



Thomas J. Vilsack
Governor

Sally J. Pederson
Lt. Governor

**Center for Health Workforce Planning
Bureau of Health Care Access
White Paper on Iowa Nursing Home Administrator Profile
April 2004**

A review of the literature indicates a decrease in the number of new nursing facility administrators entering the profession (Pratt, 2002; Will & Nicovich, 2001). The National Association of Boards of Examiners in Long Term Care (NAB) and industry trade associations are reviewing data at a national level regarding the possible shortages in the profession. If a shortage exists, a decline poses a potential threat to the quality of care for seniors requiring skilled nursing services. A workforce shortage of administrators is also a challenge for state regulatory agencies whose purpose it is to protect its citizen.

This paper summarizes the findings of a report of selected characteristics of Iowa's licensed nursing home administrators and the environments in which they work. The Board of Examiners for Nursing Home Administrators requested the study in January 2004. Their request was based on anecdotal information and reports in the literature regarding possible shortages of nursing home administrators.

Key Findings

Regarding Nursing Facilities

Information about facility features is important because the context in which a nursing home administrator works affects job satisfaction. Dissatisfaction leads to frequent turnover in the administrative position that can result in instability in the entire facility. Key findings regarding both nursing facilities and assisted living facilities are:

- There has been a slight decline in the number of nursing facilities (from 428 to 415) from 1999 to 2004. The study did not attempt to determine why the decline occurred or to determine the occupancy rate of facilities.
- A total of 31,671 beds were listed in the 415 facilities. Institutional capacity ranges from 6 beds to 544 beds with 48 percent having 41 to 70 beds.
- In 2004, 337 (81%) nursing home facilities are Medicare certified while 408 (98%) are Medicaid certified. During 2003, 18,696 Iowans were Medicaid recipients in Iowa nursing facilities with \$197,324,883 of Medicaid funds spent on intermediate care facility residents.
- Ownership of the majority (60%) of nursing facilities is by various types of for-profit corporations and most (56%) are independently owned rather than being part of a multi-home (chain) facility.
- Assisted living facilities have been certified in Iowa since 1997 and they now number 180. The number of new facilities opened each year appears to be declining. Probably less than five percent of the assisted living managers are licensed as nursing home administrators.
- All 99 of Iowa's counties have at least one nursing facility and 78 counties have an assisted living facility.

Regarding Licensed Administrators

- Of 625 active licensees, 555 live in-state and 70 live out-of-state and maintain Iowa licenses. For purposes of this study, it is assumed that the out-of-state licensees are not currently active participants in the Iowa nursing home industry so only data about the in-state group was used throughout the study.
- The number of licenses issued per year since 1999 is increasing slightly. There were 34 new licenses issued in 2003. The number of licenses issued by endorsement averages 7 per year since new rules were enacted in mid 2001. The number of provisional licenses issued per year has declined since 2001.

Demographics of Administrators

- In 2004, the majority of the licensees (22%) are 50 to 54 years of age with 54 percent being age 50 or older. Eighty-four individuals (13%) are under age 40 although most do not become licensed until they are 35 to 40 years of age.
- The majority (57%) of active administrators in Iowa are female. This finding coincides with national data.

Salaries

- Using 2002 data from Iowa Workforce Development, nursing home administrator salaries average \$19.23 per hour or \$39,998 annually. Nursing home administrator salaries are combined with those of other medical and social service managers and may not be an accurate reflection of the industry.

Turnover Rates

- In recent studies, Iowa researchers found the annual turnover rate of nursing home administrators to be approximately 25 percent and nursing home administrators rotate positions, on average, every 31 months. It appears that the turnover rate is substantially linked to job satisfaction.

Regarding Educational Requirements

- In 1999, Iowa's educational requirements for nursing home administrator licensure were increased from an associate to a baccalaureate degree.
- In Iowa, there are two community colleges and one baccalaureate institution that offer a course of study meeting Iowa Administrative Code requirements regarding education of nursing home administrators. Little of the course work is available on-line at the associate degree level. There are large areas of the state where access to these institutions is not feasible.
- Enrollment in associate degree programs declined from 1995 through 2000 but shows a slight increase in the last three years.
- Baccalaureate degrees are attained in a number of articulating institutions and in a variety of majors.
- In eight of the last ten years, Iowa graduates who took the National Association of Boards of Examiners of Long Term Administrators national licensure examination scored higher than the national average as first time test takers.

Conclusions and Recommendations

The study provides background information about Iowa's nursing facilities and the administrators who oversee them. It is impossible to state definitively that there is or is not a shortage of administrators as there is no definition with measurable parameters. Compounding the absence of a working definition, several data elements were not available for review. Based on this finding, the following recommendations are set forth:

1. Establish a working definition that can be used by the Nursing Home Administrator Board to quantify excesses or shortages. This definition should be developed in partnership with state experts and national entities.
2. Based on development of a working definition of shortage, identify and collect key data elements needed to make such a determination.
 - Review all NHA database elements and assure that comprehensive information is incorporated into the Bureau of Professional Licensure modernization system. Provide current data to stakeholders.
 - Revise initial and renewal NHA licensure application forms to include current employment status in the nursing home industry, type of position occupied within the industry, and national origin of the applicant.
 - Enter the essential data elements that are currently collected into the licensure database on a consistent, timely basis. (Examples are: endorsement information, provisional licensure information, license issue date, academic degree, date of program completion, degree-granting institution).
3. Track the NAB/NHA examination scores and comparable national data in a reportable format.
4. Use the expertise of nursing home administration educators to conduct surveys of data not routinely collected. Suggested topics include:
 - Number of licensees not working in the industry
 - Reasons for leaving a nursing home administration position
 - Current salary information
 - Successful nursing home administrator recruitment strategies used by facilities
 - Newer trends of care for seniors and other nursing home residents
 - Impact of Iowa's economy on the industry

References

Pratt, J. R. (2002). The disappearing administrator: Results of a national survey. *Nursing Home Long Term Care Management*, 51:4, 24-29.

Will, K. & Nicovich, P. (2001). The best way to ensure long-term care's future. *Balance*, 5(2), 6-7, 10-11.

The Center for Health Workforce Planning was created in the Iowa Department of Public Health, Bureau of Health Care Access, to assess and forecast health workforce supply and demand, address barriers to recruitment and retention, support strategies developed at the local level that prevent shortages, and engage in activities that assure a competent, diverse health workforce in Iowa. Funding for the center, fueled through the efforts of U.S. Senator Tom Harkin, is administered through the Bureau of Health Professions, Health Resources and Services Administration, U.S. Department of Health and Human Services.

http://www.idph.state.ia.us/hpcdp/workforce_planning.asp

