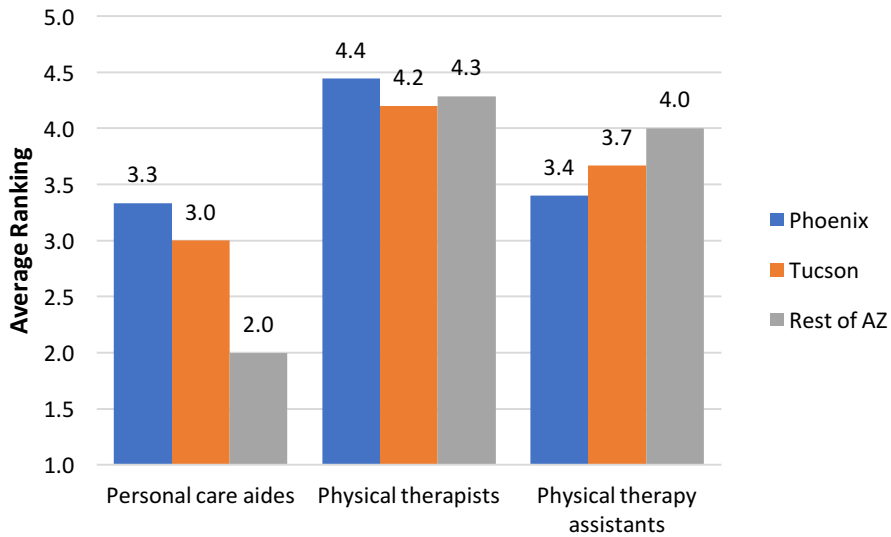
Note: 1 indicates that demand is much less than supply; 5 indicates that demand is much greater than supply. (Lower numbers indicate a greater surplus).

Figure 5. Average ranking of overall labor market demand by geographic region, 2015



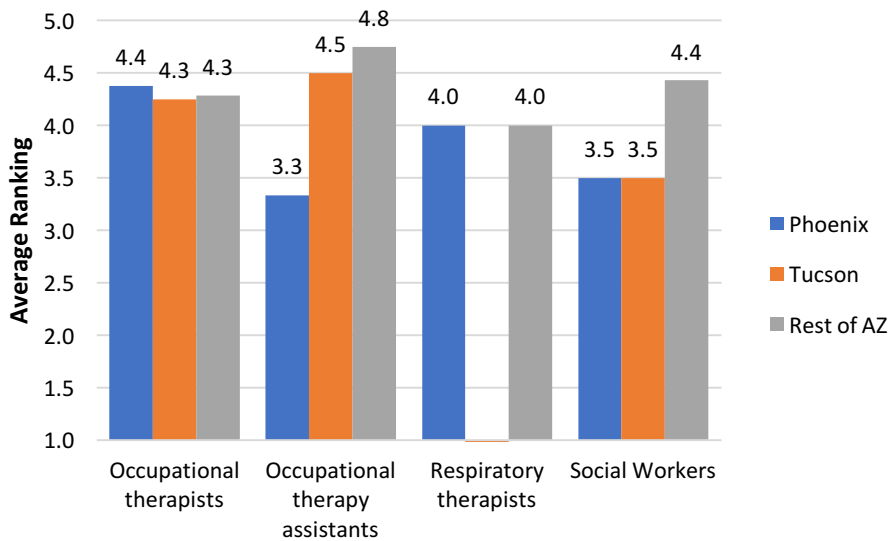
Note: 1 indicates that demand is much less than supply; 5 indicates that demand is much greater than supply. (Lower numbers indicate a greater surplus).

Figure 6. Average ranking of overall labor market demand by geographic region, 2015



Note: 1 indicates that demand is much less than supply; 5 indicates that demand is much greater than supply. (Lower numbers indicate a greater surplus).

Figure 7. Average ranking of overall labor market demand by geographic region, 2015



Note: 1 indicates that demand is much less than supply; 5 indicates that demand is much greater than supply. (Lower numbers indicate a greater surplus).

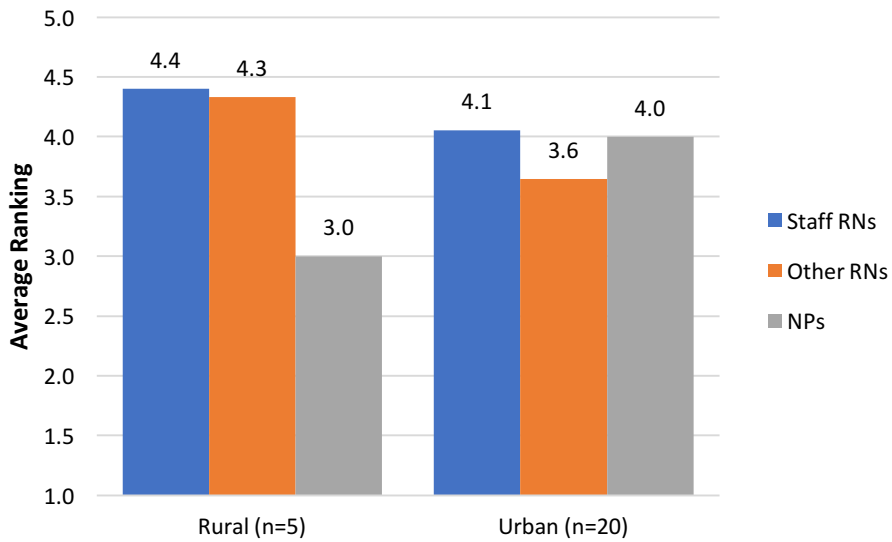
Figures 8 through 11 compare average demand for home health agency staff based on whether or not the home health agency is located in a geographically rural area. Figure 8 presents data for RNs and NPs. The data suggests that rural home health agencies face greater shortages of RNs, both in staff and other roles. The labor market for NPs was balanced in rural areas; meanwhile, on average, the demand for NPs was greater than supply in urban areas.

Figure 9 presents data for LPNs and assistants. Rural agencies reported that demand was greater than supply for LPNs and certified nursing assistants, and somewhat greater than supply for home health aides/assistants. The labor market for these three occupations was more balanced in urban areas, with a slight indication of shortage.

