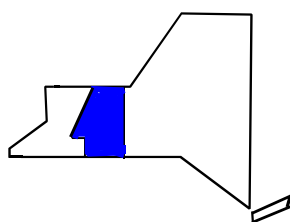


HEALTHCARE WORKFORCE STUDY OF THE FINGER LAKES REGION



**FINGER LAKES
HEALTH SYSTEMS
AGENCY**

*Promoting the delivery of accessible, affordable
health care services to the population of the
region.*

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March 2006

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Introduction

Over the next 15 years, one of the greatest challenges that the regional health system will face is developing and maintaining a qualified workforce. Changing demographics and a rapidly evolving health system present significant challenges in meeting the current and future needs of the population. This *Health Matters* piece will:

- 1.) outline the results of a regional health personnel survey conducted by the Finger Lakes Health Systems Agency (FLHSA) in 2005,
- 2.) report on regional trends in the recruitment and retention of health professionals, and
- 3.) propose recommendations for ensuring a high-quality healthcare workforce in the future that is able to respond to changes in both the population and healthcare services.

Changing Demographics and the Healthcare Workforce

The unprecedented aging of the population in the coming years will have a significant impact on the regional health system. The changes in workforce supply that must be addressed by the region to accommodate this trend are illustrated by the following:

- Ten healthcare occupations are identified by the U.S. Bureau of Labor Statistics as having a greater-than-average number of workers aged 45 years and older including: dentists, psychologists, physicians, registered nurses (RN), dieticians, interviewers, dental laboratory and medical appliance technicians, licensed practical nurses (LPN), and social workers.¹
- Social workers, psychologists and RNs are among the top 20 occupations most affected by baby-boomer retirements between 1993 and 2008, requiring the need to replace an average of 68% of their workforce nationally.²
- A recent study on the nursing workforce in the Central Finger Lakes region³ revealed that 73% of survey respondents were over the age of 40.⁴

¹U.S. Bureau of Labor Statistics, "Workforce and Industry Data", 2005.

²A. Dohm, "Gauging the labor force effects of retiring baby-boomers", *Monthly Labor Review*. July 2000.

³The Central Finger Lakes includes Monroe, Livingston, Ontario Seneca, Wayne and Yates counties.

⁴The Finger Lakes Nursing Workforce Collaborative, "The Registered Nurse Workforce in the Central Finger Lakes Region: Current Issues and Future Opportunities." July, 2001.

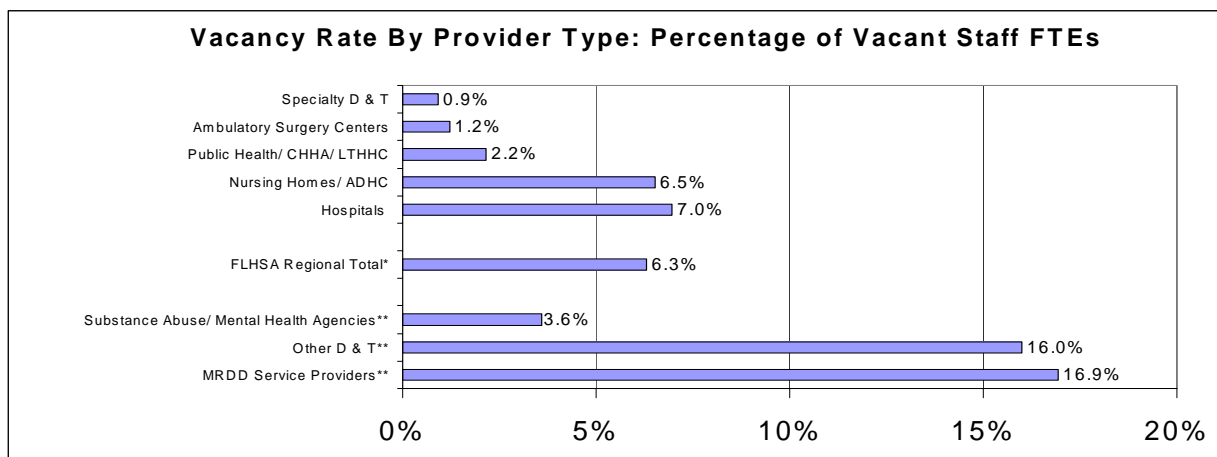
- In an analysis of general occupational titles across all fields, 42% of executives, administrators, and managers are expected to turn over by 2008. This represents a serious loss of knowledge and experience across the healthcare continuum.⁵

