

Understanding and Responding to Health Workforce Shortages

**Presentation to the
Nevada Legislative Committee on Health Care
Staffing Subcommittee**

**Las Vegas, Nevada
January 21, 2004**

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The Center for Health Workforce Studies at the University at Albany

- Conducts studies of the supply, demand, use and education of the health workforce
- Committed to collecting and analyzing data to understand workforce dynamics and trends
- Goal to inform public policies, the health and education sectors and the public
- One of six regional centers with a cooperative agreement with HRSA/Bureau of Health Professions



Overview of Presentation

- Health Workforce Issues and Concerns
- Background on Health Care and the Health Workforce in Nevada
- Health Workforce Shortages
- Responses to Health Workforce Shortages

THE HEALTH WORKFORCE:

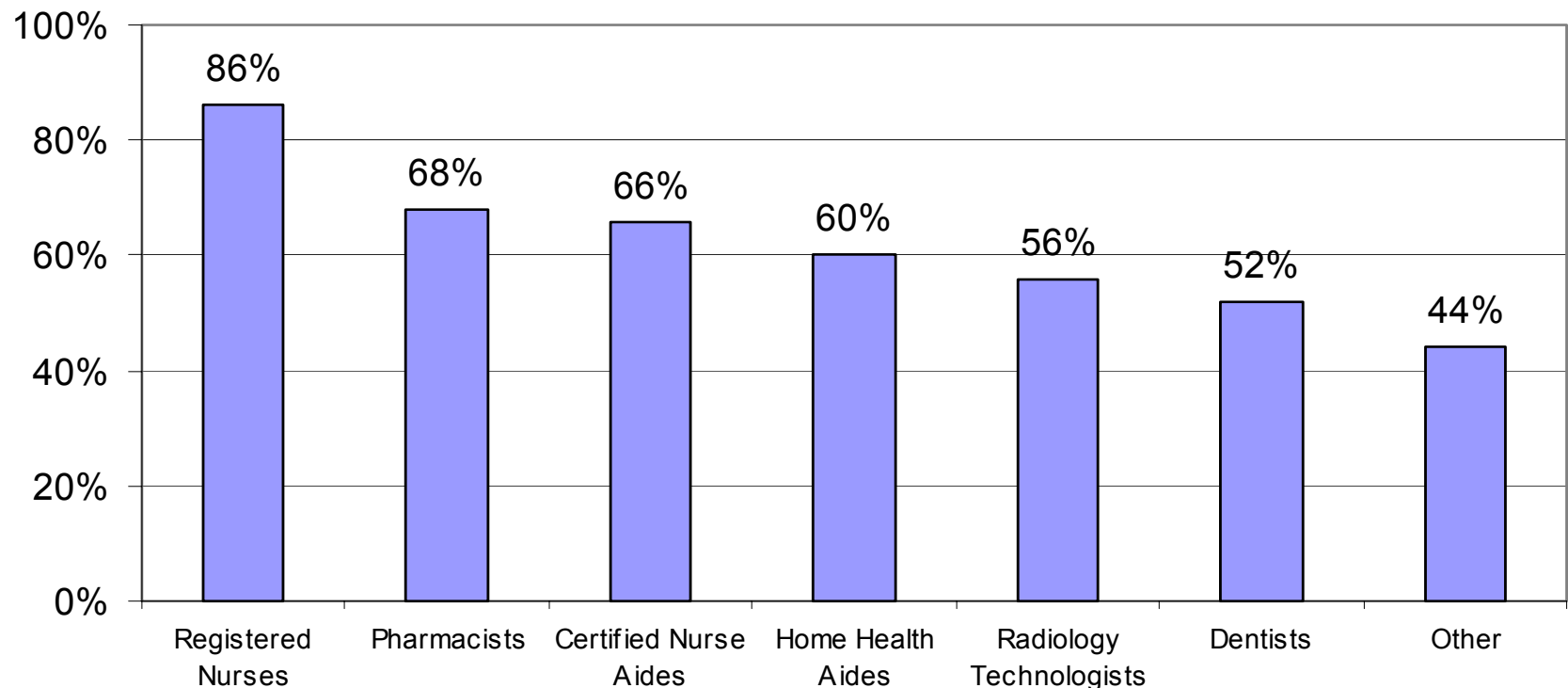
ISSUES AND CONCERNS



The Crisis

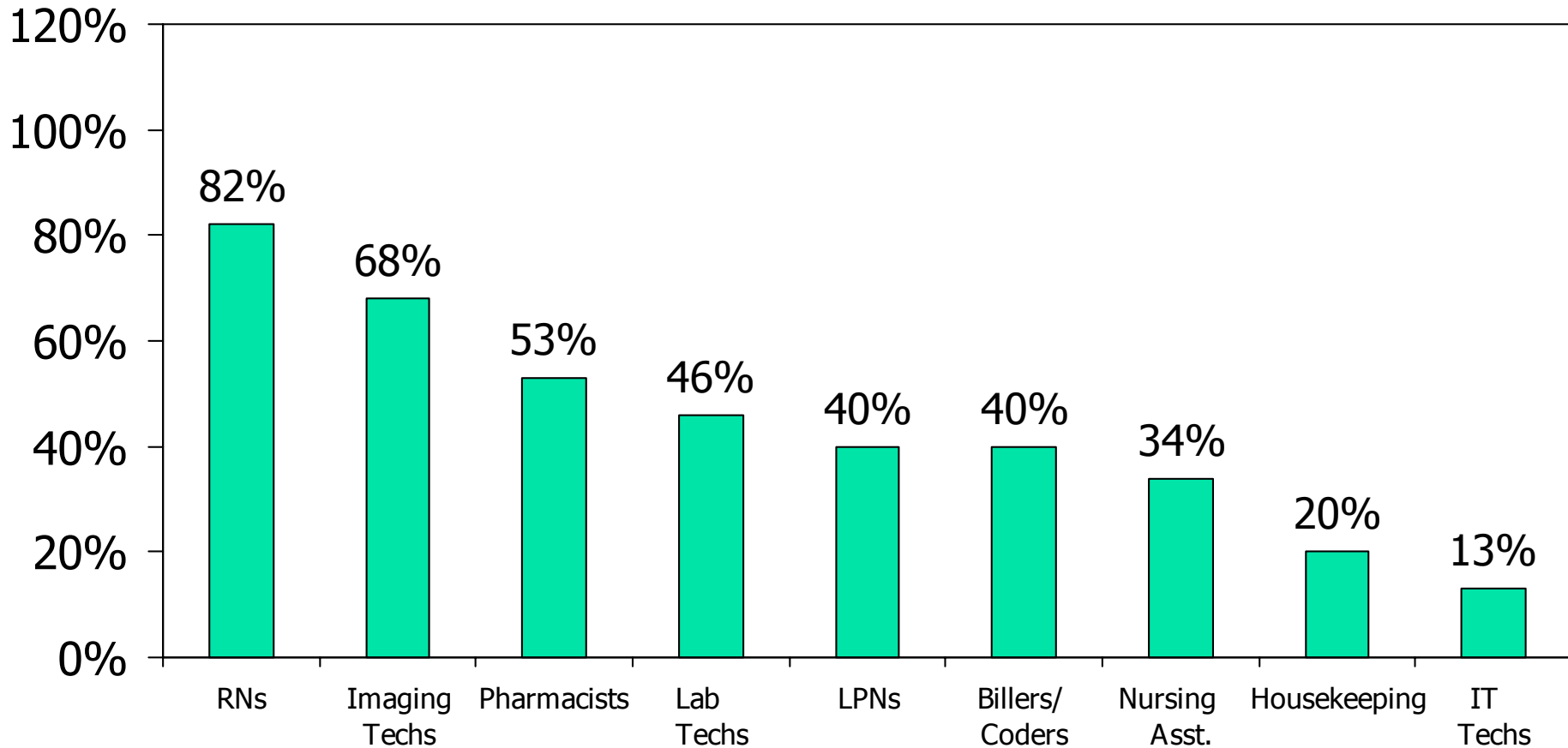
- Health worker shortages
- The squeeze---few new dollars and the high cost of more workers---limit response options