As seen in Figure 10, personal care aides were reported to be in low demand by rural home health agencies, while a balanced labor market was reported by urban home health agencies. Demand was reported to be notably greater than supply for physical therapists for both rural and urban home health agencies, with slightly stronger demand reported by urban agencies. Slightly stronger demand was reported by rural home health agencies for physical therapy assistants than by urban home health agencies.

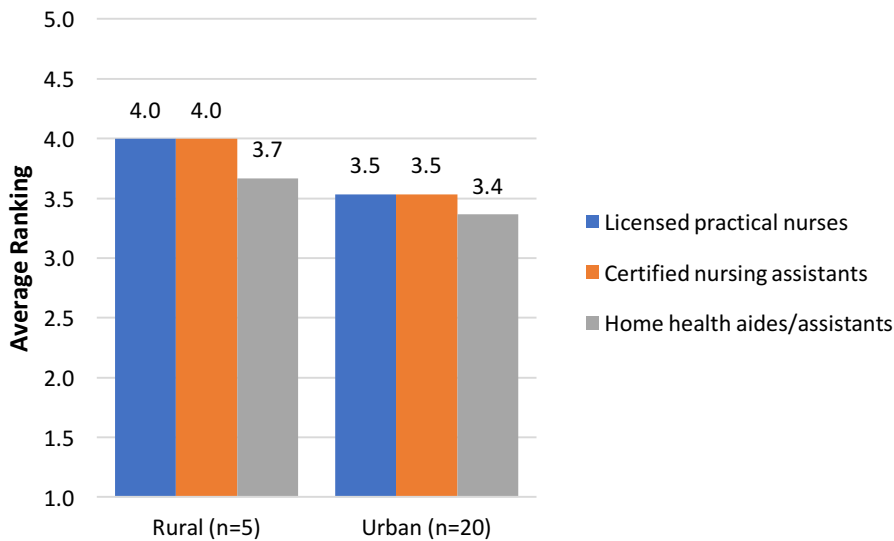
Among rural home health agencies, demand for occupational therapists, occupational therapy assistants, respiratory therapists, and social workers was reported to be greater than supply, with a substantial shortage reported for occupational therapy assistants and social workers (Figure 11). Demand for these occupations was also high in urban areas, with a greater shortfall of supply for occupational and respiratory therapists compared to occupational therapy assistants and social workers.

Figure 8. Average ranking of labor market demand by geography, 2015



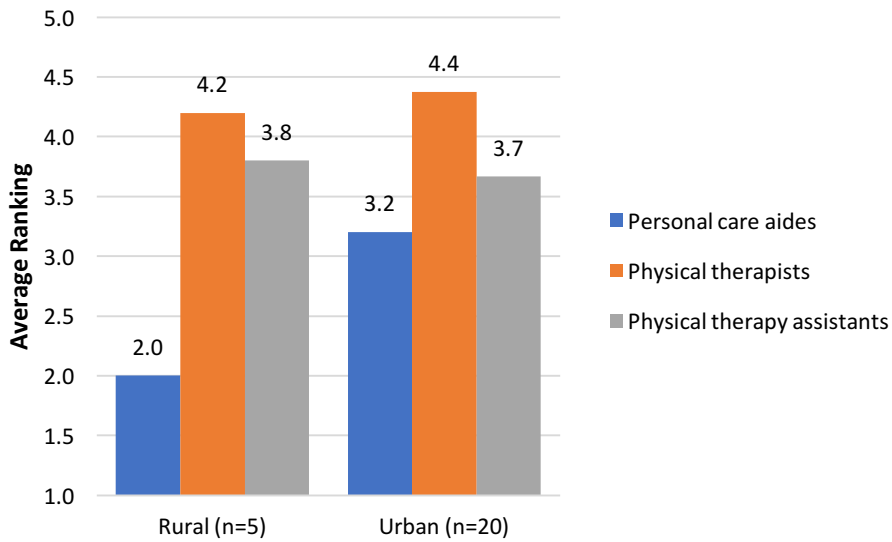
Note: 1 indicates that demand is much less than supply; 5 indicates that demand is much greater than supply. (Lower numbers indicate greater surplus of nurses.)

Figure 9. Average ranking of labor market demand by geography, 2015



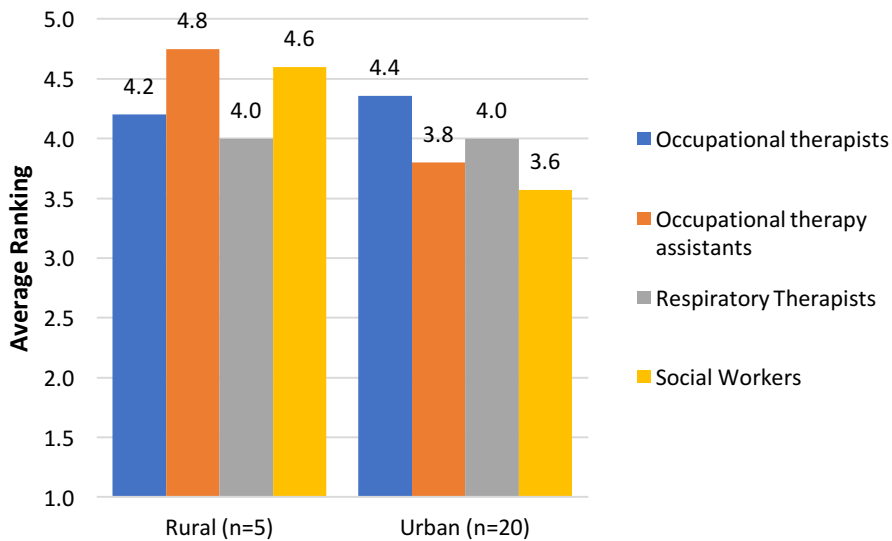
Note: 1 indicates that demand is much less than supply; 5 indicates that demand is much greater than supply. (Lower numbers indicate greater surplus of nurses.)

Figure 10. Average ranking of labor market demand by geography, 2015



Note: 1 indicates that demand is much less than supply; 5 indicates that demand is much greater than supply. (Lower numbers indicate greater surplus of nurses.)

Figure 11. Average ranking of labor market demand by geography, 2015



Note: 1 indicates that demand is much less than supply; 5 indicates that demand is much greater than supply. (Lower numbers indicate greater surplus of nurses.)

