The Current and Future Supply and Demand For The Health Workforce in the US

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Overview

• The Framework for Health Workforce “Planning”
• National Health Employment Trends
• The Expected Shortage
• The Change Imperative
• Implications
Key National Health Workforce Questions

1. Will there be enough physicians, nurses and other health workers? If not:
   • What can we do to increase the supply?
   • What can we do to get these workers to the highest need areas?
   • What can we do to make better use of physicians and other health professionals?

2. What can we do to assure access?

3. What can be done to slow the increase in costs?
The New National Health Workforce Infrastructure

- National Health Care Workforce Commission
- National Center for Health Workforce Analysis
- State Health Care Workforce Development Grantees
- Health Care Workforce Assessment
The US Approach to Health Workforce “Planning”

- Focus on data collection, analysis, and research
- Widespread dissemination of data, analyses, and information
- Federal-state partnerships
- Increasing attention to evaluation and longitudinal tracking
- Inter-professional planning and strategies
National Center for Health Workforce Analysis: Approach and Activities

- Build on existing sources of data including from professional associations, states, and federal agencies
- Build national capacity for data collection and analysis including within professional associations and states
- Develop and promote a national uniform minimum data set
- Support research to better understand current and future workforce needs and dynamics
Workforce Challenges

• General shortages health personnel including physicians and nurses; some specific concerns:
  • Primary Care; Chronic and Long Term Care; Behavioral Health
• Mal-distribution of existing workforce
• Barriers to health personnel working at the top of their competency
• Increasing need for workforce diversity
• Implementing inter-professional education and practice
• Planning for an uncertain future
National Health Employment Trends
Hospitals Employ More Than One-Third of Health Care Workers

Health Care Employment by Setting

- Hospitals: 34%
- Nursing & Residential Care Facilities: 19%
- Offices of Physicians: 22%
- Home Health: 8%
- Other Ambulatory: 17%

Source: Altarum Institute, Health Market Insights from the BLS January 2011 Employment Data.
2000-2008: Health Care Jobs Far Outpace the Economy

- Total U.S. employment grew by 3.7% across 2000–2008; health care employment grew 30.1%
- Hospitals experienced slower employment growth than other healthcare settings

**Employment Growth By Setting, 2000-2008**

- Ambulatory Care: 31.0%
- Practitioner Offices: 19.8%
- Home Care: 51.3%
- Hospitals, Public & Private: 14.3%
- Nursing Care Facilities: 15.4%

Source: Center for Workforce Studies, SUNY Albany Analysis of BLS data.
Even in Recession, Healthcare Jobs Grew

- Though hospitals added the largest absolute number of jobs, growth on a percent basis lagged behind
- **Hospitals added 33,600 jobs across the last year**; in contrast, physician offices added 26,000

Growth in Healthcare Employment by Setting,
Jan. 2010 - Jan. 2011

Source: Altarum Institute, Health Market Insights from the BLS January 2011 Employment Data.
Demand for Health Care Occupations Will Continue to Grow

Projected Increase, 2008 - 2018

- Occupational therapist assistants: 30%
- Pharmacy technicians: 31%
- Physical therapist assistants: 33%
- Dental assistants: 36%
- Physical therapist aides: 36%
- Medical scientists (ex. epidemiologists): 39%
- Pharmacy technicians: 40%
- Home health aides: 46%

The Expected Shortage
Drivers of Future Demands for Services

- Population growth
  - U.S. Population to grow by ~30 million in the next decade

- Aging of the Population; concomitant increase in major/chronic illness and subsequent demand
  - Baby boom generation

- Medical advances and successes

- Life Style factors
  - Increase in chronic diseases

- Insurance coverage expansion

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1 U.S. Census Bureau “Projections of the Population and Components of Change for the United States: 2010 to 2050”
3 CDC “Chronic Diseases and Health Promotion”
4 Affordable Care Act
Most Major Illnesses Very Age Sensitive

The Expansion of Insurance Coverage is Likely to Have a Significant Impact in Texas

The States with the Highest and Lowest Rates of Uninsured, 2009

- Texas: 25.7%
- New Mexico: 22.8%
- Florida: 21.3%
- Nevada: 19.9%
- Arizona: 19.6%
- Vermont: 9.6%
- Wisconsin: 9.6%
- Minnesota: 8.7%
- Hawaii: 8.2%
- Massachusetts: 5.0%

Visit Rate By Insurance Type, 2007

Visit Rate By Insurance Type, 2007

Drivers of Future Physician Supply

- Slow increase in GME positions
- An aging physician workforce
- Life style and gender mix
- Productivity impacted by team structure (PAs, NPs), service delivery mechanisms, HIT/EMR

The Change Imperative
The Change Imperative

- Unsustainable cost increases
- Health workforce shortages
- New models of care: accountable care organizations (ACOs), patient-centered medical homes
- New approaches to financing including bundled payments
- Increasing consumer involvement
- Dynamic and expanding role of HIT

Source: National Center for Health Workforce Analysis
10% of the Pop Account for 60% of the Costs!

Percent of Health Care Expenditures Accounted for By Top Spenders, 2005 – 2006

Percentage of total U.S. expenditures

Top 1%: 18.7%
Top 5%: 44.0%
Top 10%: 59.5%
Top 25%: 81.9%
Top 50%: 95.7%

Percentage of the Population, by Spending Bracket

Most Plausible Scenario

- Projections do not take into account health reform
- Assumes: a rise in utilization rates; shift in work schedules; an increase in productivity; moderate growth in GME (27,600 new residents/year)

Number of NPs Growing Rapidly

Growth in NP Graduates, 2000 - 2009

Source: American Association of Colleges of Nursing 2000-2009 Annual Surveys
Number of PAs of Growing Rapidly

Newly Licensed PAs, 2000 - 2010

Source: National Commission on Certification of Physician Assistants
“Certified Physician Assistant Population Trends (PA-Cs)”
Workforce Composition: The Growth of Non-Physician Clinicians

Direct Patient Care Providers by Type, Supply and Production

- Currently Practicing:
  - Physicians: 9
  - PAs/NPs: 2

- New Providers/Year:
  - Physicians: 5
  - PAs/NPs: 3

Source: National Center for Health Workforce Analysis
Use of Hospitalists Is Increasing

Percent of Internal Medicine Physicians Who Are Hospitalists, by Age

Source: AAMC 2009 Physician Survey on Primary Care
Possible Members of the Health Care Team of the Future

- Physicians
- Nurse practitioners
- Physician assistants
- Psychologists
- Optometrists
- Registered Nurses
- Pharmacists
- Case Managers
- Nutritionists/Dieticians
- Physical Therapists
- Community Health Workers
- ...And more
Implications

• Cost pressures and shortages will encourage innovation and systems redesign

• Strong incentives to make better use of existing workforce

• Shift to team-based care and inter-professional practice

• Shift care to lower cost settings

Source: National Center for Health Workforce Analysis
Implications (2)

• Increasing competition for practitioners
• Closer alignment of education and practice
• Pressure to reduce time and cost of education
• Need for better health workforce data and information

Source: National Center for Health Workforce Analysis
Relevant Federal Programs and Policies

- Increased funding for health professions education and training
- Expansion of National Health Service Corp and community health centers
- Support for service delivery innovations
- National Center for Health Workforce Analysis
- State Health Care Workforce Development Grantees
- Encouragement of inter-professional teams
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