

WORKFORCE STABILIZATION GRANT REPORT

DIVISION OF BEHAVIORAL HEALTH

2024



Grant Information:

An accessible behavioral health system is dependent upon a sufficient workforce. In 2020, the Nebraska Behavioral Health Care system was impacted due to the COVID pandemic. Nebraskans experienced an increase in mental health and substance use needs and struggled to find support, due to the impact of workforce, caused by the pandemic. In June 2023, Nebraska Department of Health and Human Services (DHHS) Division of Behavioral Health (DBH) awarded \$15 million dollars to contracted regional and direct providers. The Division understood providers experienced significantly higher costs related to staffing needs and higher turnover rates. This grant allowed the region provider's and direct contract provider's the ability to hire, work to retain staff, and alleviate inflation of additional costs to stabilize and increase the workforce.

Behavioral Health provider agencies were tasked with developing strategies to support the intent and purpose of the funding to improve their agency's baseline turnover rate and tenure rate. The strategies were agency-specific, with the latitude to be creative while utilizing a variety of solutions appealing to each agency's specific labor force—each receiving a minimum of \$2,000. Three outcome areas were assessed: overall staff vacancies, licensed staff vacancies, and non-licensed staff vacancies. Based on the vacancies initially submitted, agencies attempted to reach their respective reduction or maintenance, as outlined below, by the end of the fiscal year. Vacancy numbers were reported on a quarterly basis with each outcome deemed successful if they met or exceeded their vacancy reduction goal. Agencies submitted updates on each strategy chosen and outcome overall data on their report. At the end of the calendar year, the final report was compared with the original baseline report, to determine the outcomes measured.

Current Agency Vacancy Rate Licensed FTEs :	Goal:
0% - 5%	Maintain (minimum)
6% - 15%	Reduction by 0.5% - 1%
16% - 20%	Reduction by 1% - 1.5%
21% - 30%	Reduction by 1.5% - 2%
31% - 40%	Reduction by 2% - 2.5%
41% - 50%	Reduction by 2.5% - 3%
50% or higher	Reduction by 3% - 3.5%

Overall State Overview:

The Division of Behavioral Health received 102 applicants and awarded funds to 102 behavioral health organizations. Of the 102 behavioral health organizations awarded, a majority of them achieved the purpose and intent of the one-time funding within the year of receiving the funds.

- 86% of providers saw a reduction in overall vacancy rate, dropping their reported overall vacancy rate from 17.3% to 9.2%.

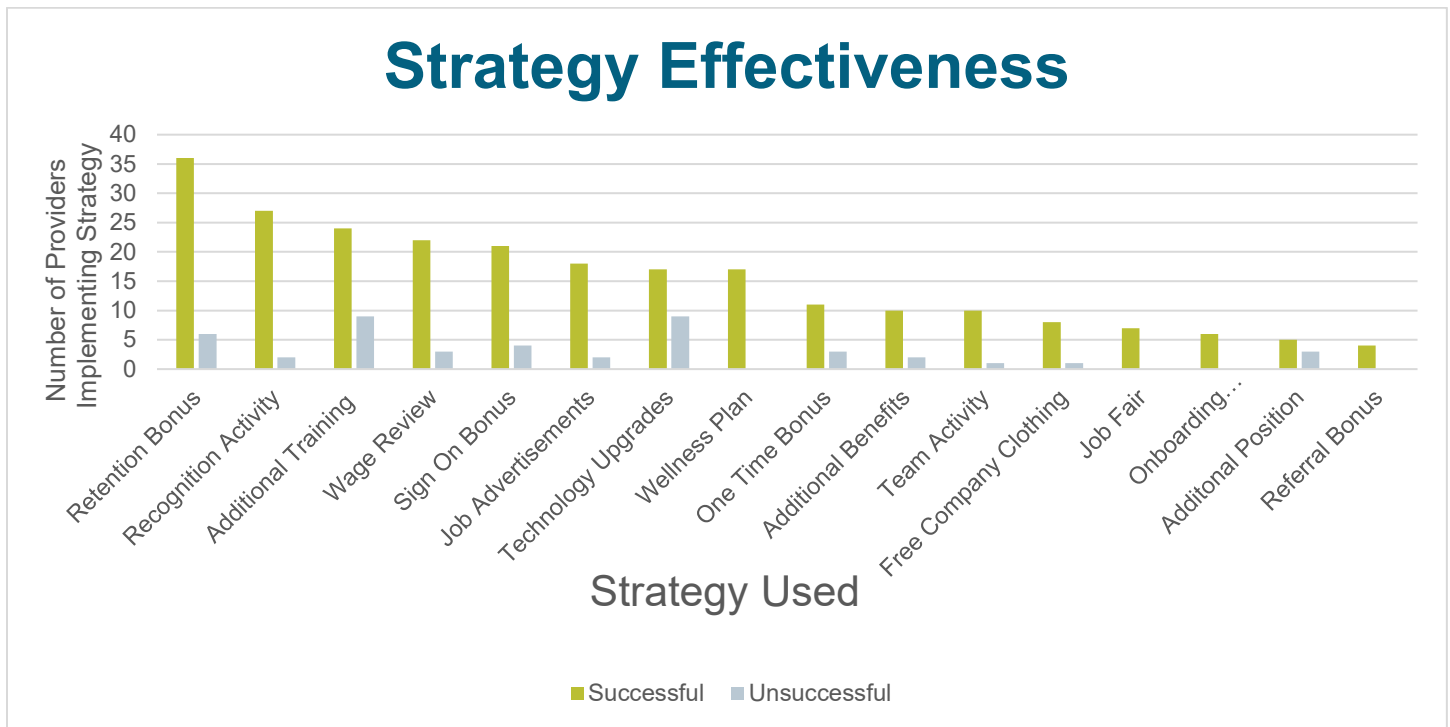
The reductions in comparison with the overall state job market, behavioral health providers performed significantly better. When comparing the amount of total job openings, over the same time-period, behavioral