Current Employment of Staff

The largest occupational group within Arizona’s home health agencies was home health aides/assistants (Table 3). The second-largest occupation was staff RNs, with 232 reported by responding agencies. Staff RNs represented more than 80 percent of all employed RNs; an additional 56 RNs were reported to be working in non-staff roles such as management and care coordination. Personal care aide, LPN, and physical therapy assistant employment levels were also large at home health agencies, with at least 90 of each of these occupations reported.

Home health agencies were asked to indicate the numbers of full-time and part-time employees for each occupation. As seen in Table 3, of current staff, full-time employment was common for RNs in non-staff roles (92.9%), and about half of home health aides/assistants (50.7%) and physical therapists (50.0%) were employed full-time. More than half of workers in other occupations were employed part-time. Home health agencies indicated that none of the LPNs or NPs they employed worked full-time.

Table 3. Number of current staff (headcount) by position, as of May 1, 2015

Description	Full-time		Part-time*		Total
	Headcount	% of total	Headcount	% of total	
Staff RNs	59	25.4	173	74.6	232
RNs in other roles (management, care coordination, utilization review, etc.)	52	92.9	4	7.1	56
Nurse Practitioners (NP)	0	0.0	2	100.0	2
Licensed practical nurses (LPN)	0	0.0	40	100.0	40
Certified nursing assistants	62	45.3	75	54.7	137
Home health aides/assistants	150	50.7	146	49.3	296
Personal care aides	40	31.0	89	69.0	129
Physical Therapists	25	50.0	25	50.0	50
Physical Therapy Assistants	34	37.8	56	62.2	90
Occupational Therapists	9	32.1	19	67.9	28
Occupational Therapy Assistants	23	39.0	36	61.0	59
Respiratory Therapists	4	26.7	11	73.3	15
Social Workers (LCSW)	9	39.1	14	60.9	23

Current Vacancies

Figure 12 and Table 4 present vacancy rates by position as of May 1, 2015. The highest vacancy rates were reported for occupational therapy assistants (24.4%), respiratory therapists (21.1%), and staff RNs (20.5%). The high vacancy rate for RNs is concerning, since RNs comprise a large share of all home health staff. Vacancy rates were over 10 percent for RNs in non-staff roles (13.8%), certified nursing assistants (12.7%), personal care aides (11.6%), physical therapy assistants (14.3%), occupational therapists (15.2%), and social workers (17.9%).

Figure 12. Vacancy rates by position, May 1, 2015

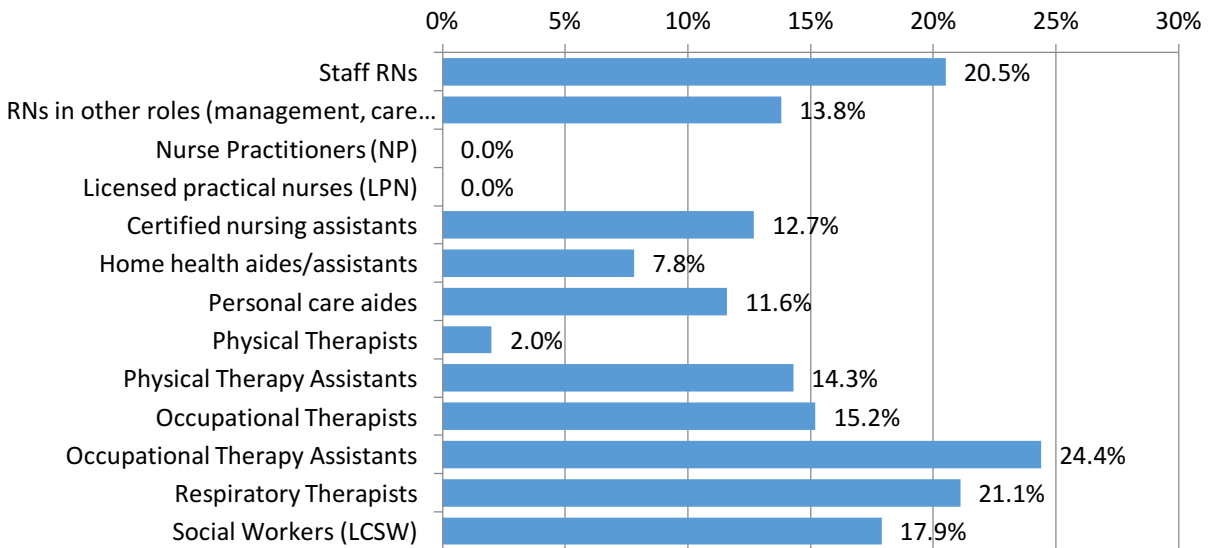


Table 4. Vacancy rates by position, May 1, 2015

Description	Full-time		Part-time		Total	
	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)
Staff RNs	19	24.4	41	19.2	60	20.5
RNs in other roles (management, care coordination, utilization review, etc.)	7	11.9	2	33.3	9	13.8
Nurse Practitioners (NP)	0	0.0	0	0.0	0	0.0
Licensed practical nurses (LPN)	0	0.0	0	0.0	0	0.0
Certified nursing assistants	9	12.7	11	12.8	20	12.7
Home health aides/assistants	11	6.8	14	8.8	25	7.8
Personal care aides	10	20.0	7	7.3	17	11.6
Physical Therapists	1	3.8	0	0.0	1	2.0
Physical Therapy Assistants	7	17.1	8	12.5	15	14.3
Occupational Therapists	3	25.0	2	9.5	5	15.2
Occupational Therapy Assistants	4	14.8	15	29.4	19	24.4
Respiratory Therapists	2	33.3	2	15.4	4	21.1
Social Workers (LCSW)	4	30.8	1	6.7	5	17.9

Changes Experienced in the Past Year

Home health agencies were asked about changes in staff employment levels during the past year. Figure 13 and Table 5 show that greater shares of home health agencies reported increased employment than decreased employment for all occupations except respiratory therapists, for whom no changes were reported. Over 54 percent of home health agencies increased employment of staff RNs in the past year. Over 44 percent of home health agencies reported increased employment of licensed practical nurses. For all other occupations, the majority of responding agencies indicated there had been no change in employment.