- Concerns with medical errors and quality
- Worker and management dissatisfaction
- Frustration with paperwork and regulation
- Racial and ethnic imbalances in professions
- Decreased interest in health careers
- Lack of systematic data on supply and demand

Percent of States Indicating a Shortage in Selected Health Professions, 2002



Source: Center for Health Workforce Studies, 2002

Percent of Hospitals Reporting More Difficulty Recruiting by Profession, 1999-2001



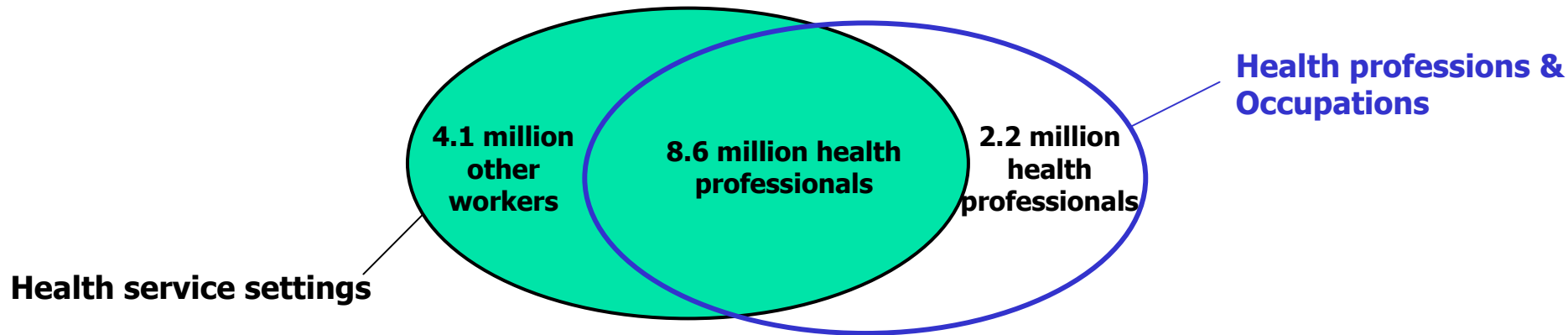
Source: AHA



The Health Workforce: The Basic Premise

- A health care system is only as good as its workforce
- The workforce directly impacts on:
 - Quality
 - Cost
 - Access
- System wide high turnover, difficulty recruiting and worker dissatisfaction are signs of a systemic problem

More Than 1 in 10 Americans in the US Works in Health Care or is a Health Professional



Health professionals working in health service settings	8,642,749	6.1%
Health professionals working in other settings	2,167,418	1.5%
Other workers in health service settings	4,098,498	2.9%
US health workforce	14,908,665	10.5%
US civilian labor force	141,558,183	100.0%

