

**STAFFING TO ACUITY**

# 5 Reasons to Make it Your Top Priority

A Whitepaper from OnShift

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# Staffing to Acuity

## 5 Reasons to Make it Your Top Priority

The new realities of post-acute care demand that providers strike the perfect balance between clinical excellence and cost efficiencies. With the aging population and rising acuity and patient complexities, you must take action today to optimize your outcomes, while preparing for the future.

The success of your organization depends on your residents and your workforce. An acuity-based staffing strategy connects the two, driving you ahead in these challenging times and minimizing your risk. Here are five reasons why acuity-based staffing should be your top priority.

### 1. Gain a Fast-Track to Better Care

Research shows that staffing based on acuity drives better outcomes<sup>1</sup>. You gain the ability to determine exactly how much care is required for each resident, based on their conditions. With an acuity-based approach, complexity of care needs for your resident population drive your staffing plans and requirements. It's a more clinically driven, individualized approach to staffing and delivers noticeable quality of care improvements that your residents deserve.

**“Gain the ability to right-size your staff with visibility into the exact labor hours needed to care for residents.”**

With proper technologies in place, you can easily identify when to flex staffing up or down based on a change in acuity resulting from, for example, new assessments, intakes, or a change in condition. You'll gain the ability to right-size your staff, every shift and every day, with visibility into the exact labor hours

<sup>1</sup> Economics vs. Patient Acuity? Which Provides Better Patient Outcomes? Maria M. Marquez, BSN, RN, Sierra Medical Center.



needed to care for residents. Staffing up may mean moving employees, with the right skillsets, from one unit to another to ensure the right level of care is provided. And, staffing down, when experiencing a lower-need case mix of residents, can provide an opportunity to lower your costs by cutting unnecessary shifts.

While hours per patient day (HPPD) budgets are good baselines, your case mix index and intensity of care needs will set actual staffing requirements. And, knowing exactly what is required eliminates guesswork into fluctuations in your labor costs.

Staffing based on acuity is a significant step in ensuring proper staffing, without over or understaffing. You're staffing smarter and staffing safer with an acuity-based approach.

## 2. Get Better Ratings and Reimbursements

The Centers for Medicare and Medicaid Services (CMS) shines the spotlight on staffing in its Five-Star Quality Rating System. While regulations exist based on nurse HPPD or ratios, the legal perspective emphasizes the care that is truly appropriate for the resident's condition. The Five-Star Quality Rating takes this into account, as the staffing rating encompasses not only the hours of care provided each day, but also adjustments based on the level of acuity of a home's residents.

### Your Five-Star Quality Rating Depends On:

- Health Inspections
- Staffing
- Quality Measures

With complexity of care considered in the Five-Star Quality Rating, how you staff to acuity makes a big difference in how potential residents and their families, along with referral sources like hospitals or other healthcare providers, evaluate your homes. While controversial, the Five-Star Rating can have a dramatic impact on your occupancy rates, census targets, and your bottom line. Adjusting staffing levels to meet the care needs of your residents is a must in earning a strong Five-Star Rating. It also helps minimize your risk.

In addition, there is a groundswell of activity and programming in the areas of quality. Staffing measures and goals are being incorporated into programs including AHCA/NCAL's Quality Initiative and Advancing Excellence. And, several states have launched programs that base some Medicaid payments on quality standards that include nurse staffing. From ratings to reimbursements, your staffing strategy can have a big impact on your bottom line.

## 3. Reduce Avoidable Hospital Readmissions

There's no question that all signs point to quality as healthcare payment and delivery reform continue to evolve. "Under care delivery and payment reform, providers are and will be incentivized for enhanced coordination of care and for achieving critical quality goals and outcomes," state Lori Peterson, Founder of Collaborative Consulting.

One of the biggest areas of focus is reducing avoidable hospital readmissions. Hospitals are first at bat with their readmission rates under the microscope, as over 2,000 face penalties for offensive rates. This adds up to nearly \$300 million in lost Medicare dollars in 2013, and the penalty rates continue to climb in the coming years.

While hospitals take steps to improve readmissions, this presents a significant opportunity for post-acute care providers. In fact, approximately 35% of all Medicare beneficiaries are discharged from hospitals to post-acute care organizations. Hospitals will increasingly look for collaborative care partners who can demonstrate quality and take part in reducing avoidable readmissions. With skilled nursing 30-day readmission rates hitting 21%, there's significant room for improvement (see Figure 1).

### 30-Day Hospital Readmission Rates Among Post-Acute Care Providers

<b>Long-Term Acute Care (LTAC)</b>	10%
<b>Inpatient Rehab Facility (IRF)</b>	7.2%
<b>Skilled Nursing Facilities</b>	21%
<b>Home Health</b>	29%
<b>MedPAC Target</b>	8%

Figure 1: Post-Acute Care Provider Avoidable Hospital Readmission Rates

Source: Health Dimensions Group

Instead of staffing based on a fixed budget of hours, staffing to acuity provides a more flexible, accurate, and reliable way in maintaining quality and delivering positive outcomes. Demonstrating such results is key in lowering readmissions and establishing partnerships with hospitals and other providers along the continuum of care.

### 4. Boost Satisfaction Among Employees, Residents and Families

One of the biggest complaints from caregivers is that they do not have enough time for care. According to Robert Wood Johnson Foundation, “documentation consumes more than a third of nurses’ time,” while 14% of CNA’s cite “too many residents to care for” as the main reason for leaving their job<sup>2</sup>. But acuity-based staffing overcomes this, as it is fundamentally designed to ensure the right number of people, with the right qualifications, spend the right amount of time with each and every resident based on their conditions and needs. Incorporating resident acuity into the staffing mix gives you the insight needed to allocate the proper level of care or services where and when they’re required, to drive positive outcomes.

