Productivity and RN Turnover: Tipping the Balance of Cost, Quality and Engagement
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Introduction

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Director Operational Consulting – Fazzi Associates
Learning Objectives

• Identify the correlation between rising levels of visit productivity with RN turnover rates in hospice and home health
• Explain common pitfalls seen in home health and hospice capacity management
• Discuss specific operational processes, education and leadership actions which support engaged visit productivity in home health and hospice

Setting the Stage

• Began June 2018
• VNHP Board
  – Quality & Retention
• Learners & Leaders
  – Northern New England/Health System
  – Industry practice
  – MHA, Informatics
  – DNP, Policy & Leadership
• Collaboration was born!
The BIG Picture – *Patient Demand*

**National**
- 65 years and older to **DOUBLE** between 2012 - 2050
- **80 MILLION**

**National**
- 85 years and older to **TRIPLE** between 2012 - 2050
- **18 MILLION**

**VT & NH**
- 65 years and older - **18% OF POPULATION** by 2030
- **357 K**

Auerbach, Buerhaus, & Staiger, 2017; Ortman, Velkoff, & Hogan, 2014; US Census Bureau, n.d.

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The BIG Picture – *Nursing Demand*

- **20.2% increase**
  - New RN jobs: 574,400
- New Hampshire
  - **19% increase**
- Vermont
  - **16% increase**
- Overall Demand: **1.13 million**

American Nurses Association. (2013). *Nursing job growth*
The BIG Picture - *Nursing Supply*

- **500,000** Registered Nurses will retire by 2022
- **1.1 million** are needed to replace retirees and expand to meet population needs
- Availability will differ across geographic regions

(American Nurses Association, 2017)

Rural Nurse Commuters

- Nurses living in rural communities but commute to “other rural and urban communities” (Skillman, Palazzo, Doescher, & Butterfield, p. 1, 2012)
- North East – 39% of rural nurses commute to less rural settings

(Skillman, Palazzo, Doescher, & Butterfield, 2012)
Lived Experience

4 Months

8 Months

National Concern, Local Context*

*January 2019 data
VNH Voluntary Turnover – Key Drivers

**Anecdotal information**
- Poor work/life balance
  - Quit without notice
- Limited and/or cumbersome technology
- Losing nurses within first year

**Cost of Turnover and Link to Productivity?**
- Turnover costly and can be self-perpetuating:
  - Estimated 2X salary of the nurse (Nursing Solutions, 2018)
  - Increases demands on current nursing staff
    - need to cover visits per day
    - expectation to rapidly precept others
    - challenge to work-life balance
What Do We Know About

PRODUCTIVITY?

State of the Home Care and
Hospice Industry
2016-2017

NAHC, Fazzi Associates, Forum of States
**Survey Demographics**

50 States

751 Home Health & Hospice Agencies

<table>
<thead>
<tr>
<th>Revenue Category</th>
<th>Percentage of Respondents</th>
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<tbody>
<tr>
<td>$500K–$2M</td>
<td>52.6%</td>
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<tr>
<td>$2M–$5M</td>
<td>27.8%</td>
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<td>$5M–$10M</td>
<td>11.4%</td>
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<td>$10M–$20M</td>
<td>5.2%</td>
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<td>$20M+</td>
<td>2.9%</td>
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**Industry Expectations**

Agencies with scores in top quartile for quality and profitability and average number of actual routine visits (per day) you expect from nursing staff:

- 4 or less: 10.8%
- 5: 27.0%
- 6: 35.4%
- 7: 22.9%
- 8 or more: 3.8%
Industry Expectations

Average visit expectation for a full time hospice clinician

- 3 or less: 13.9%
- 4: 45.3%
- 5: 28.3%
- 6 or more: 9.1%
- Other: 3.4%

46% Respondents Met Productivity Goals

- <50%
- 50-74%
- 75-89%
- 90-100%
The Obstacle is The Way

Problem Statement

- Home Health and Hospice agencies face increasing nursing shortages within a rapidly growing market of need

Correlation Between Productivity & Turnover???

- Do agencies unintentionally constrict supply further by pushing visit productivity past a certain threshold?
- What can agencies do to better prepare clinicians to meet productivity demands?
Study Looked for Correlation

Factors Examined and Units of Measure
- The VNH provided data for this study. Data included:
  - 12 month period:
    - monthly, individual Home Health and Hospice RN unweighted visits/day
    - derived monthly average visits/day
  - correlating, monthly, voluntary RN turnover rates
  - reasons stated for voluntary resignation
    - All RNs within 12 month period
    - RNs employed < 1 year who resigned during same 12 month period.