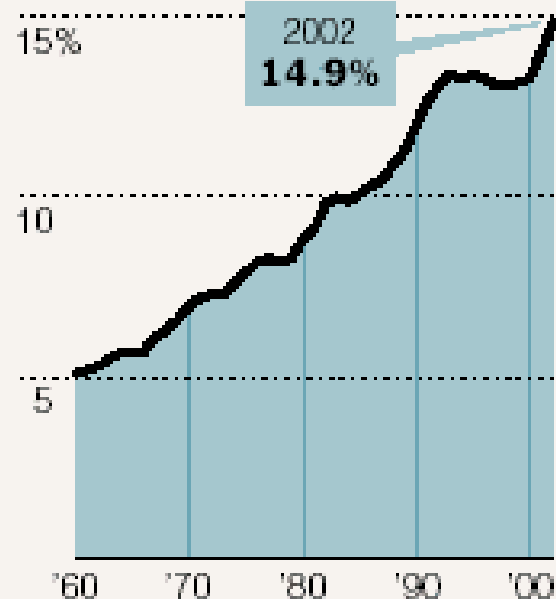
Health care spending accounts for nearly 15 percent of the nation's economy

On January 9, 2004, the NY Times reported:

The Department of Health and Human Services said that health care spending shot up 9.3 percent in 2002, the largest increase in 11 years, to a total of \$1.55 trillion. That represents an average of \$5,440 for each person in the United States.

Hospital care and prescription drugs accounted for much of the overall increase, which outstripped the growth in the economy for the fourth year in a row.

National health spending as a share of G.D.P.



Source: Department of Health and Human Services



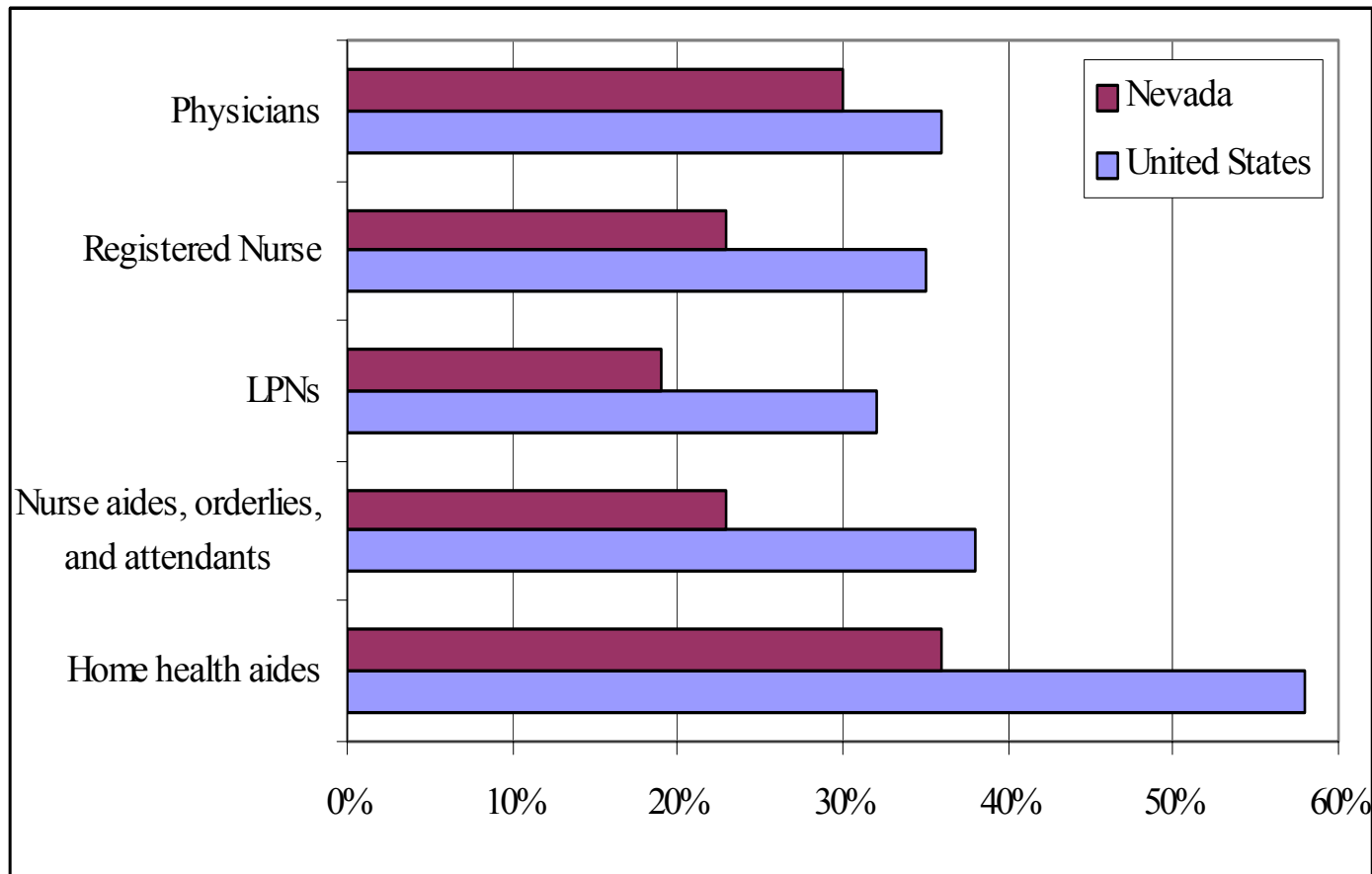
Health Care Occupations Forecast to Grow the Most from 2000 to 2010