health providers saw an impressive increase of 53% positions filled (U.S. Bureau of Labor Statistics Report, 2024). This exceeded the overall state average of filling vacant positions by 33%

Most Effective Strategies:

With significant improvements seen in the reduction in vacancy rates in the behavioral health field, it is important to recognize specific strategies contributing to each outcome. Due to the variance in staff and staff shortage, each provider individually identified goals to improve staff vacancy (e.g., strategy to use and number of positions to fill). Commonalities and trends among the providers are represented in the graph below. Strategies with the greatest positive outcome in reduction of staff vacancy include:

- Retention bonus,
- Recognition activities,
- Additional trainings, and
- Wage reviews.



Initially, strategies were broken out into licensed and non-licensed staff for each participating provider in the above categories. Each strategy was then deemed successful upon reaching the appropriate reduction in vacancy per profession type. Unsuccessful strategies included strategies that either did not meet their vacancy reduction or vacancies grew. These were then tallied together to illustrate which strategies saw the greatest impact on reducing vacancies.

The most frequently used strategy was the implementation of a retention bonus. This was utilized 25% more often than the next leading strategy. Due to the nature of the grant being a one-time fund, it was unusual to see the high interest in wage reviews, given the long-term sustainability issues it could cause providers. Included in these reviews were: cost of living raises, performance reviews, and raises to align with national averages. Although not as highly utilized, other strategies requiring financial incentives were implemented, such as

enhancing benefit plans or adding an employee wellness plan. Regardless of the sustainability, over the course of the year observed, the grant was an incentive contributing to the beginning or maintaining employment in the behavioral health field.

Least Effective Strategies:

Proportionally, the least overall effective strategy to aid in workforce stabilization was technology upgrades. A possible cause for this could be the unique focus of this strategy is largely on the work, rather than the worker. Nearly all other successful uses of the funds directly focused on giving the current and future employees something new to their benefit.

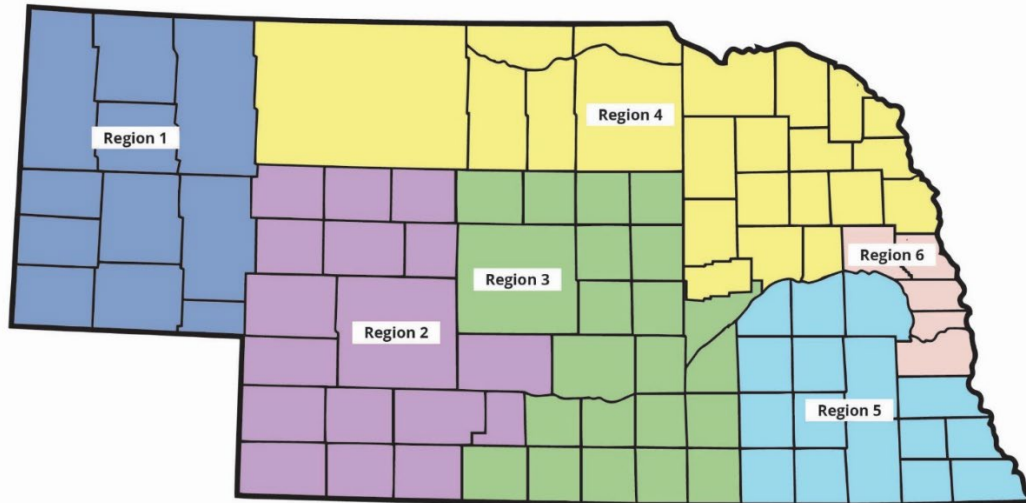
Other Factors:

Other than just evaluating what interventions were funded to increase success in the provider workforce, the location appeared to play a role in the three outcomes measured. Based on the reports submitted, areas in the more rural locations (western Nebraska) did not have as much success as those in more densely populated areas (eastern Nebraska).