Organizational Expectations
Home Health and Hospice RN Productivity

- Budgeted visit productivity 5.2 visits per day, combining home health and hospice visits within a largely rural service territory.
- Average of productivity in New England VNAs ~ 4.8 visits/day in home health, 3.9 visits/day in hospice (BerryDunn Accounting Firm organizational metrics – Northeastern VNAs, FY 2017).
- Blended roles a forced reality in low volume, far-reaching areas of service
- Data showed as RNs neared and exceeded productivity of 5.0 visits per day, a pattern of latent, increased turnover rates emerged
Moving Average Reflects Trend

![Graph showing RN Voluntary Turnover in relation to Monthly Productivity]

Reason Given For Resignation

- Work life balance: 20%
- Other Employment: 13%
- Medical/Health: 7%
- Quit no reason: 1.3%
- All RNs: Other categories (47%)
Initial Study Findings

- Rising visit expectations fueled latent response of increased turnover
- Further capacity management limitations ensued

Findings confirmed and motivated further identification of underlying causes impacting loss of work-life balance, as work production is increased
Call to Transformational Leadership

- When managing capacity in a growth market, heighten awareness of the impact of productivity demands on home health and hospice RNs
- As the workforce becomes more competitive for resources, effective methodology to both meet demand and effective nursing engagement and retention is needed (Kulbok, Kub and Glick, 2017)
- Constricted ability of industry to contribute to population health initiatives is predictable absent a methodology to model RN preparation for optimal productivity goals and business expansion opportunity (Mullaney, 2018, Welton & Harper, 2015)

Our Hypothesis

How well and agency prepares it RNs (clinicians) to meet productivity demands holds the potential to directly impact the clinicians’ ability to manage a necessary workload and be highly engaged in the job.

Our theory raised the question: where do we fall down?
Don’t Fall In

Common Pitfalls

Visit expectations, budget and staffing levels based on desired norms, absent effective preparation, measurement and control of Key Performance Behaviors:

- Best practice assessment technique
- Best practice capture of POC documentation
- Best practice scheduling method between office/clinician
- Best practice, satisfying time management skills

National observation confirms wide agency variability in ‘hardwiring’ Key Performance Behaviors (KPBs), underlying Key Performance Indicators (KPIs) of Productivity
We Want to Believe

• Length of time for the average clinician to be fully competent using POC system

- More than 4 weeks: 36.4%
- 2 to 4 weeks: 31.6%
- 2 weeks or less: 32.0%

Fazzi NAHC 2016-2017 SOI Study

Solutions:
KPIs are Achieved through KPB Competence

• Clarify expectations of performance
• Provide the skills and training to meet productivity expectations
• Create a regular method to support, measure and monitor adherence to expected KPBs; aligning authority with responsibility
• Establish Competence Tools for Measurement/Tracking
• Generate regular feedback loop of metric-driven performance to field clinician
• Hold staff accountable – celebrating success while progressively educating, and if necessary terminating failure
Tools to Fuel KPBs for Productivity

Train Field Clinicians AND Managers to be competent in core KPBs:

- **POC documentation**
  - Best practice use of software on field device, including:
  - scripted introduction and timing of use, integrated into predicted visit expectations

- **Scheduling process**
  - Twice a day synch/adjust/synch and dynamic notification of change

- **Best practice OASIS and HIS comprehensive assessment technique and data element capture**

- **Time management in the home of a potentially lonely person**

VNH Solution (*work in progress*)

Improve the *quality of care* through improving the *experience of front-line clinicians*, to include education and training on key performance behaviors (KPBs), supportive technology, and routine and specific feedback to achieve key performance indicators (KPIs).
Project ATLLAS

Engage the Team

• Project Sponsors
  – CEO, Board Chair, D-HH Executive Vice President

• Interdisciplinary
  – Front-line staff, Managers, Sr. Leaders
  – Clinical, Referral Services, Scheduling, Quality/Education, Finance
  – Project team and workgroups

Redesign the System

• Budget – Adjust ratios and productivity expectations *(complete)*

• Quality and Education *(underway)*
  – Manager, Education & EBP
  – Care Manager & QAPI Coordinator
  – Nurse Residency & Home Health Fellowship

• Clinical Teams *(coming next)*
  – Increase Manager to FTE/Patient ratio (1:250) (supervision)
  – By service line (competency)
  – By geography (productivity)

• Optimize technology & workflows

Hawthorne Effect? Watchful Waiting…

Voluntary Turnover - Direct Care Nursing
12-month Rolling Average

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<td>People</td>
<td>Rolling 12 month</td>
<td>Linear (Rolling 12 month)</td>
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14%
In Summary…

• Turnover is expensive, to patients, agencies and in the toll it takes on our clinical teams.
• Productivity expectations are established in the context of patient outcomes, expected behaviors, geography, and team structure.
• The effective management of an engaged and effective RN workforce comes down to the basic principles of leadership, supervision and ongoing education of workforce:
  – Unit ing and motivating through mission
  – Guiding through effective, informed leadership (KPIs)
  – Moving supervision and thoughtfully planned and guided support to where the work is done (the field) (KPBs)
• Instrumental to building engaged and realistic leadership and RN staff.

We Have Much More To Learn

We Look Forward to Further Study as Intervening Plans are Turned Into Action

We Call on You to Look Deeper and Share Your Lessons in Service of Industry!
Questions and Discussion

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References