

Calculation of Annual CNA Turnover Replacement Cost

Facility Name: _____ Completed by: _____

To calculate the Annual CNA Turnover Replacement Cost, first determine the direct costs:

STEP 1: Determine Direct Costs	
Replacement Costs	
CNA new-hire hourly rate:	
*Advertising Cost: [Calculation – Cost of placing an ad in the local paper for three days including Sunday.]	
*Cost to interview and screen applicants:	
*Cost to call and check references: [Calculation – Hourly rate for the interviewer and the person checking references multiplied by the time taken for the interview.]	
*Cost of employee physical:	
*Cost of TB test:	
*Cost of Hepatitis B vaccination:	
*Drug screen cost:	
*Cost of hiring bonus or employee referral bonus:	
*Cost of criminal background check:	
Staff Vacancy Costs	
Average agency CNA hourly rate:	
Average CNA hourly rate:	
Average overtime/double-time hourly rate: Calculation – Take the CNA hourly rate from above and multiply it by 150% to get the overtime rate and by 200% to get the double-time rate. Next, add the overtime and double-time rates together and divide by two.	

STEP 1: Continued

Average length of time to fill vacant position (in days):

Calculation – Randomly select five CNAs who departed at least two months ago. In each case, add up the number of days the position remained vacant by counting the number of days from the last day of employment to the first day the new hired CNA is out of orientation. Divide the total number of days by five to determine the average length of time to fill the vacant position.

***Average excess cost of filling the average number of**

vacant shifts: Calculation – Using the same five scenarios from above, determine how the vacant shifts were filled during the period each of the CNA positions was vacant. Add up the total number of shifts where agency filled the shifts. Next, take the total number of agency shifts and multiply it by the average agency hourly rate. Then multiply this number by 8 (hours per shift). Do the same for OT/DT; add the total number of shifts filled that led to overtime and double time. Multiply this by the average OT/DT rate. Then, multiply this by 8 (hours per shift). Finally, we must subtract the normal labor costs associated with filling these vacant shifts by FT regular staff from the costs above.

Training and Orientation Costs

Number of hours of classroom orientation:

Average number of CNAs in each orientation class:

Average wage of classroom orientation teacher:

***Cost of classroom orientation:**

[Calculation – Average wage of orientation teacher multiplied by the total number of classroom orientation hours. Divide this number by the average number of CNAs in each orientation class.]

Average number of hours spent in on-the-job orientation:

***Cost of on-the-job orientation:**

[Calculation – Average wage of new hire multiplied by the average number of hours spent on on-the-job orientation.]

Step 2: Calculate Total Replacement & Turnover Costs

Add all calculations from above with an * in order to get the total direct costs to replace one CNA.

Advertising Cost:	
Cost to interview and screen applicants:	
Cost to call and check references:	
Cost of employee physical:	
Cost of TB test:	
Cost of Hepatitis B vaccination:	
Drug screen cost:	
Cost of hiring bonus or employee referral bonus:	
Cost of criminal background check:	
Average cost of filling the vacant shifts:	
Cost of classroom orientation:	
Cost of on-the-job orientation:	
TOTAL Direct Cost to replace one CNA:	\$

Note: The Industry Average to replace one CNA is: \$2,500.00

Step 3: Calculate Annual CNA Turnover Cost

Using your CNA Turnover Rate (from separate worksheet), determine how many CNA terminations there were last year. Multiply that number by the Total Direct Replacement Cost (above) to determine your annual cost of turnover.

Example: 55 CNA terminations X \$2,500 = \$137,500 Annual CNA Turnover Cost

Annual CNA Turnover Cost: