



RESULTS OF THE 2010 HOSPITAL WORK FORCE SURVEY REPORT



**HEALTH
WORK FORCE
INSTITUTE**

Affiliated with the Washington State Hospital Association



The Mission of the Health Work Force Institute

Strategically develop a sustainable diverse health work force by partnering to identify needs and developing programs to recruit, educate, and retain qualified health care workers.

Introduction

This report includes a brief summary of the results from the Health Work Force Institute's eighth hospital work force survey. This is the first survey that has been conducted since the economic crash in 2008 and the following recession. While vacancy rates are down in many positions, they are not down in all positions. Further, hospitals have been growing some positions over the past two years and they continue to be among the largest community employers. The response rate for the 2010 survey was 83 percent.

Critical Work Force Shortages are in Remission, Not Cured.

After several years of concerning growth in vacancy rates, the worst economic downturn in 70 years has driven unemployment up and vacancy rates down. Health care is no exception. Vacancy rates dropped in nearly every position tracked by the Health Work Force Institute. In 2008, the vacancy rate for registered nurses in hospitals soared to 8.4 percent. In 2010, the rate dropped to 3.4 percent. One silver lining to the economy for employers: most hospitals reported significant decreases in their use of agency and contract personnel as more job seekers were hired into regular positions.



The industry is likely experiencing the lowest vacancy rates that will ever be seen.

The underlying factors that caused consistent growth in vacancy rates over the last several years remain. At the top of the list is an aging work force combined with an aging population that will soon demand more care: three quarters of the registered nurses hired nationally between 2001 and 2008 were over age 50;¹ the average age of Washington RNs is 48.5 years old,² compared to the national average of 43.8 years old;³ this year, 2010, the first Baby Boomers are eligible for Medicare; and health care reform will provide insurance to 30 million more people, increasing demand for primary care services and mid-level providers. As the economy recovers and older workers retire, the combined increases in demand and loss of expertise is likely to result in an rapid growth of vacancy rates that could rival those of the late 1990's and early 2000's.

As vacancy rates increase, public institutions are not likely to have the resources to rapidly expand to meet the need. For example, between 2001 and 2008, the number of graduates from baccalaureate and associate degree nursing programs doubled in Washington State. All health care training programs expanded significantly during the period as state legislators and educators responded to critical personnel shortages. The resources it would take to double these programs again are significant and not available. Even if the funding were available, there are too few faculty and clinical education and externship training slots available. Gradual increases may be possible through close public-private partnerships and creative approaches to old problems. However, these partnerships take time and need to begin immediately.

Top Five Vacancy Rates	Overall Vacancy Rates 2008	Overall Vacancy Rates 2010	Percent Change 2008-2010
Certified Occupational Therapy Assistants	10.5%	16.6%	59%
Advanced practice nurses	11.6%	12.0%	3%
Occupational therapists	8.9%	10.9%	22%
Physical therapists	12.7%	10.5%	-17%
Certified Physical Therapy Assistants	7.4%	7.0%	-6%

¹Peter I. Buerhaus, David I. Auerbach, and Douglas O. Staiger "The Recent Surge in Nurse Employment: Causes and Implications"; Health Affairs – Web Exclusive, June 12, 2009, pp. w657 – w668, downloaded June 29, 2010.

²Susan Skillman, et al; "Washington State Registered Nurse Supply and Demand Projections: 2006-2025"; University of Washington Center for Health Workforce Studies, June 2007