Total Job Openings Due to Growth and Replacements,
2000 through 2010

■ Registered Nurses	1,004,000
■ Nurse Aides, Orderlies and Attendants	498,000
■ Home Health Aides	370,000
■ Personal and Home Care Aides	322,000
■ Licensed Practical Nurses	322,000
■ Medical Assistants	274,000
■ Physicians	196,000
■ Dental Assistants	136,000
■ Medical and Health Service Managers	123,000

Source: Bureau of Labor Statistics: Occupational Employment Projections to 2010,
Monthly Labor Review, Nov 2001

Projected % Change in Per Capita Employment in Nevada: 1998-2008

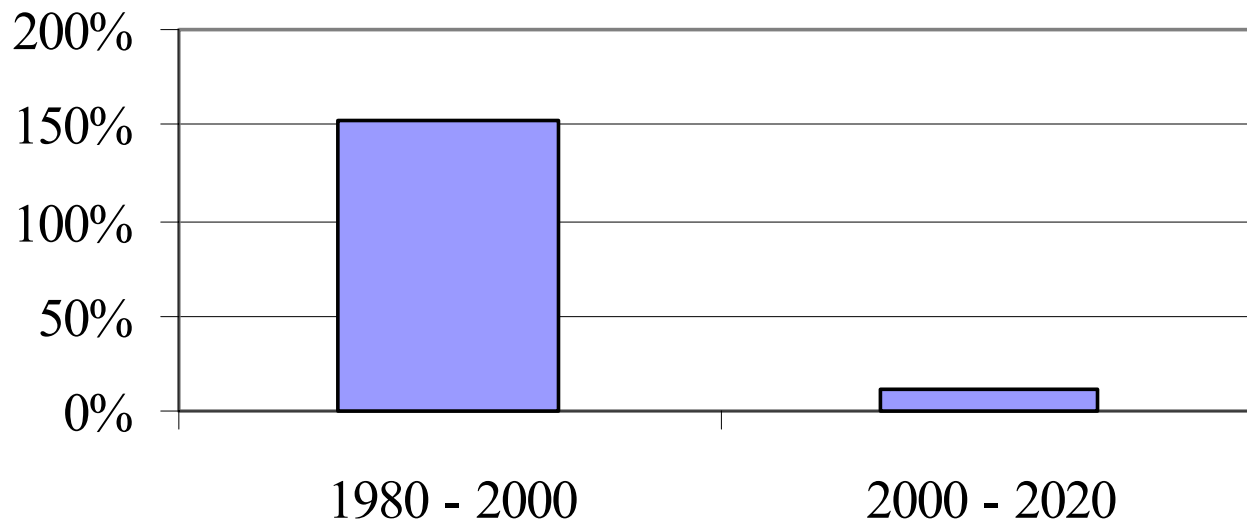


Source: Bureau of Labor Statistics

*Background on Health Care and
the Health Workforce in Nevada*

Health Care in Nevada: Background

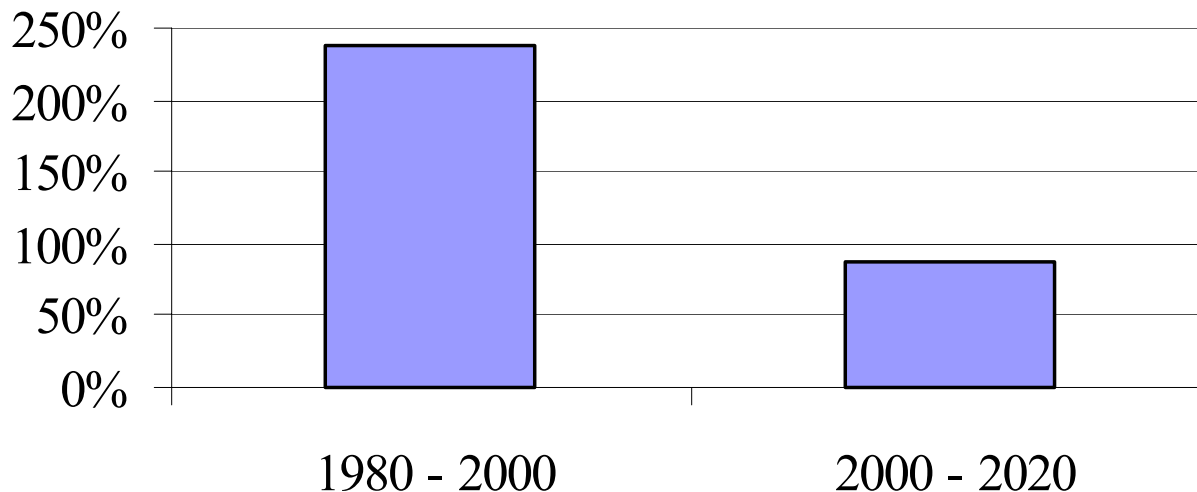
The total population of Nevada is projected to grow 11% between 2000 and 2020. This is in addition to a 152% growth in total population that occurred between 1980 and 2000.



Source: Bureau of Census

Health Care in Nevada: Background

The over 65 population of Nevada is projected to grow 88% between 2000 and 2020. This is in addition to a 237% growth in the 65 and over population that occurred between 1980 and 2000.



