



NEWS

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Hospitals Compete for Employees in a Tightening Market ***Future difficulties expected as retirements outstrip new hires***

MADISON (January 31, 2005)----- Nurses and physicians have been in high demand over the past few years, gathering the majority of attention as hospitals have struggled to keep these positions filled. Now hospitals face a new challenge in their recruitment programs: keeping positions filled that provide support services to patient care providers.

Fifteen of the 30 fastest growing occupations in Wisconsin are in health care. Four will grow at rates surpassing 50 percent, including medical assistants, medical records technicians, physician assistants, and home health aides. While not as large in sheer number as the nursing workforce that exceeds 60,000 in Wisconsin, these health occupations are expected to surpass the nursing rate of growth.

According to a report released today by the Wisconsin Hospital Association (WHA), hospitals could see major workforce shortages within the next decade. The shortage of workers could translate into higher health care costs as hospitals compete for new workers and offer richer benefit plans to retain employees.

The report provides a sobering view of the future as the aging of Wisconsin's population delivers a one-two punch to hospitals. First, an older population requires more health care services, and second, at the same time the hospital workforce is aging and retirements over the next decade will outstrip the number of candidates qualified to take their places in the workforce.

"The reality is that as hospital employees retire, it will be harder to replace them because there are fewer young people coming into the workplace and competition for these employees will be fierce," says Judy Warmuth, vice president of workforce development at WHA. "While all hospitals have efforts in place to develop a workforce that will meet their future needs, the concern is that it won't be enough."

The concern for the future is based on demographics that show the number of people in Wisconsin between the ages of 54 and 65 is growing six times faster than the rest of the population according to U.S. census data. In addition to seeing knowledgeable and experienced employees retire, hospitals will be recruiting from a pool of applicants that is not large enough to fill all the vacant positions.

In response to demand, Wisconsin schools that educate health care workers have increased their capacity, but these enrollment increases are not sufficient to create the number of hospital workers that will be needed in the future, according to Warmuth.

"Complicating the situation are long waiting lists that still exist in key occupational training programs. Interested learners are being turned away or have to wait up to four years to begin their training," says Warmuth. "Making matters worse is the fact that faculty members

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in these educational settings are also reaching retirement age, creating vacancies that are hard to fill, which will only get worse in the future.”

Even one unfilled position in a key occupation can seriously hinder a hospital’s ability to help patients. For patients, a vacant position can result in care being delayed, a transfer to another hospital, or the inability to access care. Positions that are already difficult to fill include: registered nurses with specialized skills; medical coders; surgical technologists; medical imaging and ultrasonography technicians; pharmacists; and, laboratory technologists and technicians.

The Wisconsin Department of Workforce Development indicates that two of the ten occupations adding the most new positions in the next decade are in health care (registered nurse and nursing aides/orderlies). Registered nurses alone are expected to have 2,430 new jobs created per year for the next 10 years, which will leave Wisconsin with a net deficit because currently fewer than 1,800 new nurses join the workforce each year.

WHA President Steve Brenton cautions, “The time to address a workforce shortage is now, not when the crisis is at hand.”

WHA recommends the following initiatives:

1. Create interest in health care careers.
2. Interest new audiences in health care careers. Recruiting must reach minority populations to more accurately reflect the state’s demographics.
3. Expand capacity in the educational system, which doesn’t have the capacity to meet future needs.
4. Encourage new educational strategies. Those working full-time, living in non-urban communities, and those with other family obligations need more options for weekend, evening, on-line, and/or videoconference learning.
5. Create and develop faculty. Technical school faculty is an average of 57 years of age. Incentives to enter a teaching career, flexible educational paths, and the creative use of practicing experts will all be necessary in the future.
6. Obtain and retain funding. The State of Wisconsin’s budget dilemma cannot be ignored, however, it is important that no current funding be lost and that additional possibilities be explored.
7. Support new entrants into the health care workforce. Strong orientation programs, peer support, and guidance are critical elements of successful entry programs.

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