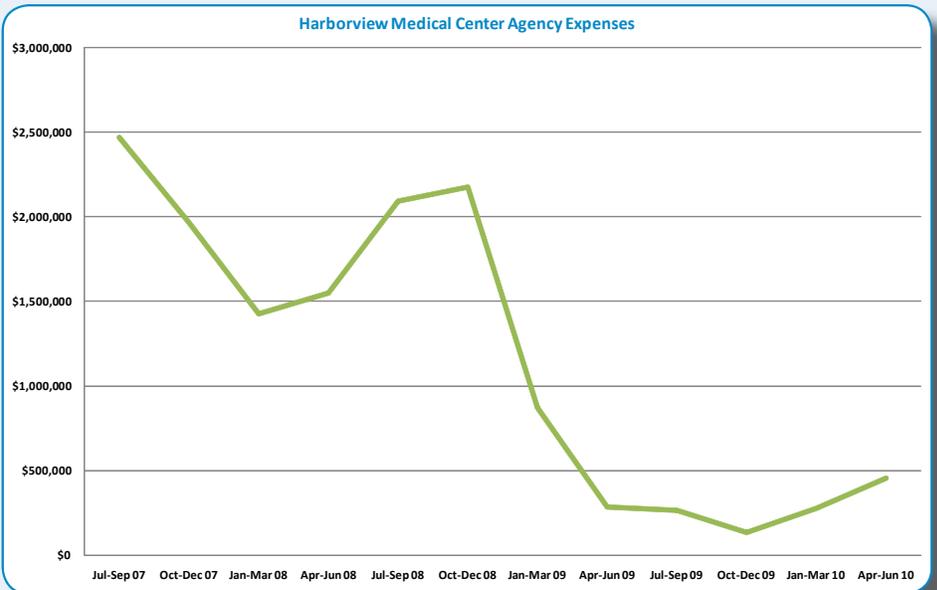
³Buerhaus, *ibid*

Case Study: Dedication Leads to Drop in Use of Contract Workers

Growth in the use of contract workers has been a consistent marker of the need for more skilled health care workers across Washington State. It is also a great drain on financial resources and presents a potential road block to providing consistent safe and quality care. In 2008, Harborview Medical Center made a decision to move away from using agency staff by “right sizing” the staffing of units to provide the best care possible for patients.

The opening of a new facility with new beds presented the organization with an opportunity to reassess agency staffing across all units. Harborview began with an effort to maximize their current staff by examining staffing levels and schedules, and accurately predicting needs for vacation, illness, and education.

“We looked very carefully at ways to share resources, pre-plan for known vacancies and identify gaps,” said Cindy Hecker, Senior Associate for Patient Care Operations and Chief Nursing Officer at Harborview Medical Center. “We examined why we were bringing people in and asked the question: are we truly using our dollars in the most effective way? Can we take those agency dollars and put them into hiring permanent staff?”



Harborview is saving well over \$1 million per quarter since they implemented this change. As a result, Harborview hired an additional 125 nurses to staff their new building and significantly reduced their spending on contract employees.

“We’d much rather use those resources on hiring permanent staff that we can consistently depend on to know our systems and safety practices. “

Harborview does credit the economy with reducing the need for temporary employees. Staff retention rates have improved and openings are filled more quickly because of a larger pool of available applicants. However, some peer hospitals have seen an increase in the use of contract workers despite the economy, providing some evidence for the effectiveness of Harborview’s efforts.

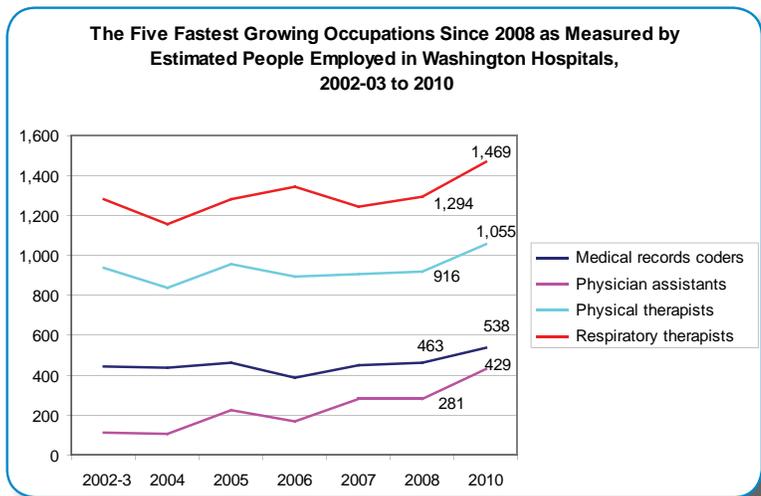
During the summer months, Harborview saw an expected increase in the use of agency help. The summer is not only a time when vacations need to be covered, it is also the busiest time of the year for the region’s level one trauma center.

“We needed to find the right balance. During our busy months, we expect that we will continue to need agency staff, but if we are consistently seeing higher volumes, we need to push to hire permanent staff,” Hecker said. “The mistake hospitals make is not following the trends.”

Findings

Where is Hospital Employment Growing?

Despite the sagging economy, hospitals significantly increased their employment of people in five occupations: respiratory therapists, physical therapists, physician’s assistants, medical coders, and medical assistants. Between 2008 and 2010, growth increased between 14 percent (respiratory therapists) to 52 percent (physician’s assistants). With the exception of physical therapy, vacancy rates were low for all of these occupations suggesting adequate supply. However this employment growth during a struggling economy indicates that these are likely occupations that can be targeted by workforce planners. For context, the growth since 2002-03 is listed in the chart below. Medical assistant growth was excluded because HWFI has tracked it only since 2008 (growing from 1,289 people in 2008 to 1,657 in 2010, a growth rate of 29 percent).