Figure 13. Changes in employment in the past year, by position, 2015

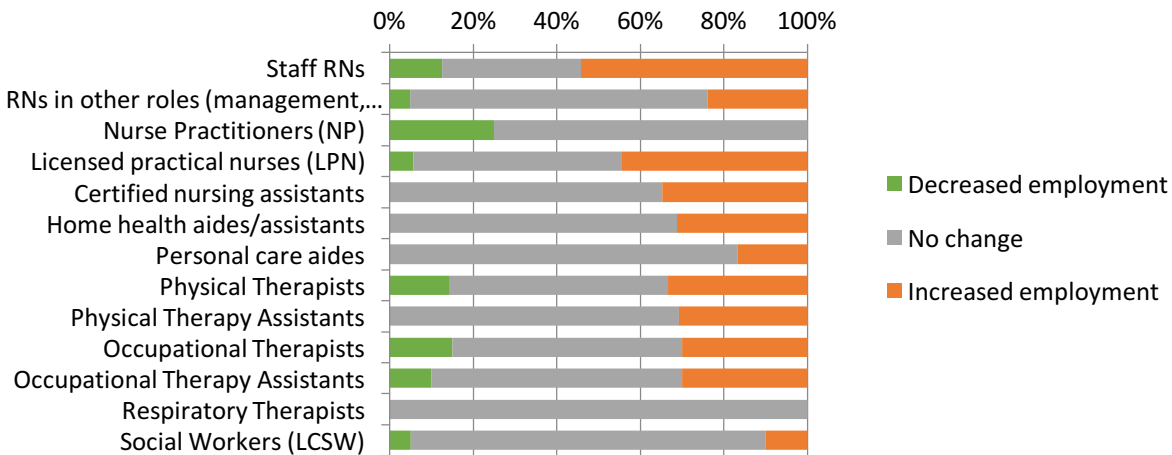


Table 5. Changes in employment in the past year, by position, 2015

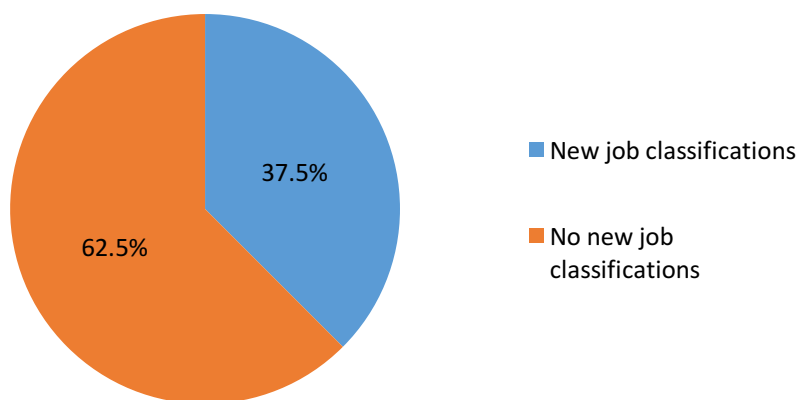
Position	Difficulty Recruiting Compared to Last Year						Responses #
	Decreased Employment		Increased Employment		No change		
	#	%	#	%	#	%	
Staff RNs	3	12.5	13	54.2	8	33.3	24
RNs in other roles (management, care coordination, utilization review, etc.)	1	4.8	5	23.8	15	71.4	21
Nurse Practitioners (NP)	1	25.0	0	0.0	3	75.0	4
Licensed practical nurses (LPN)	1	5.6	8	44.4	9	50.0	18
Certified nursing assistants	0	0.0	8	34.8	15	65.2	23
Home health aides/assistants	0	0.0	5	31.3	11	68.8	16
Personal care aides	0	0.0	1	16.7	5	83.3	6
Physical Therapists	3	14.3	7	33.3	11	52.4	21
Physical Therapy Assistants	0	0.0	4	30.8	9	69.2	13
Occupational Therapists	3	15.0	6	30.0	11	55.0	20
Occupational Therapy Assistants	1	10.0	3	30.0	6	60.0	10
Respiratory Therapists	0	0.0	0	0.0	4	100.0	4
Social Workers (LCSW)	1	5.0	2	10.0	17	85.0	20

Home health agencies were asked about other types of environmental changes experienced over the past year. More than 54 percent of home health agencies reported an increase in client volume. Over 33 percent of home health agencies reported facing budget constraints, and current staff converting from part time positions to full-time positions. Twenty-nine percent of home health agencies reported current staff were working more shifts.

Home health agencies were asked to report whether they had created new job classifications over the past year. Figure 14 shows that in 2015, over 62 percent of home health agencies indicated they had not created new job classifications in the past year. Of the agencies that reported new job classifications, the most frequently reported new job classifications were related to care coordination and clinical documentation specialists.

Home health agencies reported that the challenges associated with hiring or moving staff into these new roles included recruiting qualified staff capable of handling high patient acuity and high patient volume. These are important factors influencing the creation of new job classifications, as these positions may not have existed in the market previously, and the challenges encountered are new to home health agencies.

Figure 14. Creation of new job classifications in the past year, 2015



Requirements for RN Employment

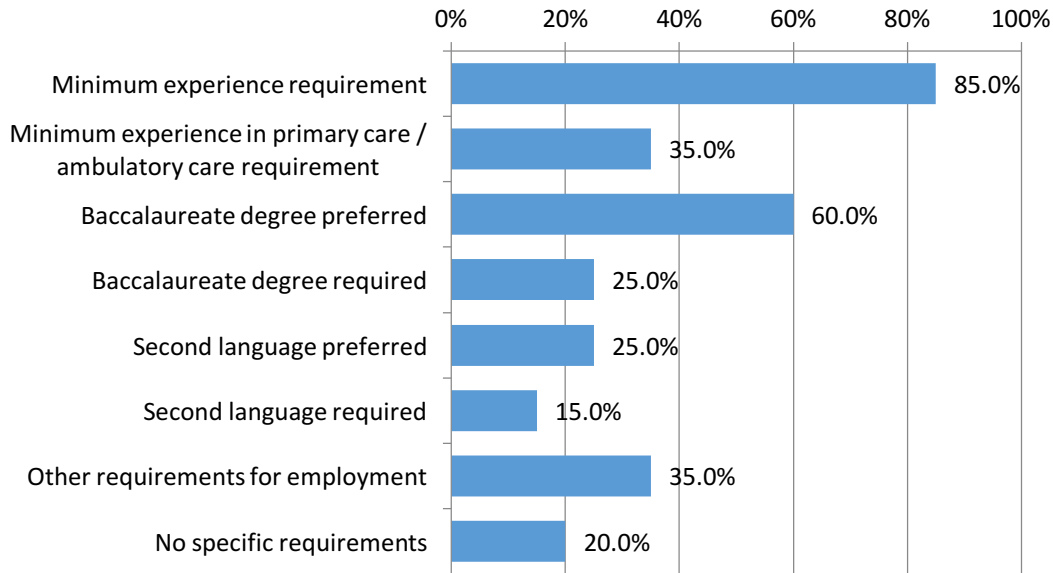
A series of questions in the survey focused on RN employment, because RNs are the largest group of workers in most home health agencies. As seen in Figure 15, 85 percent of home health agencies reported having a minimum experience requirement for RN hiring. Approximately 88 percent of these home health agencies reported having a requirement of at least 12 months of experience to be hired; the number of months of experience required ranged from 1 to 12 months. Thirty-five percent of home health agencies required a minimum amount of experience in a primary/ambulatory care setting.

