

Projekt: Personnel Shortages and the Provision of Long-term Care: An Empirical Analysis of German Nursing Homes

Project stakeholders

Institute of Health Economics (IHE) – Leibniz University Hannover (LUH), RWI – Leibniz Institute for Economic Research

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Project goals

The study aims to answer the following research questions:

- a) What are the consequences of labor shortages in the elderly care sector, particularly nursing home metrics including concerning the operational stability of these facilities in Germany?
- b) What are the implications of nursing shortages for financial sustainability of nursing homes?

Background and project description

In many advanced economies, has been a growing discrepancy between the number of retiring workers and incoming younger entrants in the labor market, particularly in the nursing care sector. These shortages have led to critical issues like prolonged waiting lists, inadequate care, and even the potential shutdown of nursing homes, which has been especially pronounced in countries like Germany

This study analyzes how long-term care in German nursing homes relate to nursing shortages using administrative data for the period 2007 to 2017. Our analysis reveals that higher nursing shortages correlate with decreased nurse-to-resident ratios, changes in the qualification mix of nurse personnel, and reduced occupancy rates. These findings suggest that nurse shortages might be a threat to the quality of care and the financial sustainability of nursing homes at the margin of being profitable

