

House Appropriations – Human Resource Division  
March 22, 2023

Good afternoon, Chairman Nelson and members of the House Appropriations - Human Resource Division. My name is Jill Foertsch, Administrator of St. Gerard's Community of Care in Hankinson. St. Gerard's is a 33-bed skilled nursing facility owned by the Franciscan Sisters of Dillingen. We also have an 11-unit Independent Living Unit as well as a daycare and preschool.

One of the biggest challenges for St. Gerard's is work force, primarily the lack of, particularly CNAs. We saw our own staffing levels drop significantly at the start of the pandemic causing us to rely on contract agency staff to provide direct resident care. Prior to that we rarely had to rely on contract staff.

During the pandemic we saw the cost of contract staff skyrocket. CNA once cost \$33/hr; increased to \$44/hr, \$65/hr, and \$85/hr for OT. LPN \$44/hr; increased to \$70/hr, \$80/hr; highest \$90/hr and \$120/hr for OT. RN \$55/hr; increased to \$90/hr, \$110/hr, \$130 for OT/Holiday.

In fiscal year 2021, St. Gerard's utilized contract staff for total of 7089 hours for direct resident care. The cost was \$300,869.

In fiscal year 2022, St. Gerard's utilized contract staff for total of 14,163 hours for direct resident care. So, our hours doubled; but the cost nearly tripled to \$827,513. We worked with five-seven different contract companies to secure the most feasible contracts.

Historically St. Gerard's has averaged 85-90 employees. During Q4 of 2021, we had 69 employees. That is huge for a small, rural facility. Working in LTC is extremely exhausting, physically, mentally, emotionally. Half of our current workforce is over the age 50. Our oldest employee is 83 yrs of age. We work hard to attract new staff and retain our current staff. But this is extremely difficult with such a competitive job market and low unemployment rates. Currently we have increased our employee base to 73.

We are/were *gradually* seeing a decrease in the number of contract staff hours needed and decrease in the overall cost. But this can all change in the blink of an eye such as when you have two workforce injuries which takes two full-time CNAs off the roster and still training new staff. Just last week we paid \$93,000 to contract companies for six weeks for total of 3600 hrs staff time. Although these costs are more reasonable as compared to in the height of the pandemic, these costs are not sustainable.

Our model of service in Jesus' Name honors the elderly and regards every moment of life as sacred. This belief system can no longer be taken for granted in our culture. We take great pride in being able to continue providing quality, loving service to those in need of long term care. St. Gerard's is also an anchor for Hankinson and our surrounding communities. This means keeping families together, helping to allow our local businesses and school system to thrive.

Long-term care is asking for you to support funding for basic care and nursing facilities. We have worked hard to improve our payment system for long term care. We have been faced with numerous challenges but do not want to give up the fight. We need your support. Another important piece of the payment system is the Medicaid Value Based Purchasing Program which pays for performance. This will help to incentivize facilities to improve their performance and outcomes and aligns with quality initiatives being promoted by CMS.

Thank you for the opportunity to share with you about St. Gerard's and the current situation that we are going through.

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