Approximately 60 percent of home health agencies reported a preference for hiring baccalaureate trained RNs. Twenty-five percent of home health agencies reported *requiring* a baccalaureate degree. Home health agencies were asked about second language skills as a requirement for employment in 2015; 15 percent reported requiring a second language, and 25 percent indicated that it was a preference. Of these home health agencies, Spanish was most often reported as the preferred language.

Home health agencies were given the opportunity to report other types of requirements for employment. Most of the write-in responses reported requirements such as RN licensure in Arizona, a

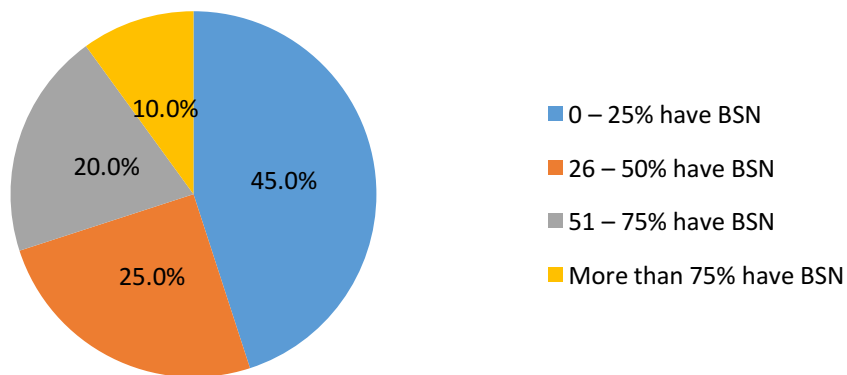
valid driver’s license, a vehicle, and automobile insurance. Twenty percent of home health agencies indicated having no specific requirements for employment.

Figure 15. Requirements for registered nursing employment, 2015



Respondents were asked to report the share of RNs that attained a BSN and are currently employed in their agency. The response choices were presented as categories, listed in Table 13. Forty-five percent of all home health agencies reported that BSN-prepared RNs represent 0-25 percent of their employed RNs. Thirty percent of respondents indicated that RNs holding a BSN degree accounted for over 50 percent of their employed RNs.

Figure 16. Currently employed BSN-prepared registered nurses, 2015



Home health agencies were asked to indicate whether or not they had goals or plans in place to increase the number of baccalaureate-prepared nurses on staff. Only 2 of 23 responding agencies (8.7%) have such plans. Among those with such plans, their target is to have at least 75 percent of their RNs hold a baccalaureate degree within the next three years. Two agencies (9.1%) indicated that newly hired RNs

who do not have a baccalaureate degree are expected to obtain one within a specified amount of time. Three (13.6%) reported that not having a BSN has no effect on being promoted beyond the position of staff nurse.

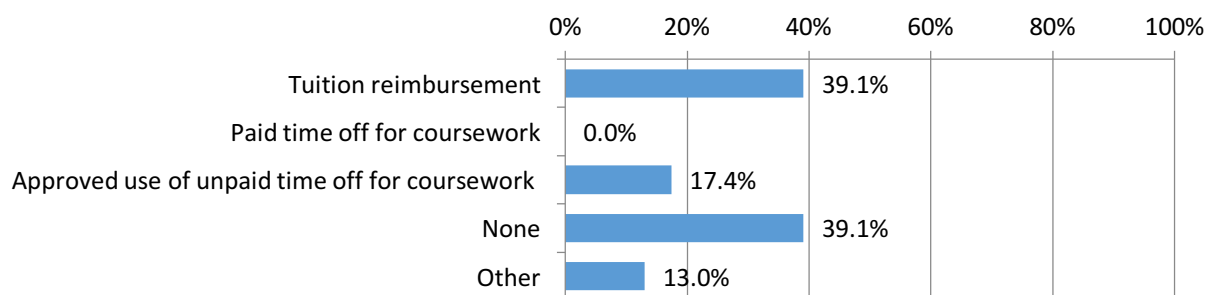
There is a perception among some RNs that the BSN degree has little potential to increase earnings. Table 6 suggests this perception might be present in some home health agencies in Arizona, as 59 percent of home health agencies reported that their organization does not differentiate salary by degree. In addition to differentiating RN salaries based on the type of degree held, home health agencies were asked about differentiation based on advanced certifications (e.g. critical care, peri-operative, oncology, etc.). The same share of home health agencies reported no salary differentiation based on degree or certification.

Table 6. Organization differentiates RN salaries by degree or advanced certification, 2015

Description	Differentiate by degree		Differentiate by certification	
	#	%	#	%
Organization differentiates salary	9	41.0	9	41.0
Organization does not differentiate salary	13	59.0	13	59.0
Total	22	100.0	22	100.0

Home health agencies were asked about the types of support offered to employed staff who are enrolled in a degree program or working toward a certification (Figure 17). Over 39 percent of home health agencies reported offering tuition reimbursement in support of employed staff seeking an additional degree. No respondent reported the provision of paid time off for coursework. Over 17 percent of the responding home health agencies reported allowing current staff to take unpaid time for coursework. Home health agencies were given the chance to describe other types of support for RNs working toward a degree or certification. Responses included loan forgiveness programs and employment after graduation from the program.