Source: Bureau of Census



Health Care in Nevada: Background

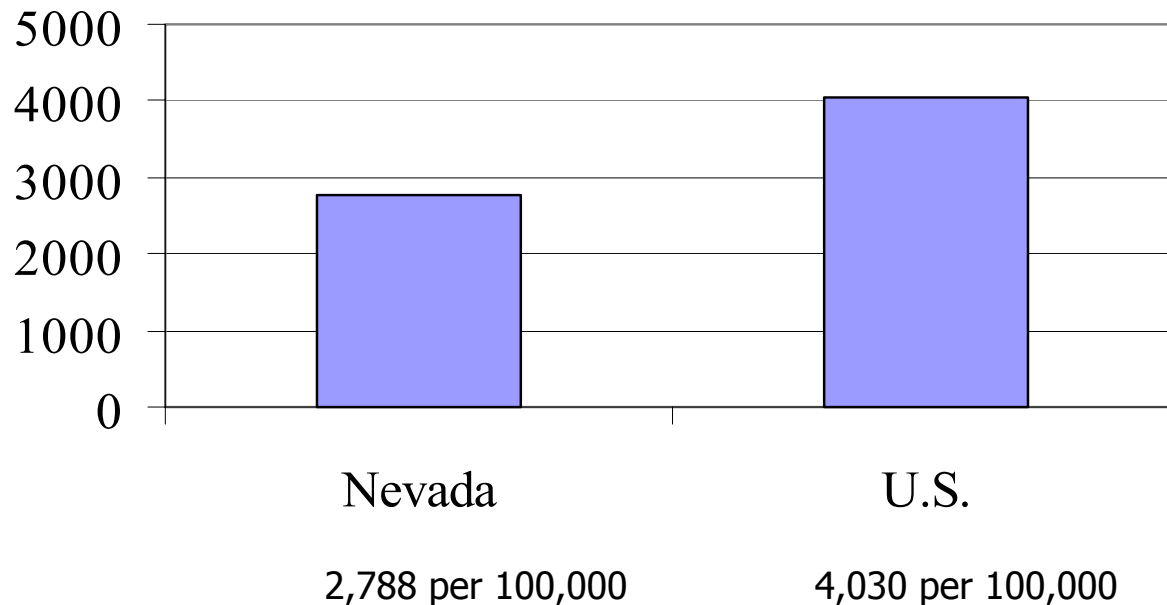
- **Nevada had the highest rate of death due to firearms in the country in 1999.**
- **In 1999, Nevada was above the national rates of death due to cancer and heart disease.**

Incidence (per 100,000 population)	Nevada	United States	Nevada Rank
Firearms Deaths, 1999	21.6	10.6	50/50
Cancer Deaths, 1999	214.8	202.5	39/50
Heart Disease Deaths, 1999	281.8	266.1	36/50

Source: National Center for Health Statistics

The Health Workforce in Nevada

- In 2000, Nevada had the fewest health workers per capita in the country.

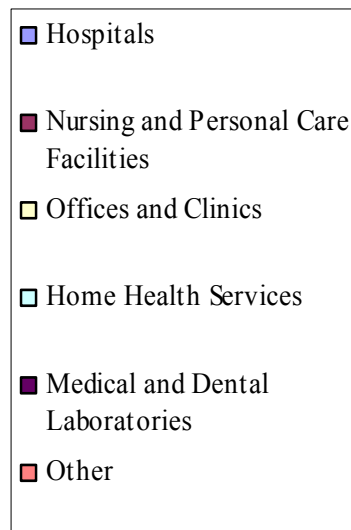
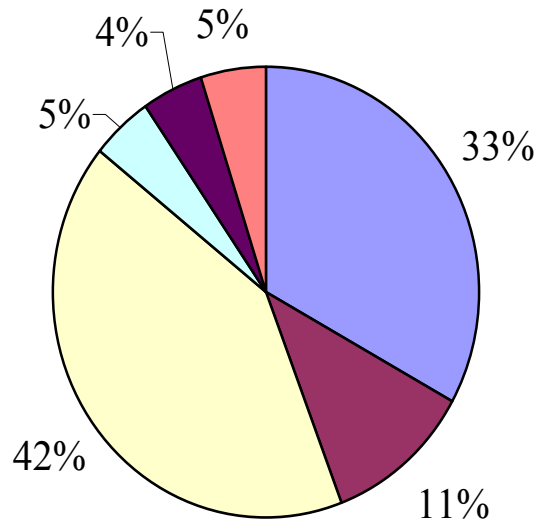


Source: USDOL, BLS; Bureau of the Census

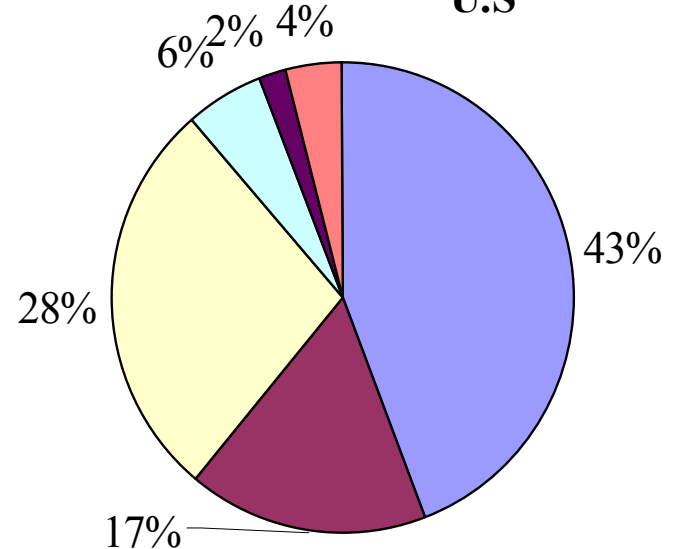
The Health Workforce in Nevada

The largest percentage of Nevada's health services workers were employed in offices and clinics in 2000 (41.5%).

