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Methods of staffing in assisted living
Determine what's best for your business
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At the core of any assisted living community is service delivery. Delivering services means providers need people—enough to do a good job, but not too many or profit margins could unnecessarily suffer. In this first of two articles, we will explore the different approaches to staffing these communities.

Today there are three fundamentally dissimilar methods used in assisted living settings to determine staffing: informal, ratio, and time standard. Each has its place and advantages, and each has some shortfalls.

Three methods

Informal staffing is simply looking in the rear-view mirror and doing more of the same. If you had four caregivers for 12 residents last year, you probably need the same number of staff this year. This assumes you have about the same number of residents who have about the same amount of assistance needs. This is very simple and can be quite effective, especially in small communities. To the extent things are really the same as last year, this informal method works well. However, if acuity or census is different than in the past, this informal staffing will result in poor care or lost profits.

Next is the ratios method, which again relies on experience, but also introduces more measurement. The number of caregivers per resident could be computed for the overall business or by department. The State of Seniors Housing 2009 shows median FTE's/Resident ratios by department:

This method has the advantage of being flexible as the census changes. If the normal ratio of 0.52 caregivers per resident is in place and the census falls by 10 residents, then the staff hours need to be cut by five full-time equivalent caregivers. This method is applied weekly by many communities and does keep cost under control. It can be applied across multiple locations with ease. But this method suffers from the same weakness as the informal method, since it assumes that acuity is the same

over time. This could be true for some residents, but here is an example from our own studies where the acuity at one community changed drastically.

The last method is to staff your community based on time standards. Partial bathing assistance can be measured and a standard set at 28 minutes per bath. If a resident needs two baths per week, 56 minutes of staffing are needed. Adding up all of the times for all of the services gives a precise measure of the hours needed to deliver the services being promised. The advantage of this method is that it changes the staffing needed based on both the census and the actual acuity of the residents. It also promotes the selling of additional services. The downside to this method is the industry's perception that staffing based on time standards is too costly and too complex. However, this may be more of a myth than people realize.

In 2009, Vigilant surveyed 97 nurses working in assisted living to see what methods were in use. The results show that ratios are the dominant method used by far.

The category "Other" shown in the above illustration was most often described as "A ratio that our CFO gave us."

Pick what fits

We asked the nurses what the most effective method was for staffing and three out of four said "acuity-based" staffing was the most effective. So why isn't this method used more widely? The universal answer is that the time standard acuity-based method is too complicated to be used effectively.

We looked carefully at the data from one community that had been using time standards for years to set staffing and we found some interesting things. First, we took the data for the year and imagined that we had perfect foresight to use that data to set the ratios for the year. Then we applied the ratio to the staffing needed for each month based on the census for that month, again as if we had perfect foresight about who would move out and who would move in and what their acuity would be.

In seven of 12 months the ratio gave the same result at the staffing based on the time standards. In four of the months the staff was short one full caregiver. Said another way, there were at least 160 hours of identified service needs that would not be delivered in 1/3rd of the year. In the other month the staffing was too high by two staff members. Also said another way, if pay was set at \$10/hour for a caregiver and we applied a 30% charge for taxes and overhead then we wasted at least \$4,160. And all of this assumes we had perfect foresight about census and acuity.

This data confirms what the nurses communicated in the survey: Staffing based on time standards is likely a better fit for most assisted living businesses.

So which method is best for your business? Only you can decide.

In the next article we will look how a simple standard time-based system can be put in place and refined.

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