Figure 17. Support for staff working toward degrees or certification, 2015



Home health agencies that provide tuition reimbursement were asked about the maximum benefit paid per RN per year. Table 7 shows that a majority of home health agencies offer between \$1,500 and \$2,999 in tuition reimbursement. This is notably lower than the tuition offered by hospitals in Arizona. Table 7. Tuition reimbursement benefits per RN per year, 2015

Description	Maximum per year	
	#	%
\$0 - \$1,499	1	14.3
\$1,500 - \$2,999	4	57.1
\$3,000 - \$4,499	1	14.3
\$4,500 - \$5,999	1	14.3
Total	7	100

Professional Competency Gaps

Home health agencies were asked to describe the most important competency gaps they encountered. Gaps were most often noted regarding RNs, physical therapists, nursing assistants, and management/administrative staff. The reported competency gaps for these occupations include: knowing how the home health agency nurse role provides home health/hospice care, being able to efficiently handle their patient volume, and providing complete documentation of patient visits.

Clinical Residency Programs for New RN Graduates

Home health agencies were asked whether or not they sponsor clinical residency programs for new graduates *who are not guaranteed to be hired* (Table 8). Only 2 of 23 responding agencies indicated they have such a program. Those with programs reported that the length of education is less than 8 weeks, and that they educate fewer than 5 new graduates per cohort. Programs were offered at frequencies ranging from four times a year, to every 4 to 6 weeks. All of these programs were developed in partnership with a school of nursing, and students were paid during participation. One program indicated that they hired at least 75 percent of their residency graduates last year, and the other program hired fewer than 25 percent.

Although comparatively few home health agencies have formal residency programs in which new graduates are not guaranteed to be hired, over 78 percent of all home health agencies have some kind of orientation program for newly hired RNs. Table 8 shows that a majority of these onboarding programs are fewer than 10 weeks in length, and no onboarding program was longer than 19 weeks.

Table 8. Orientation/onboarding program for recent hires, 2015

Description	#	%
Have an onboarding program	18	78.3
Don't have an onboarding program	5	21.7
Length of program (in weeks)	#	%
Less than 10 weeks	14	93.3
10-19 weeks	1	6.7

Employment Expectations for the Next Year

Home health agencies were asked to report their expectations for employment over the next three years. Figure 18 and Table 9 show that a majority of home health agencies expect increased employment for all positions in this period. The most frequently reported reasons for expected

employment changes include: increased client volume, increased agency capacity, and increases in the range of services offered. To a lesser extent, respondents noted that increased client acuity and increased workload for current staff also influenced their expectations for the next three years.

Figure 18. Expectations for employment in the next three years, 2015

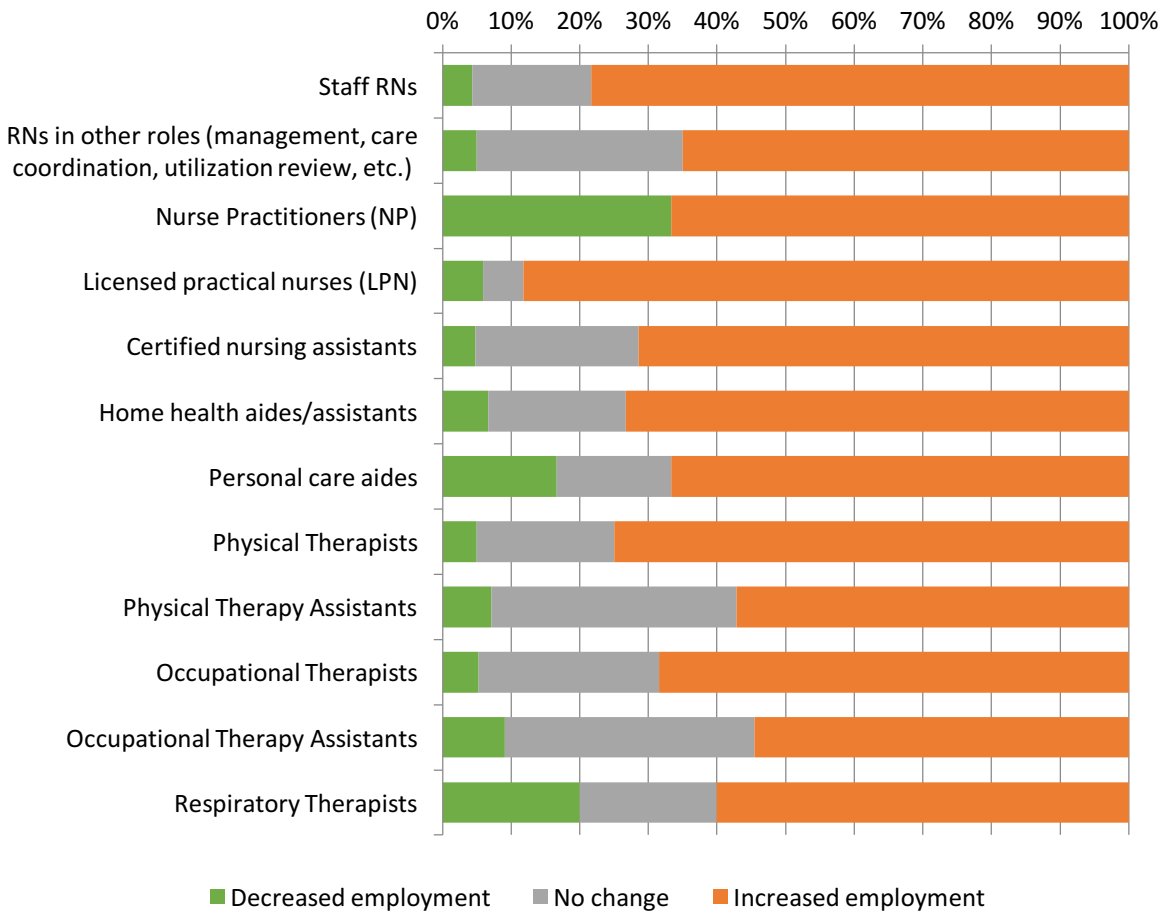


Table 9. Expectations for RN employment in the next three years, 2015

Position	Expectations for employment in the next 3 years						
	Decrease		Increased Employment		No change		Responses
	#	%	#	%	#	%	#
Staff RNs	1	4.3	18	78.3	4	17.4	23
RNs in other roles (management, care coordination, utilization review, etc.)	1	5.0	13	65.0	6	30.0	20
Nurse Practitioners (NP)	1	33.3	2	66.7	0	0.0	3
Licensed practical nurses (LPN)	1	5.9	15	88.2	1	5.9	17
Certified nursing assistants	1	4.8	15	71.4	5	23.8	21
Home health aides/assistants	1	6.7	11	73.3	3	20.0	15
Personal care aides	1	16.7	4	66.7	1	16.7	6
Physical Therapists	1	5.0	15	75.0	4	20.0	20
Physical Therapy Assistants	1	7.1	8	57.1	5	35.7	14
Occupational Therapists	1	5.3	13	68.4	5	26.3	19
Occupational Therapy Assistants	1	9.1	6	54.5	4	36.4	11
Respiratory Therapists	1	20.0	3	60.0	1	20.0	5
Social Workers (LCSW)	1	5.0	7	35.0	12	60.0	20

