
Retirement Intentions: Nursing Home Administrators

Healthcare Workforce Data Center

August 2020

Virginia Department of Health Professions
Healthcare Workforce Data Center
Perimeter Center
9960 Mayland Drive, Suite 300
Henrico, VA 23233
804-367-2115, 804-527-4466(fax)
E-mail: HWDC@dhp.virginia.gov

Follow us on Tumblr: www.vahwdc.tumblr.com

Get a copy of this report from: <https://www.dhp.virginia.gov/PublicResources/HealthcareWorkforceDataCenter/>

Virginia Department of Health Professions

David E. Brown, DC

Director

Barbara Allison-Bryan, MD

Chief Deputy Director

Healthcare Workforce Data Center Staff:

Dr. Elizabeth Carter, PhD

Director

Yetty Shobo, PhD

Deputy Director

Laura Jackson, MSHSA

Operations Manager

Rajana Siva, MBA

Research Analyst

Christopher Coyle, BA

Research Assistant

Contents

| | |
|---------------------------|----------|
| INTRODUCTION | 4 |
| METHODS | 4 |
| Data | 4 |
| Analysis | 5 |
| Measure | 5 |
| RESULTS | 6 |
| Analysis One..... | 7 |
| Analysis Two..... | 8 |
| Analysis Three | 8 |
| CONCLUSION | 8 |

INTRODUCTION

The goal of this report is to examine whether nursing home administrators (NHAs) retire when they intend to retire. The impetus for the study is the high retirement intentions reported by NHAs in surveys and the high median age of the workforce¹. Further, NHAs are an integral part of the long-term care (LTC) workforce that is projected to experience shortages². LTC workforce shortages are expected due to increases in nursing home demand arising from the country's rapidly aging population and the aging of baby boomers, that is those born between 1946 and 1964, who make up a significant proportion of the NHA workforce. For instance, 38% of the Virginia's NHA workforce is age 55 and over³. Most of these baby boomers are expected to retire within the next two decades, leading researchers to project a shortage of NHAs in that period. Currently, about one in every ten NHAs intends to retire within two years. Further, close to a third of Virginia's NHA workforce intends to retire within the next decade, begging the question how closely do intentions and plans correlate with behavior? The three sections in this study address this question for NHAs licensed in Virginia.

METHODS

Data

The data for this study comes from the Virginia Nursing Home Administrator Workforce Survey. Every year, the Virginia Department of Health Professions, Healthcare Workforce Data Center, administers the Virginia Nursing Home Administrator Workforce Survey to NHAs licensed in that year. In the 2013 survey, NHAs were asked at what age they intend to retire. Their current age was subtracted from their intended retirement age to obtain the expected number of years to their retirement. This expected years to retirement was used to create the samples in this study.

The first sample includes NHAs who intended to retire within two years of the 2013 survey, the base survey. A second question asked the NHA respondents what they planned to do in the next two years, with options including retire, leave the profession, continue in the profession, decrease patient care, increase patient care, pursue additional education, decrease teaching time, increase teaching time, begin accepting Administrators in Training, and cease accepting Administrators in Training. This study selected those who intended to retire within two years and who also indicated they planned to retire in two years. It excluded those who were already retired. This study also restricts the sample to NHAs working only in LTC-related positions. Using 2013 as the base survey year and 2014 to 2020 as follow up years, this study examined how many of these NHAs retired by 2020.

As shown in the following table, there were 854 licensed NHAs in Virginia in 2013. Of those, 634 completed the 2013 survey. However, only 534 respondents answered the retirement age question; 100 did not respond to the question. Of the 534 who responded to the question, 36 indicated that they intended to retire within 2 years of the survey. Of the 36, 29 (81%) also selected retirement as one of their two-year plans. However, 6 of these 29 were either involuntarily or voluntarily unemployed, or working in a non-LTC related capacity. The remaining 23 NHAs qualified for inclusion in the study and were followed in the 2014 to 2020 surveys to see if they retired.