Equipped with the right tools, you can more appropriately and more evenly distribute complex cases among employees, thereby avoiding overburdened workloads. This is especially important with person-center care and consistent assignment models, which are skyrocketing in popularity and are a strong fit for staffing based on acuity. In addition, understaffing situations become a thing of the past as you gain the ability to pinpoint the exact staff required to care for residents, shift-by-shift and hour-by-hour. All of this leads to higher staff morale and avoids burnout.

An increase in staff satisfaction causes a ripple effect in benefits, including higher family satisfaction, less employee turnover, higher occupancy rates, and better clinical outcomes (see Figure 2). In addition, families gain comfort in knowing that you,

<sup>2</sup> Understanding Direct Care Workers, 2011. US Dept. of Health & Human Services

as a provider, have taken extra steps to ensure safe staffing for proper care by considering the precise needs of their loved ones. The value of a happy staff penetrates all aspects of your organization and constituents, leading to the clinical, operational, and financial outcomes you desire. “They’re happy, and a happy staff provides great care,” stated Dale Zaletel, CEO, Lexington Health Network.

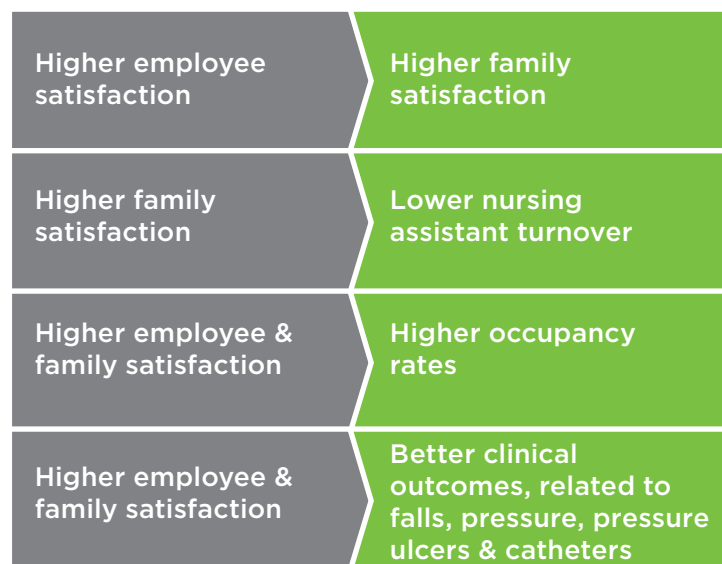


Figure 2: High Satisfaction Delivers Powerful Benefits  
Source: My InnerView

### 5. Become More Marketable

With increasing competition for talent, a nursing shortage, and tightening reimbursements, the pressures to improve efficiencies, differentiate your organization, and consistently deliver high quality care are great. Wrap-up the benefits of acuity-based staffing with core drivers for doing it, and you’ve got an impressive story to share with the market, including potential partners, residents and their families:

- **High quality care for positive outcomes**
- **Controlled labor costs**
- **Better ratings**
- **Lower avoidable hospital readmissions**
- **Higher staff and resident satisfaction**

Simply put, the marketing story you tell becomes much stronger and for good reason. Take the steps to make acuity-based staffing a reality. Explore the

technology available to help get you there, along with best practices for a smooth transition.

### OnShift for Acuity-Based Staffing

OnShift's web-based staff scheduling and shift management software is a critical component of your staffing and labor management strategy. OnShift recently introduced Staff Exact, acuity-based staffing features that extend the capabilities of OnShift Software. By connecting staffing plans with resident acuity levels, Staff Exact identifies precise staffing requirements down to the hour by location and position to ensure high quality resident care and control over labor costs. Staff Exact applies to multiple care settings, including skilled nursing and assisted living. OnShift Staff Exact:

- Automatically determines the exact number of hours and HPPD (hours per patient day) requirements by position and location to meet the acuity needs of residents through proper staffing and quality care
- Avoids over and understaffing by providing visibility into staffing variances against both fixed labor budgets and fluctuating acuity targets
- Supports all types of acuity standards, by RUG, payer mix, service levels, and more

### About OnShift, Inc.

OnShift delivers cloud-based human capital management software and proactive services to solve everyday workforce challenges in healthcare. Our suite of products for hiring, scheduling and workforce analysis drives quality care, lower costs and higher performance by empowering providers to staff consistently and efficiently. Intuitive design, predictive analytics and customer success management are why thousands of post-acute care and senior living organizations rely on OnShift. For more information visit [www.onshift.com](http://www.onshift.com).

Staff Exact is part of **OnShift Schedule**, which takes a predictive and proactive approach to staffing and labor management for greater efficiencies, lower costs, and higher satisfaction. OnShift Schedule:

- Prevents overtime with predictive analytics and alerts
- Balances staffing levels by determining precise staffing requirements and identifying gaps to avoid understaffing
- Fills call-offs and open shifts in minutes with intelligent communications platform that sends shift messages via text, email, and automated phone call
- Tracks and reports on adherence to labor budgets, overtime, open positions, staffing variances, cost savings and more with role-based dashboards, reporting and peer analytics
- Provides a unified view into staffing data by integrating with enterprise applications, including time and attendance, HR and clinical systems

**“With OnShift’s Staff Exact we can keep a closer eye on our costs by identifying when our staffing needs to flex up or down based on the care and services that our residents require.”**

Rick Kamminga, COO, Watermark Retirement Communities