Nevada



U.S.



Source: USDOL, BLS



The Health Workforce in Nevada

- In 2000, the median hourly wage of many of Nevada's health professionals was higher than the national average.

	Nevada	United States
RNs	\$24.25	\$21.56
LPNs	\$16.27	\$14.15
Pharmacists	\$37.96	\$34.11
Physical Therapists	\$29.38	\$26.35
Occupational Therapists	\$25.99	\$23.77
Radiologic Technologists	\$20.05	\$17.31

Source: Bureau of Labor Statistics, Occupational Employment and Wage Estimates



The Health Workforce in Nevada

- **There were over 3,200 active patient care physicians in Nevada in 2000.**
- **Nevada ranked 43rd among states in physicians per 100,000 population, with 159 physicians per capita in 2000, compared to the national rate of 198 physicians per capita.**
- **Nevada had 55 active primary care physicians per 100,000 population, compared to 69 per capita for the entire country.**
- **In 2000, Nevada graduated 53 new physicians.**
- **On a per capita basis, Nevada ranked 42nd among the 46 states with medical schools in graduates per capita in 2000.**



The Health Workforce in Nevada

- **There were more than 12,900 licensed RNs in Nevada in 2000.**
- **Nearly 80% of Nevada's licensed RNs in 2000 were employed in nursing.**
- **Nevada ranked last among states in RNs per 100,000 with 514.4, compared to the national rate of 780.2**
- **Nevada was among states with the lowest per capita rates of nurse practitioners, certified nurse midwives and nurse anesthetists in the country.**

Sources: Division for Nursing, Bureau of the Census



The Health Workforce in Nevada

In 2000,

- 43% of active RNs in Nevada had associate nursing degrees;
 - 35% had bachelor's nursing degrees;
 - 15% had nursing diplomas; and
 - 7% had masters' or doctoral degrees in nursing.
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- The number of associate nursing degrees awarded annually was consistently higher than the number of bachelor's nursing degrees awarded over that time period.

Source: National Center for Educational Statistics

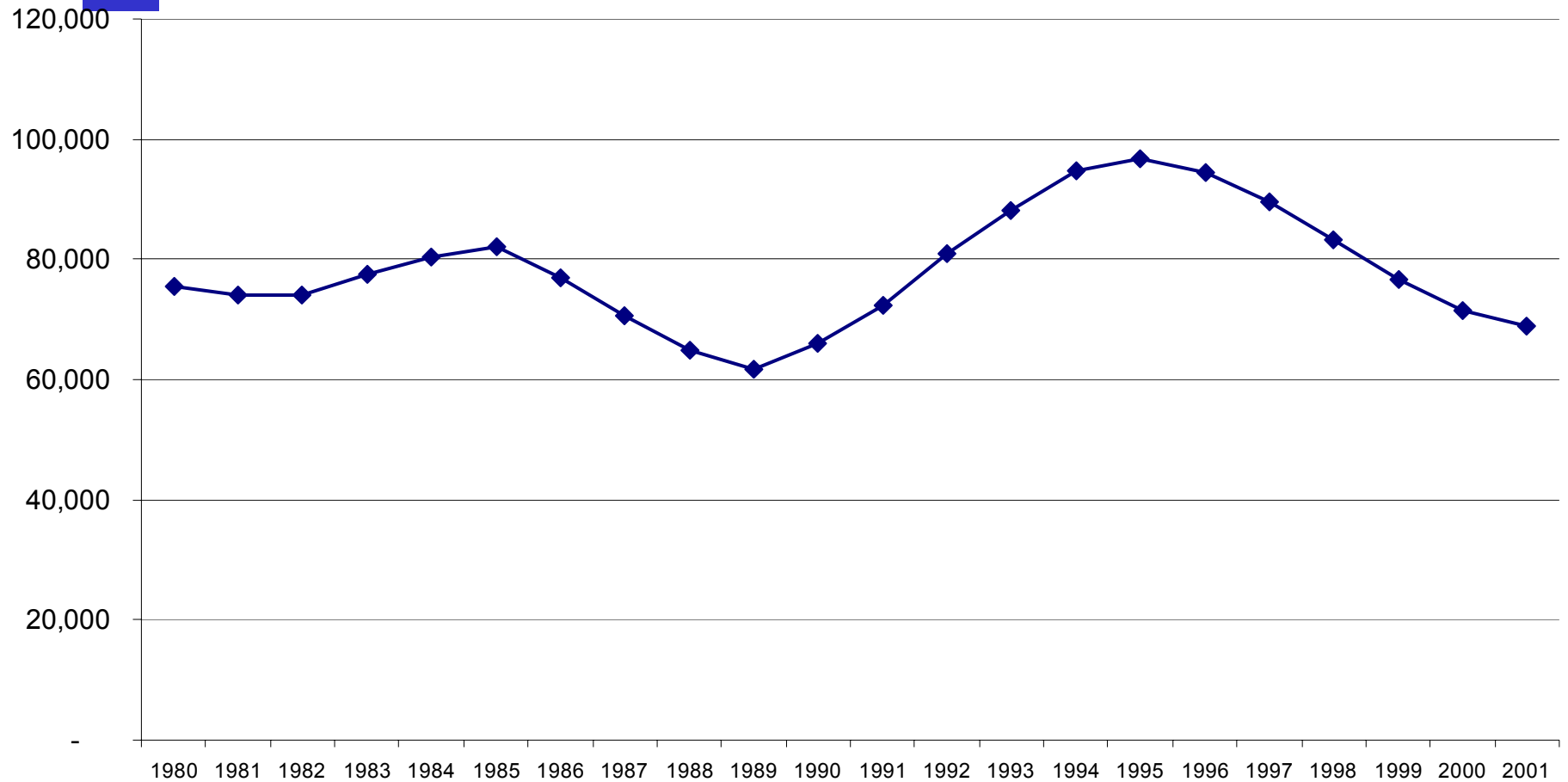
*What Are the Causes of Health
Workforce Shortages?*