The second sample in this study included NHAs who intended to retire within five years of the 2013 survey, the base survey; the survey did not include a five-year plan question. This study also restricts the sample to

¹ <http://www.dhp.virginia.gov/media/dhpweb/docs/hwdc/ltc/1701NHA2019.pdf>

² https://www.leadingage.org/sites/default/files/LTC_Workforce_Commission_Report.pdf

³ <http://www.dhp.virginia.gov/media/dhpweb/docs/hwdc/ltc/1701NHA2019.pdf>

NHAs working in LTC-related positions. Using 2013 as the base survey year and 2014 to 2020 as follow up years, this study examines how many of these NHAs retired by 2020.

The following table shows that a total of 60 NHAs indicated that they intended to retire within five years. Of the 60, 14 did not work in a LTC-related position and were excluded from subsequent analyses. The remaining 46 NHAs were followed in the 2014 to 2020 surveys to see if they indeed retired.

| | NHAs |
|---|-------------|
| Total licensees in 2013 | 854 |
| Total respondents in 2013 | 634 |
| Total who responded to retirement age question | 534 |
| Reported retiring within 2 years | 36 |
| Of those how many also reported 2-year retirement plan | 29 |
| % agreement between intentions and plan | 81% |
| Number already retired | 0 |
| Number not employed in LTC in 2013 | 6 |
| Sample 1: Number employed and intending/planning to retire after removing retirees | 23 |
| Reported retiring within 5 years | 59 |
| Number already retired | 0 |
| Number not employed in LTC in 2013 | 14 |
| Sample 2: | 46 |
| Number not intending to retire within 5 years | 474 |
| Number not working in LTC-related positions | 53 |
| Sample 3: | 421 |

The third sample included the respondents who were not planning to retire within five years. Of the remaining 474 who responded to the retirement age question and did not intend or plan to retire within five years, 53 were not employed in a LTC-related position. However, 421 were employed in a LTC-related capacity. This third sample was followed to see whether any of them retired between 2014 or 2020.

Analysis

There were three sets of analyses in this study. The first analysis examined how many of the respondents who intended and planned to retire within two years of 2013 were retired at the end of the review period in 2020. The work and retirement status of each of the NHAs in sample one is reported. The second analysis examined how many respondents who intended and planned to retire within five years of 2013 were retired by the 2020 survey; the number who retired any time before 2020 is reported. The last analysis examined how many respondents who did not intend to retire within 5 years of 2013 were retired by 2020.

Measure

Respondents were asked what their working status was in subsequent surveys after 2013. The options included: Employed in a LTC-related capacity; Employed capacity unknown; Employed not in a LTC-related capacity; Not working, reasons unknown; Voluntarily unemployed (including for medical reasons); Involuntarily unemployed; or Retired. A binary variable indicating whether a respondent had selected retired or not (1=Yes, 0=No) was created from this question. The frequency of respondents indicating they had retired was obtained from this variable and was used for the three analyses.

RESULTS

Using the 2013 survey data, the following table compares the summary statistics of sample one, sample two, and that of all licensed NHAs in the state. Median income was the same for the three groups. Not surprisingly, the mean age of NHAs who intended and planned to retire within two years of 2013 was higher than the mean for sample two and the overall NHA population; the intended retirees had a mean age of 64 years compared to 63 years for sample two and 51 years for the general NHA population. Females were equally represented in sample one and in the general population but less represented in sample two. The intended retirees in sample one had a higher proportion of Whites compared to sample two and the general population. There were no Blacks or Asians in sample one. NHAs in the general population were more likely to have at least a baccalaureate degree compared to the NHAs in samples one or two.

| | Sample One | Sample Two | All NHAs |
|--|-------------------|-------------------|-------------------|
| Mean age | 64 yrs. | 63 yrs. | 51 yrs. |
| % Female | 57% | 48% | 57% |
| % White | 96% | 95% | 89% |
| % Black | 0% | 3% | 9% |
| % Hispanic | 0% | 0% | 1% |
| % Asian | 0% | 0% | 0% |
| % Others | 4% | 2% | 1% |
| At least baccalaureate degree | 52% | 50% | 60% |
| Skilled nursing home | 39% | 46% | 45% |
| Continuing care retirement home | 9% | 7% | 13% |
| % Works one part time position | 13% | 15% | 4% |
| % Works full time/2 part time | 83% | 82% | 92% |
| % Works 2 or more full time | 4% | 4% | 4% |
| Job length between 3 and 10 years | 26% | 27% | 34% |
| Job length more than 10 years | 44% | 36% | 22% |
| % Works <30 hrs | 9% | 12% | 3% |
| % Works 30-49 hrs. | 48% | 41% | 41% |
| % Works 50-59 hrs. | 26% | 27% | 40% |
| % Works 60+ hrs. | 17% | 20% | 16% |
| % Satisfied with job | 100% | 95% | 94% |
| Median income | \$80,000-\$90,000 | \$80,000-\$90,000 | \$80,000-\$90,000 |
| % Licensed outside state | 30% | 34% | 21% |
| % in VA workforce | 78% | 75% | 80% |
| % Employer-provided health insurance | 70% | 58% | 52% |
| % Employer-provided retirement benefits | 70% | 46% | 40% |