Physician Recruitment Remains Challenging

While the overall physician recruitment picture appears to have lessened based on hospital responses, recruitment remained challenging for primary care physicians, general surgeons, and orthopedic surgeons. According to hospital executives, these problems created access issues for patients in several communities across the state. The issues were slightly more significant in rural areas as opposed to urban areas.

Among Hospitals That Indicated Physician Recruitment Was Very Difficult, Percentage Who Said There Is a Serious Access Problem in the Community For People Needing This Specialty, 2010

Rural vs. Urban, Based on 71 survey respondents

	Overall	Rural	Urban
	Serious Access Problem	Serious Access Problem	Serious Access Problem
Internal Medicine	80%	90%	70%
Cardiology	50%	50%	50%
Surgery (general)	54%	60%	50%
Orthopedic surgery	56%	63%	50%
Obstetrics-Gynecology	75%	83%	67%
Pediatrics	83%	100%	75%
Neurology	77%	82%	50%
Family Practice	78%	88%	70%
Hospitalist	80%	67%	100%
Oncology	56%	50%	100%
Gerontologist	60%	50%	100%



Case Study: Culture Change Brings Stable Work Force

While hospitals across the nation struggle with an aging workforce, at least one hospital is beating the statistics. The average age for an RN in Washington State is 48. At Kadlec Regional Medical Center in Richland the average age for nurses is just 34.



“This industry tends to be short sighted when it comes to staffing — we are too focused on our immediate needs.” said Jeff Clark, Kadlec vice president of human resources. “We need to see the big picture and have a long term plan, then we can send a consistent message that there are opportunities to work in health care. We’ve worked hard to create an environment where our staff understands the importance of staffing.”

About a decade ago, Kadlec was struggling with an aging and shrinking work force pool. Unable to find staff to fit their needs, Kadlec worked with other Tri-cities hospitals to convince the community college to expand their health professions programs. Kadlec made a financial investment of \$2 million for a new Health Sciences building. The Health Work Force Institute helped the college leverage the initial investment to secure state and federal funding

to complete the building and program expansion. The project doubled space for nursing students and added training for surgical and x-ray technologists, and medical assistants.

The community college expansion did not fully satisfy Kadlec’s need. Many students were recruited to jobs outside of the area well before graduation. Three years ago, the organization began an externship program to bring students into the hospital and provide an opportunity for Kadlec to hire the best and brightest.

“If we waited to hire them during their last six months of school, they were already getting signing bonuses to move away,” said Jeff Clark, Kadlec vice president, human resources. “The externship gave us an on the job interview.”

After their first semester of school, the externs are eligible to become nurse techs. The hospital hires them and provides tuition reimbursement for up to \$3,000 per year. Students must maintain a 3.0 grade point average and are limited to 20 hours of work each week. Kadlec has also invested in adding nurse educators to every unit.

“The externs are rotated through each unit of the hospital and really understand the work they will be doing,” said Kristen Fox, Human Resources Director. “ In the past you would invest in training only to have someone change their mind. Through the externship students are able to find their passion.”

We can’t expect students to chose a profession when we are sending a message this year that we aren’t hiring new grads or next year we are going to layoff staff. As an industry, we’ve tended to create our professional shortages.

The additional investment is paying off. Of the 41 students who have gone through the program, only one extern decided not to continue as a hospital RN at the end of the program. Every extern passed their National Council Licensure Examination for Registered Nurses (NCLEX) on the first try. Kadlec has also found that orientation times for externs who are hired have been reduced by as much as two full weeks.

- Jeff Clark
vice president, human resources

When the externship program began, some experienced staff members were reticent to have students on the floors, especially ones who rotated through for only weeks at a time. The human resources department worked with the nurse managers to understand staff concerns and develop the program. After three years there are now extern training programs on every specialty unit. The externship provides an opportunity for students to receive feedback from a panel of supervisors and each unit they work on. The students also provide feedback to the unit.

“Managers are able to test out the externs and hire the best fit for their unit,” Fox said. “Over time the acceptance and support for new nurses has changed because they have known these students since they were freshmen or juniors. It has created an environment that allows our recruitment to be successful.”

Kadlec is taking this successful model and applying it to other allied health fields, including therapy services (occupational and physical therapy), pharmacy, and diagnostic imaging. This year, 130 students will spend time getting clinical experience on Kadlec units. Through careful investment, Kadlec built a system to provide a healthy supply of employees to care for their community. With lower vacancy rates and a slowed economy, the organization is dedicated maintaining the program for the longterm.