Factors Contributing to Health Workforce Shortages

- Short term factors
 - Competition for workers and the economy
 - Educational system cycles and response lags
 - Growing demand
 - Increased intensity and complexity of services

Trends in RN Graduations in U.S., 1980 to 2001



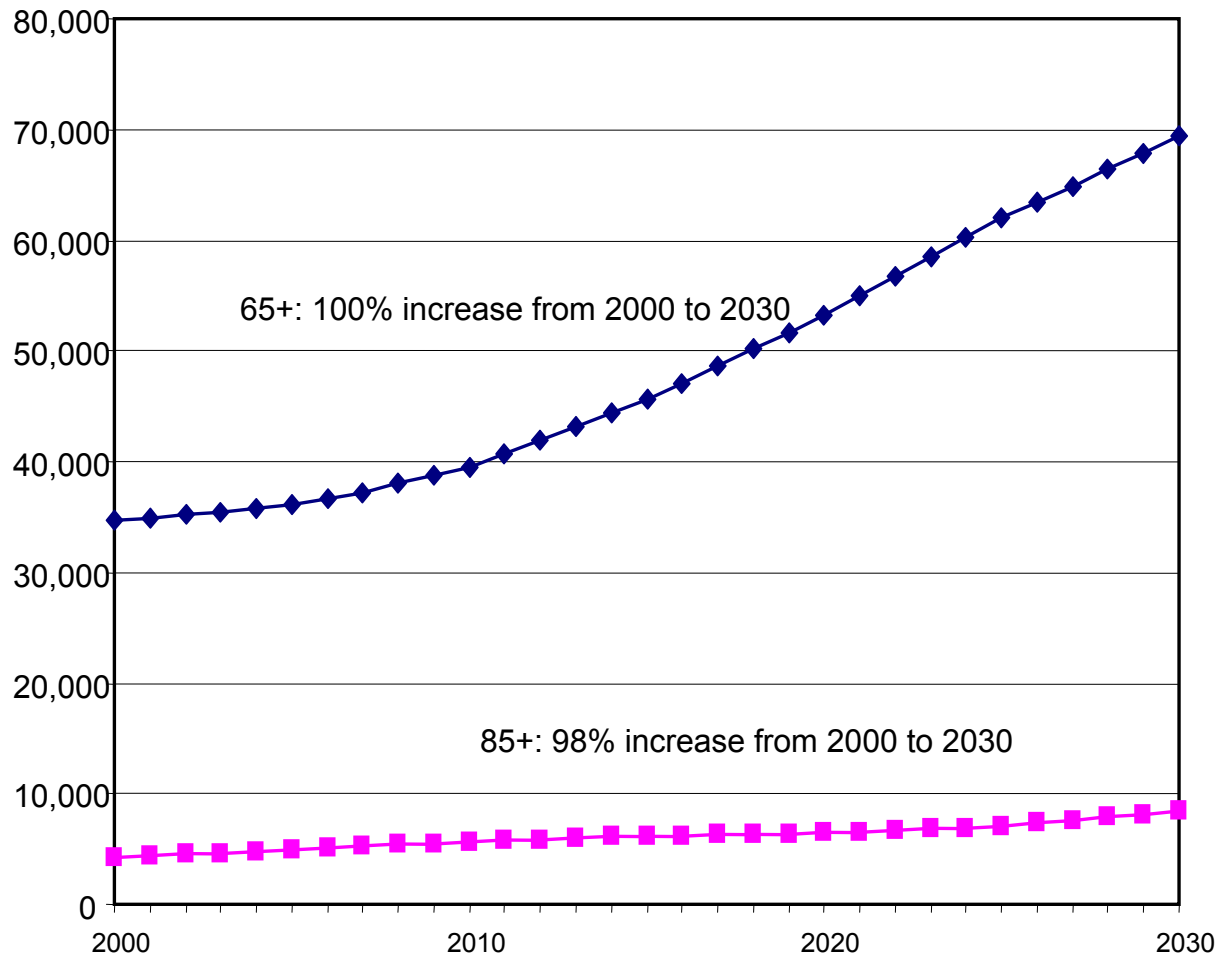


Factors Contributing to Health Workforce Shortages, continued

■ Long term factors

- The aging of America: increase in demand
- The aging of America: decrease in supply of workers
- Changing racial/ethnic mix
- Expanded career choices for women
- The economy and public expectations
- Increases in credential requirements