Compared to the general NHA population in 2013, those in samples one and two were less likely to be working in a skilled nursing home. About 45% of those who intended and planned to retire within two years had been at their position for more than a decade compared to 36% of NHAs in sample two and 22% of NHAs in the general population. NHAs in sample one were also more likely to be working between 30 and 49 hours per week. All of those in sample one were satisfied with their job compared to 95% of those in sample two and 94% of those in the general population. Fewer NHAs in the general population held a license outside Virginia. Hence, they reported a higher percentage of NHAs in the state workforce. Receipt of at least one employer-provided benefit

was higher among those who intended to retire the soonest, sample one. For instance, 70% reported receiving employer-provided health insurance compared to 58% in sample two and 52% in the general NHA population.

Analysis One

The following figure presents the retirement status of the twenty-three NHAs in sample one from 2014 to 2020. It paints the complex reality of retirement in recent times where some retirees come out of retirement to work such as Person 4. It also shows the problem of attrition, as many of the NHAs followed were lost to attrition.

Of the twenty-three NHAs who intend and plan to retire within two years of 2013, only three (13%) had retired by the last time they participated in the survey; another one retired in 2015 but then went back to work in 2018 and then let their license expire in 2019. Four were still working in a LTC-related capacity at their last survey. The licenses of fifteen of the twenty-three NHAs had expired the last time they appeared in Virginia's NHA licensing system.

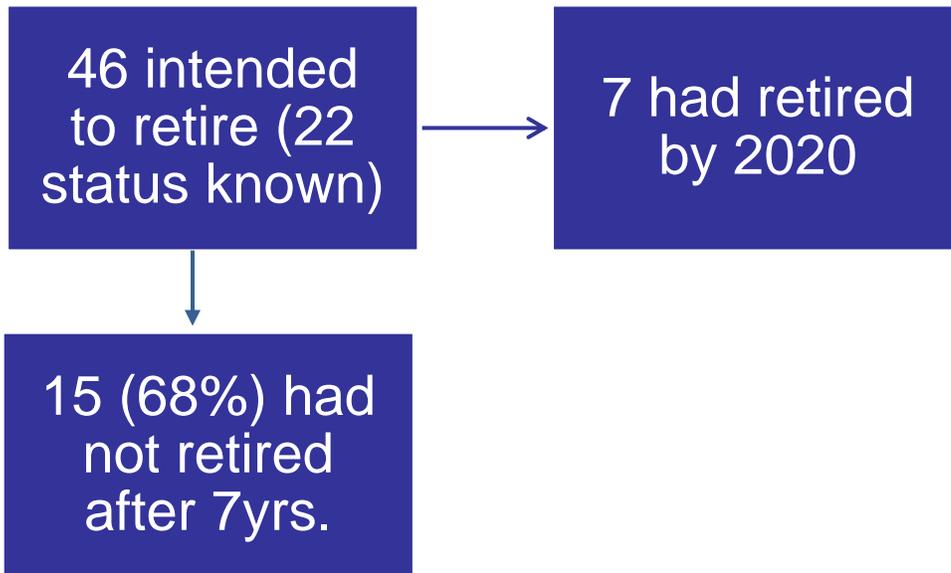
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|-----------|---|----------------------------|----------------------------|---|---|----------------------------|---|
| Person 1 | Retired | Working different capacity | Working NHA Capacity | Retired | Retired | Retired | Expired |
| Person 2 | Working NHA Capacity | Working NHA Capacity | Expired | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA |
| Person 3 | Expired | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA |
| Person 4 | Working NHA Capacity | Retired | Retired | Was in survey but did not respond to question | Working NHA Capacity | Expired | Was in survey but did not respond to question |
| Person 5 | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity | Retired | Retired | Expired | No longer licensed in VA |
| Person 6 | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity | Working different capacity | Working NHA Capacity | Working NHA Capacity | Expired |
| Person 7 | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity |
| Person 8 | Working NHA Capacity | Working NHA Capacity | Expired | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA |
| Person 9 | Working NHA Capacity | Expired | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA |
| Person 10 | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity | Expired |
| Person 11 | Was in survey but did not respond to question | Expired | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA |
| Person 12 | Working NHA Capacity | Working NHA Capacity | Working different capacity | Working NHA Capacity | Expired | No longer licensed in VA | No longer licensed in VA |
| Person 13 | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity | Was in survey but did not respond to question | Working NHA Capacity | Working NHA Capacity | Was in survey but did not respond to question |
| Person 14 | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity | Working different capacity | Retired | Working different capacity | Working different capacity |
| Person 15 | Expired | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA |
| Person 16 | Expired | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA |
| Person 17 | Working NHA Capacity | Expired | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA |
| Person 18 | Expired | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA |
| Person 19 | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity | Was in survey but did not respond to question | Working NHA Capacity | Working NHA Capacity |
| Person 20 | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity | Working NHA Capacity |
| Person 21 | Working NHA Capacity | Working NHA Capacity | Expired | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA |
| Person 22 | Working NHA Capacity | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA |
| Person 23 | Expired | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA | No longer licensed in VA |