Table 10 shows that over 30 percent of home health agencies anticipate the creation of new RN-related job classifications in the next two years. Note that 37.5 percent of home health agencies reported that they created new RN job classifications over the past year. This suggests that home health agencies believe that care demands require similar rates of continued new job classification creation in the coming years. The agencies that anticipate creating new job classifications in the coming year expect them to be related to care coordination and case management. Home health agencies plan to develop these new roles through training and mentoring, careful recruitment/networking with specific job description, and incentives like signing bonuses, and higher wages.

Table 10. Planned new job classifications in the next two years, 2015

Description	#	%
Planned new job classifications	7	30.4
No planned new job classifications	16	69.6
Total	23	100.0

Home health agencies were asked to describe how concerned they felt about a series of statements on the adequacy of their agency's workforce (Figure 19 & Table 11). Their greatest concerns regarding the adequacy of their workforce were about the impact of falling reimbursement levels, potential state budget cuts to Medicaid, and the behavioral needs of their patients. The impact of the expansion in health insurance coverage was of concern to many home health agencies. Home health agencies indicated that they are somewhat concerned about disability accommodations and/or physical limitations of staff, staff leaves of absence, and changing employment goals of new workers (Millennials).

Figure 19. Impact on adequacy on hospital's workforce, 2015

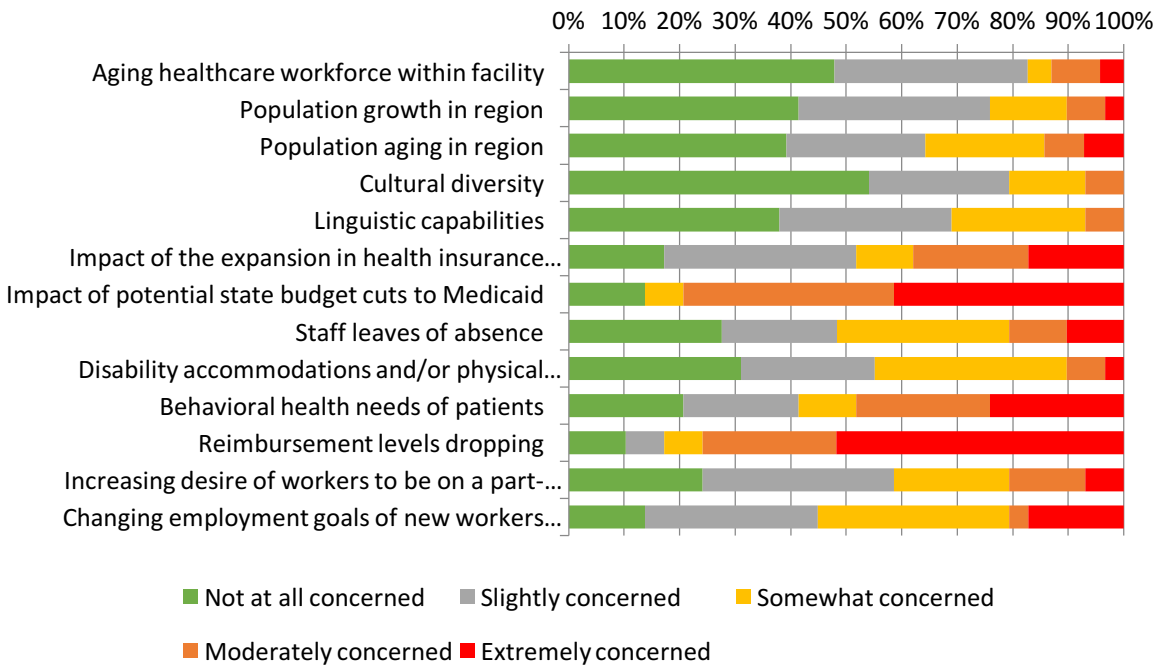


Table 11. Impact on adequacy on hospital's workforce, 2015

Impact on adequacy of long-term care facility' workforce											
Description	Not at all concerned		Slightly concerned		Somewhat concerned		Moderately concerned		Extremely concerned		Responses
	#	%	#	%	#	%	#	%	#	%	#
Aging healthcare workforce within facility	11	47.8	8	34.8	1	4.3	2	8.7	1	4.3	23
Population growth in region	12	52.2	10	43.5	4	17.4	2	8.7	1	4.3	23
Population aging in region	11	47.8	7	30.4	6	26.1	2	8.7	2	8.7	23
Cultural diversity	15	68.2	7	31.8	4	17.4	2	8.7	0	0.0	22
Linguistic capabilities	11	47.8	9	39.1	7	30.4	2	8.7	0	0.0	23
Impact of the expansion in health insurance coverage	5	21.7	10	43.5	3	13.0	6	26.1	5	21.7	23
Impact of potential state budget cuts to Medicaid	4	17.4	0	0.0	2	8.7	11	47.8	12	52.2	23
Staff leaves of absence	8	34.8	6	26.1	9	39.1	3	13.0	3	13.0	23
Disability accommodations and/or physical limitations of staff	9	39.1	7	30.4	10	43.5	2	8.7	1	4.3	23
Behavioral health needs of patients	6	26.1	6	26.1	3	13.0	7	30.4	7	30.4	23
Reimbursement levels dropping	3	13.0	2	8.7	2	8.7	7	30.4	15	65.2	23
Increasing desire of workers to be on a part-time schedule	7	30.4	10	43.5	6	26.1	4	17.4	2	8.7	23
Changing employment goals of new workers (e.g., Millennials)	4	17.4	9	39.1	10	43.5	1	4.3	5	21.7	23

CONCLUSIONS

Labor market conditions faced by Arizona home health agencies indicate shortages in many occupations, including staff RNs, physical therapists, occupational therapists, physical and occupational therapy assistants, respiratory therapists, and social workers. Reported shortages varied across the state, with some occupations having the greatest shortage in Phoenix, others in Tucson, and still others in the rest of Arizona. Agencies in rural areas reported deeper shortages for most occupations than did agencies in urban areas.