Number of Americans Over 65 and Over 85, 2000 - 2030





The Health Workforce is Aging Rapidly

Dentists	40.7	44.0	+ 3.3
Dietitians	38.3	40.0	+ 1.7
Health records technologists and technicians	35.3	40.3	+ 5.0
Radiologic technicians	34.3	38.0	+ 3.7
Registered nurses	37.3	42.7	+ 5.4
Respiratory therapists	32.3	38.0	+ 5.7
Social workers	38.7	40.3	+ 1.7
Speech therapists	35.7	40.7	+ 5.0
Pharmacists	36.7	41.3	+ 4.6
Total civilian labor force	35.7	38.7	+ 3.0

Source: Bureau of Labor Statistics, Current Population Survey - Annual Demographic Supplement, 1988-2000.

Notes: Figures presented are averages of three years' data. Civilian labor force only.

Many Health Professions Lack Diversity

Race/ethnicity, 2000

	Non-Hispanic white	Non-Hispanic Black	American Indian	Asian & Pacific Islander	Hispanic
Clinical laboratory technologists and technicians	67%	18%	1%	7%	8%
Dental hygienists	96%	2%	0%	0%	2%
Dentists	86%	3%	0%	9%	2%
Dietitians	71%	19%	0%	5%	5%
Health records technologists and technicians	73%	18%	0%	7%	1%
Occupational therapists	88%	3%	0%	3%	6%
Radiologic technicians	80%	11%	0%	1%	8%
Registered nurses	87%	5%	1%	4%	2%
Respiratory therapists	80%	12%	0%	3%	5%
Social workers	66%	23%	1%	2%	9%
Speech therapists	94%	4%	0%	0%	2%
Pharmacists	80%	3%	0%	13%	4%
Total resident population	71%	12%	1%	4%	12%

Sources: Bureau of Labor Statistics, Census Bureau. Current Population Survey - Basic Monthly, 2000; Census Bureau, U.S. Population Estimates by Age, Sex, Race, and Hispanic Origin: 1980 to 1999 (Civilian noninstitutional population -- with short-term projections to dates in 2000); National Sample Survey of Registered Nurses

Notes: Figures presented for professions are annual averages & include civilian labor force only.



Factors Contributing to Health Workforce Shortages, continued

- Workplace factors
 - Physically and emotionally demanding work
 - Non-competitive wages and benefits
 - Job design and working conditions
 - Paperwork and lack of information systems
 - Poorly trained managers

*Responding to Health Workforce
Shortages*



Key Stakeholders

- Health facilities and associations
- Government (U.S., states and local)
- Health professions education programs
- Professional associations
- Unions representing health workers
- Consumers/patients



A Conceptual Framework for Responses to Workforce Shortages

- Expand Pipeline: Education and Training Strategies (Supply Side)
- Improve Retention: Job Related Strategies (Supply Side)
- Reduce Numbers Needed: Improve Productivity/Reduce Paperwork (Demand Side)
- Other Strategies



Increasing the Supply Through Education and Training Initiatives

- Scholarships and loan repayment
- Grants for faculty, capacity expansion or program start up
- High school health careers awareness
- Marketing health careers/Public Service Announcements
- Promote health provider and education partnerships
- Use Labor Department and other training funds



Increasing supply by Improving Retention & Job Related Strategies

- Reimbursement support for higher wages/benefits
- Support for career ladders
- Best practices conferences on job design and retention
- Prohibit mandatory overtime
- Mandate minimum staffing ratios



Modify Demand and Improve Productivity

- Study factors that promote efficient care
- Demonstrations and evaluation of job redesign
- Best practices conferences on efficient and productive care
- Regulatory changes on scope of practice and use of workers
- Modify health facility requirements and regulations
- Promote labor-saving technology



Other Responses to Shortages

- Better data collection and needs assessments
- Establish Task Forces, Commissions, and Committees
- The use of immigration
- Support for family/informal care givers



States Have a Number of Major Roles Related to the Health Workforce

- Licensure and regulation of health professionals
- Regulation of health facilities
- Regulation of educational programs
- State colleges and universities
- Medicaid reimbursement policies and regulation of private insurance
- Employment data/Labor Department training programs
- Employer in state facilities and agencies
- Health workforce data collection



How States Responded to Workforce Shortages

	# of States
Task Force, Committee or Commission	44
Scholarship and/or Loan Forgiveness	38
Health Career Marketing	25
Career Ladder Development	14
Labor Dept. or Workforce Investment Act	7
Job Redesign	5
Workforce Data Collection	27



The Federal Response

- HRSA Division of Nursing
 - Nurse Loan Repayment Expansion
 - Nurse Re-Investment Act Grant Programs
- U.S. Department of Labor
 - High Growth Industry Initiative
 - Workforce Development Web Site on Health Careers



An Industry Response: The AHA Commission Report

"In Our Hands-How Hospital Leaders Can Build a Thriving Workforce"

- 5 Sets of Recommendations:
 - Foster Meaningful Work
 - Improve the Workplace Partnership
 - Broaden the Base
 - Collaborate with Others
 - Build Societal Support



Crisis as Opportunity: The Opportunity

- Assure an adequate supply of workers
- Increase worker satisfaction
- Promote the development of a more culturally diverse workforce
- Use information systems that work
- Support the development of a more accessible, cost-effective delivery system with better quality of care