“We now have a system that allows for adjustments in strategy through shortages and gluts, while keeping the program in place,” Fox said.

Conclusion

A Rare Moment in Time

Some have declared that the current low vacancy rates signal the end of the health care work force shortage. This conclusion is built upon faulty logic. Low vacancy rates present a rare short-term opportunity to make changes in education and health care delivery to ensure that hospitals and health care organizations are well prepared and staffed to provide care to their communities into the future.

Forecasts for shortages of nurses, physicians and other health care professionals are frightening. Nursing could reach a 30 percent vacancy rate within 10 years. Physician shortages are predicted to top 124,000 by 2025.⁴

While the shortages still loom, there is good news. The work force of tomorrow has arrived. The largest and fastest growing age group in the state's population is adults aged 25 to 35 years old. They will remain in the workforce for the next 30 years.⁵ However, educating a person to fill highly-skilled health care positions is a time intensive process, ranging from two years to more than a decade.

The economic downturn has provided a pause and perhaps the only opportunity the health care industry has to make some headway against staggering shortages. Communities in Washington who have made investments in educating more allied health care workers, exploring new ways of delivering care, and investing in entry-level workers are beginning to reap the benefits. Now is the time for health care and education leaders to work together to invest in solutions to the coming health work force crisis.



Recommendations

For Health Care Leaders:

- Develop scenarios for worker shortages across health care. “How can this department run with one-third more patients and no additional workers?”
 - Identify and deploy LEAN tools and technology to support care givers treating increasing numbers of patients without significantly increasing the number of workers.
 - Explore new models of care delivery, especially those that engage the support of mid-level providers and family members.
 - Engage in short-term strategies that will increase the physician work force, such as increasing the number of residency slots in Washington State.
- Conduct a cultural audit to assess your organization's ability to attract the next generation of diverse workers.
 - Partner with colleges and universities to create career mobility at all levels of your organization.
 - Ensure managers have the skills to supervise the next generation of workers.
 - Increase partnerships with college and university leaders to help them explore and scale new models of education that improve quality and increase capacity.

For Educators:

- Expand education programs for adult learners, like the Rural Option Nursing Education program at Lower Columbia Community College. Online education programs like RONE have provided expanded access and are proving their ability to maintain the quality of instruction.
- Expand occupational and physical therapy programs in Washington State to alleviate chronic shortages.
- Partner with hospitals and other health care organizations to create career mobility for working adults who are unable to attend campus-based programs and require new modalities of education.
- Increase partnerships with hospitals and other health care organizations to explore and scale new models of education that improve quality and increase capacity.

Several of these recommendations were adapted from the American Hospital Association's Workforce 2015: Strategy Trumps Shortage, published in January 2010. A full copy of the report can be found at <http://www.aha.org/aha/issues/Workforce/workforce2015.html>.

⁴The Complexities of Physician Supply and Demand: Projections Through 2025. Center for Workforce Studies, Association of American Medical Colleges, 2008

⁵Washington State Board for Community and Technical Colleges, System Direction: 5Creating Opportunities for Washington's Future; September 2006

About the Institute

In response to the burgeoning health care personnel crisis, the Washington State Hospital Association founded the Health Work Force Institute as a non-profit affiliate in 2004. Since then, the Institute has made great strides in building a more sustainable health work force for the state of Washington. The Institute has brokered partnerships that have resulted in an investment of more than \$56 million for health care training, retention and recruitment efforts.

The Institute is chartered to look past economic, educational, and regulatory boundaries to develop, test, and launch the most promising catalysts to increase the supply of skilled health care workers. HWFI's strategies focus on increasing capacity of the state's colleges and universities to train people, especially those from diverse backgrounds, to enter a health profession. Improving our health care system, increasing its diversity, and bolstering our economy - this is the work of the Health Work Force Institute.

For more information about the Institute or the results of the hospital work force survey, visit www.hwfi.org or contact Jaime Garcia or Ed Phippen.



Jaime Garcia
Executive Director
Health Work Force Institute
206-577-1828
jaimeg@wsa.org



Ed Phippen
Program Director
Health Work Force Institute
206-216-2552
edp@wsa.org



HEALTH
WORK FORCE
INSTITUTE

Affiliated with the Washington State Hospital Association

The Health Work Force Institute

An affiliate of the Washington State Hospital Association

300 Elliott Ave West, Suite 300
Seattle, WA 98119

www.hwfi.org
p. (206) 216-2541
f. (206) 577-1945