Other factors of successful workforce stabilization outcomes are related to service type. In the western locations less residential and facility-based providers exist. Much of the state's improvement seen in staffing came from these providers, as many were having to function with a vacancy rate range of 30-50% of their needed staff. By the final report, many of these providers documented that there had been significant progress reducing vacancy rates down into the teens or single digit numbers.

Regional State Overview:

The State of Nebraska is comprised of six regional networks responsible for the development and coordination of publicly funded behavioral health services within their catchment area. The boundaries of each of these regions are broken down to the county level as set out in state statute and are as pictured below.



Of the three area outcomes measured (overall staff vacancies, licensed staff vacancies, and non-licensed staff vacancies), each provider was able to individually set goals to improve their vacancy rates for their agency. The overall effectiveness of the workforce stabilization grant was determined based on the reduction of rates in the three outcomes listed above.

Region I:

The western most behavioral health region, Region 1, is physically located within the largely rural western Nebraska. Of the \$15 million grant funds available, Region 1 received \$926,417, split amongst their 13 providers. In June of 2023, Region 1 saw an average of 13.5% vacancy rate that lowered to 10.2% after a year. In looking at the three areas of measurement: overall, 70% met their retention goals, 60% achieved the appropriate goal for licensed staff, and 70% for non-licensed staff. Overall, this area saw an improvement in filling vacancies. However, compared the state averages and other behavioral health regions, Region 1 saw the lowest number of providers meeting the goals outlined and overall percentage improvement in vacancies.

In looking at the interventions that were successful and unsuccessful in decreasing staff vacancy and increasing staff retention, for Region 1, a one-time bonus led to the greatest success. This included a one-time bonus in the form of a gift card or cash to current employees. The least effective strategy was funding technology upgrades. It was also observed when organizations in this region utilized funds to create a new position, it ultimately led to an overall increase in the number of vacancies. This was likely due to having another position to fill on top of any other unfilled positions, furthering the retention issues.

Region II:

Region II is largely comprised of counties in the southwestern corner of the state. The total amount of funds awarded to Region II was \$1,112,000. Among their seven providers, their average overall vacancy dropped from 30.1% to 18%. In looking at the three areas of measurement: overall, 70% met their retention goals, 80% achieved the appropriate goal for licensed staff, and 70% for non-licensed staff. Much like Region

1, Region II saw a similar overall success rate in achieving the outlined retention goals that was on the lower end in comparison to the rest of the state, despite their general decline in their vacancies. One key area they scored much higher in was the improvement seen in the licensed professionals compared to Region 1. This is likely a contributing factor as to why their initial vacancy rate decreased by a large amount at the end of the reporting period.

Of Region II's network of providers, seven of them received funds, creating less opportunity for trend analysis of successful and unsuccessful interventions in decreasing staff vacancy and increasing staff retention. What was able to be seen was investments in wage increases or reviews, job advertisements, and sign-on bonuses did lead to a reduction in vacancies. Although retention efforts were made in other areas (e.g., one-time bonus, technology upgrades, sign-on bonus, and company merchandise), these did not positively impact staff retention.

Region III:

Region 3 represents the south-central region of Nebraska, including the Tri-Cities micropolitan areas. Region 3 was awarded \$2,528,973 to utilize amongst their 16 providers. Region 3 was able to reduce their overall vacancy rate from 12.7% to 6.3%. Of each outlined categories, 88% of providers were able to meet the overall vacancy rate goal, 78% met the licensed goal, and 93% were able to achieve the unlicensed goal. The initial overall vacancy rate might help explain how so many of the providers within Region 3 saw marginal improvements, as most only saw a single digit decrease. This is likely due to providers being almost fully staffed during distribution of funds.

In evaluating successful and unsuccessful interventions to decrease staff vacancy and aid in staff retention, Region 3 had an array of interventions implemented. Even with their spread, every 2 out of 3 providers still implemented a retention bonus and/or an employee recognition activity with great success. Other efforts that supported staff retention included the incorporation of a wellness plan into staff benefits or equipment upgrades. For the few providers that did not see success, common strategies included additional trainings and a retention bonus. However, retention incentives were among the most successful strategy (3:1 rate) and trainings (2:1 rate). Most providers who saw success with a retention bonus were higher level-of-care providers. It is hypothesized this is due to the demands of the higher levels-of-care on staff and number of staff needed to operate.