Home health agencies expect employment increases for every occupation over the next three years. Some agencies are investing in their workforce through tuition reimbursement, and a small number offer nurse residency programs in collaboration with nursing education programs. Nearly one-third expect to develop new job classifications in the next two years, with new classifications primarily related to care coordination and management.

Agencies expressed concern about the impact of reimbursement levels dropping, potential state budget cuts to Medicaid, and the behavioral needs of their patients on the adequacy of their workforce. Home health agency leaders will need to work closely with local and state educational institutions, policymakers, and business leaders to address these concerns. Furthermore, they should develop strategies to improve their employees' knowledge of how to manage behavioral health issues.

ACKNOWLEDGEMENTS

The collaboration of the Advisory Committee convened by Vitalyst Foundation, the City of Phoenix, and the Greater Phoenix Chamber of Commerce was important to the development of the survey questionnaire and conducting of the survey. We specifically thank Claudia Whitehead for her work.

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Appendix Table 1. Labor market demand by geographic region, 2015

Description:	Region		
	Phoenix	Tucson	Rest of AZ
Staff RNs	%	%	%
Demand is much less than supply available	0.0	0.0	0.0
Demand is less than supply available	0.0	0.0	0.0
Demand is in balance with supply	27.3	16.7	0.0
Moderate demand: some difficulty filling open positions	45.5	50.0	71.4
High demand: difficult to fill open positions	27.3	33.3	28.6
Total	11	6	7
RNs in other roles			
Demand is much less than supply available	0.0	0.0	0.0
Demand is less than supply available	0.0	0.0	20.0
Demand is in balance with supply	44.4	16.7	0.0
Moderate demand: some difficulty filling open positions	44.4	83.3	60.0
High demand: difficult to fill open positions	11.1	0.0	20.0
Total	9	6	5
Nurse Practitioners			
Demand is much less than supply available	0.0	0.0	0.0
Demand is less than supply available	0.0	0.0	0.0
Demand is in balance with supply	0.0	0.0	100.0
Moderate demand: some difficulty filling open positions	100.0	0.0	0.0
High demand: difficult to fill open positions	0.0	0.0	0.0
Total	1	0	1
Licensed practical nurses (LPN)			
Demand is much less than supply available	0.0	0.0	0.0
Demand is less than supply available	0.0	0.0	0.0
Demand is in balance with supply	55.6	20.0	50.0
Moderate demand: some difficulty filling open positions	44.4	80.0	25.0
High demand: difficult to fill open positions	0.0	0.0	25.0
Total	9	5	4
Certified nursing assistants			
Demand is much less than supply available	0.0	0.0	0.0
Demand is less than supply available	11.1	0.0	0.0
Demand is in balance with supply	22.2	40.0	50.0
Moderate demand: some difficulty filling open positions	55.6	60.0	33.3
High demand: difficult to fill open positions	11.1	0.0	16.7
Total	9	5	6

Description:	Region		
	Phoenix	Tucson	Rest of AZ
Home health aides/assistants	%	%	%
Demand is much less than supply available	0.0	0.0	0.0
Demand is less than supply available	16.7	0.0	0.0
Demand is in balance with supply	16.7	80.0	33.3
Moderate demand: some difficulty filling open positions	66.7	20.0	66.7
High demand: difficult to fill open positions	0.0	0.0	0.0
Total	6	5	3
Personal care aides			
Demand is much less than supply available	0.0	0.0	0.0
Demand is less than supply available	33.3	0.0	100.0
Demand is in balance with supply	0.0	100.0	0.0
Moderate demand: some difficulty filling open positions	66.7	0.0	0.0
High demand: difficult to fill open positions	0.0	0.0	0.0
Total	3	2	1
Physical Therapists			
Demand is much less than supply available	0.0	0.0	14.3
Demand is less than supply available	0.0	0.0	0.0
Demand is in balance with supply	11.1	40.0	0.0
Moderate demand: some difficulty filling open positions	33.3	0.0	14.3
High demand: difficult to fill open positions	55.6	60.0	71.4
Total	9	5	7
Physical therapy assistants			
Demand is much less than supply available	0.0	0.0	16.7
Demand is less than supply available	20.0	33.3	0.0
Demand is in balance with supply	20.0	0.0	0.0
Moderate demand: some difficulty filling open positions	60.0	33.3	33.3
High demand: difficult to fill open positions	0.0	33.3	50.0
Total	5	3	6
Occupational therapists			
Demand is much less than supply available	0.0	0.0	14.3
Demand is less than supply available	0.0	25.0	0.0
Demand is in balance with supply	12.5	0.0	0.0
Moderate demand: some difficulty filling open positions	37.5	0.0	14.3
High demand: difficult to fill open positions	50.0	75.0	71.4
Total	8	4	7

Description:	Region		
	Phoenix	Tucson	Rest of AZ
Occupational therapy assistants	%	%	%
Demand is much less than supply available	0.0	0.0	0.0
Demand is less than supply available	33.3	0.0	0.0
Demand is in balance with supply	0.0	0.0	0.0
Moderate demand: some difficulty filling open positions	66.7	50.0	25.0
High demand: difficult to fill open positions	0.0	50.0	75.0
Total	3	2	4
Respiratory Therapists			
Demand is much less than supply available	0.0	0.0	0.0
Demand is less than supply available	0.0	0.0	0.0
Demand is in balance with supply	0.0	0.0	50.0
Moderate demand: some difficulty filling open positions	100.0	0.0	0.0
High demand: difficult to fill open positions	0.0	0.0	50.0
Total	1	0	2
Social Workers (LCSW)			
Demand is much less than supply available	0.0	0.0	0.0
Demand is less than supply available	0.0	25.0	0.0
Demand is in balance with supply	62.5	25.0	14.3
Moderate demand: some difficulty filling open positions	25.0	25.0	28.6
High demand: difficult to fill open positions	12.5	25.0	57.1
Total	8	4	7