Legend

| | | | |
|---|----------------------------|---|---|
|  | Retired |  | Expired |
|  | Working NHA Capacity |  | No longer licensed in VA |
|  | Working different capacity |  | Was in survey but did not respond to question |

Analysis Two

Of the 46 NHAs who intend to retire within five years of the 2013 survey, the retirement status of only 22 was known in 2020. Of these 22, only 7 (32%) had retired seven years after they reported they would retire within five years. Fifteen NHAs were still working actively in a LTC-related capacity.



Analysis Three

Of the 421 licenses who did not intend to retire within 5 years of the 2013 survey, only 22 (5%) had retired by 2020. However, three of the 22 were back working in a LTC-related capacity after they initially retired. Of the remaining 399, 226 were working in a LTC-related capacity in 2019 or 2020; 18 were working in other fields, 3 were involuntarily unemployed and 10 were voluntarily unemployed. About 136 of the licenses were expired and about six were revoked or suspended.

CONCLUSION

The findings from this study are encouraging; only 13% of NHAs licensed in Virginia who intended and planned to retire within a two-year period did so within the immediate seven-year period. Further, only 32% of NHAs licensed in Virginia who intended and planned to retire within a five-year period did so within the seven-year period. On the other hand, 22 NHAs who did not indicate that they intended to retire within five years had retired at least once by 2020. However, even after including their counts, fewer NHAs exited by retirement in the seven-year period examined compared to the number expected to exit in the stated two-year period. A total of 29 NHAs had exited the workforce through retirement by 2020 compared to the 59 who had indicated they intended and planned to exit by 2020. Further, 439 new NHAs licenses were issued since 2020 and were part of the 964 licensees in 2020, more than making up for the loss due to retirement. The extent to which this overall increase in licensees meets the projected increase in LTC demand, however, is not known.

A concerning finding in this study is the high number of NHAs who leave Virginia's workforce by letting their licenses expire. It is unknown whether these NHAs leave for another state's NHA workforce, work in another capacity in Virginia, or let their license expire because they retired. These unknown constitute a high proportion of samples one, two, and three in this study and need further studying.

However, based on the known working status of the NHAs followed, there are some encouraging findings that suggest that the projected LTC professional shortage due to retirement may not be as severe as anticipated in Virginia. Of those with known status, there were more working than had retired in the three samples examined in this study. Thus, it is reassuring that, even though a lot of baby boomer NHAs will be exiting the workforce, several remain past their intended and planned exit. Further, individuals often retire in stages these days so some of the retired NHAs may return to work fewer hours in long-term care facilities but may still help respond to the increased LTC demand. The condition of the economy will likely also play a critical role in how closely NHAs' retirement intentions and plans match their behavior.