Region IV:

Region 4 stretches from the northeastern corner of the state to the panhandle and is comprised of mostly rural areas. Region 4 was granted a total of \$1,914,804 in funds. Of the 17 providers that were allocated funds, they all reported an average staff vacancy rate of 17% at the onset of the grant period. After stabilization initiatives were implemented, Region 4 saw a significant drop in overall vacancies ending with a 6.9% vacancy rate. Of the 17 agencies reported, 7 providers indicated no staff vacancies at the time the grant period ended. This outcome highlights the success in the workforce stabilization grant for this region. Overall, 94% of organizations were successful in meeting their retention goals, 92% of licensed positions improved, and 76% of non-licensed positions improved.

When looking at what activities were successful and unsuccessful for decreasing staff vacancy and increasing staff retention, successful outcomes included three common strategies: funds towards a team activity or excursion, additional training for staff, and implementing retention bonuses. The only commonality among providers who did not improve their vacancy rate was the funding strategy of additional training for staff. Additional training for staff was again seen to be twice as likely to promote retention rather than worsen it. The success seen in this region was reflected in the change in vacancy rate percentages of those that were able to reach the outlined goals, with the outlier being vacant non-licensed positions. When looking at the non-licensed vacancies that did not attain significant improvement, providers were short of their goal by one position.

Region V:

Region V begins to enter a more urban area of the state covering counties in the southeastern corner of the state, most notably the capital city. Given the population density of the area, Region V was funded \$3,292,196. Region V was able to obtain the lowest average final vacancy rate of 4.5%, down from 11.8%, amongst a total of 21 providers. Total, 100% of agencies funded within this region reached their overall vacancy rate goal. Of the licensed and non-licensed vacancy positions, Region V saw a 92% success rate for filling licensed professionals and 95% for non-licensed professionals. Out of all the providers, only two were unable to meet their established goals for licensed and non-licensed staff. For this region in particular, a large part of their success came from providers who offer residential care, significantly decreasing the number of empty positions. When looking at the agencies that struggled to meet their goal, their efforts were close—only 1 staff position away from being filled.

Given the level of impact, the implemented interventions had on decreasing staff vacancy and increasing staff retention, it was important to look at what was commonly done. Of the 21 providers who participated, 2 out of 3 issued a retention bonus. Providers also commonly issued a sign-on bonus, recognition activities, and wage reviews. Due to having a dense population, the higher amount of funding allowed providers more flexibility in their spending options. This is likely why monetary awards were utilized at a greater frequency than other regions of the state, leading to a high success rate. When evaluating less successful strategies, interventions utilizing personnel technology upgrades and job advertisements did not show as much success.

Region VI:

The easternmost behavioral health region in Nebraska, Region 6, comprises the smallest geographical area and highest population density. It includes counties within and/or near the Omaha metropolitan area. With the highest population to serve compared to the rest of the state, they were awarded a total of \$4,802,853 in funding to assist their 21 providers. With the funding, they reduced their vacancy rate from 18.2% to 10.3% over the course the year. Of the 21 providers who received funds, 90% of providers were able to meet their retention goals, 85% of licensed positions vacancy improved and 70% of non-licensed vacancies improved.

When evaluating successful and unsuccessful strategies in decreasing staff vacancy and increasing staff retention, three common themes were seen in gauging success: implementation of a one-time bonus, recognition activity, and/or additional trainings. A handful of agencies implemented similar interventions and although they did not see large success in staff retention, they did not see a decline in turnover rates.

Summary:

When looking at how the behavioral health workforce responded to the utilization of stabilization funds, an overwhelming amount of success was seen. This is evidenced by the 86% of providers who saw a drop in the vacancies with the average rate of vacancy dropping from 17.3% to 9.2%. These numbers surpassed how the state as a whole, rebounded from the workforce issues stemming from the COVID-19 pandemic. This allowed providers opportunities to serve more consumers in a time when services were greatly needed.

The biggest success in reducing staff vacancies was seen with strategies that gave the employee(s) direct financial compensation. Out of the top five activities, retention bonuses, wage increases, and sign on bonuses all fell under this type of use of the stabilization funds. Of the non-direct compensation related interventions utilized recognition activities and providing additional training to staff played a large part in staff retention and decrease in staff vacancies.

The use of technology had the most variable impact on retention. While most providers saw initial reductions in vacancies after implementing new technology, over time this strategy resulted in higher vacancies when compared to other strategies. No strategies were seen to have a negative impact on reducing retention.

While all areas of the state were able to see improvement in their overall vacancy rates, there is still room for improvement. A few focus areas include: the southwestern region of the state, tribal partners, and providers directly contracting with DBH. If future funding allows, these may be key targeted areas in combating the behavioral health professional shortage that all of Nebraska is currently experiencing. In summary, the Division of Behavioral Health now has a better understanding of potential tactics to combat instability in their workforce.