In sum, the aging baby-boom generation will affect the healthcare workforce for decades, first as employees who will retire in large numbers, then as consumers with an expanded need for services.

Healthcare Workforce of the Finger Lakes Region

In 2005, the FLHSA conducted a health personnel survey, to gain a better understanding of the current state of the regional healthcare workforce. Analysis of survey responses provides a clear picture of regional trends in workforce recruitment and retention.

Vacancies and Recruitment



*The FLHSA regional total only includes *selected providers*.

**These rates are based solely on information provided by survey respondents and are NOT region-wide trends.

Survey responses clearly show that the difficulties experienced in recruiting a high-quality healthcare workforce are not limited to a particular provider-type, county, regional sub-area, healthcare profession or location.⁶ Region-wide, there were 1,567 vacant full time equivalents (FTEs) for selected provider types, accounting for a

⁵U.S. Bureau of Labor Statistics, 2005, op cit.

⁶*Healthcare Workforce Study of the Finger Lakes Region*, for detailed data on vacancies and turnover by provider type, professional title and regional sub-area.

regional vacancy rate of 6.3%.⁷ Additionally, survey responses from a limited number of substance abuse and mental health treatment agencies, mental retardation and developmental disability (MRDD) providers and diagnostic and treatment centers identified 279 vacant FTEs, resulting in a regional total of 1,846 vacant FTEs for healthcare professionals.

As hospitals employed 57% of the regional healthcare workforce, including an expanded and more diverse mix of occupational titles, and had the highest vacancy rate (7%) among selected provider types, their recruitment needs were the largest and most varied. Hospitals had the greatest difficulty filling registered nurse positions (357 vacant FTEs) followed by paraprofessional positions (142 vacant FTEs) and LPN positions (91 vacant FTEs). Additionally, regional hospitals experienced high and persistent vacancy rates among specialized technologists and technicians.

Seven hospitals in the FLHSA region, particularly in the rural counties, reported vacancies for positions that they have been unable to fill for over one year. Three hospitals reported such openings for nuclear medicine technicians and two hospitals had persistent vacancies for radiology technicians and psychiatrists. Other positions for which at least one hospital has had prolonged vacancies include pharmacist, pharmacy technician, utilization reviewer, clinical lab technician, dental hygienist, dental assistant, dietician, speech pathologist, cytotechnologist and phlebotomist. Many of these vacancies were part time positions and 63% occurred within rural hospital systems. It should be noted that this trend is also apparent nationally. Fifty-six percent of states have identified a shortage of radiologic technicians and a large percentage of hospitals across the nation reported difficulty recruiting imaging technicians (68%) and lab technicians (46%).⁸

The rural counties in FLHSA region, particularly in the Central Finger Lakes sub-area, have the most difficulty recruiting health professionals.⁹ For example, three of the counties in this subarea (Livingston, Seneca and Wayne) have been recognized by the federal government as Mental Health, Health Professional Shortage Areas (HPSA). This designation acknowledges a shortage of mental health professionals, namely psychiatrists, based on geographic, cultural or economic barriers to treatment. The

⁷*Selected Providers* include: Hospitals, Nursing Homes/Adult Day Health Care (ADHC); Public Health/Certified Home Health Agencies (CHHA)/Long Term Home Health Care (LTHHC); Specialty D & T; and Ambulatory Surgery Centers. The survey responses of these provider types were weighted to establish estimates of the total workforce by provider group.

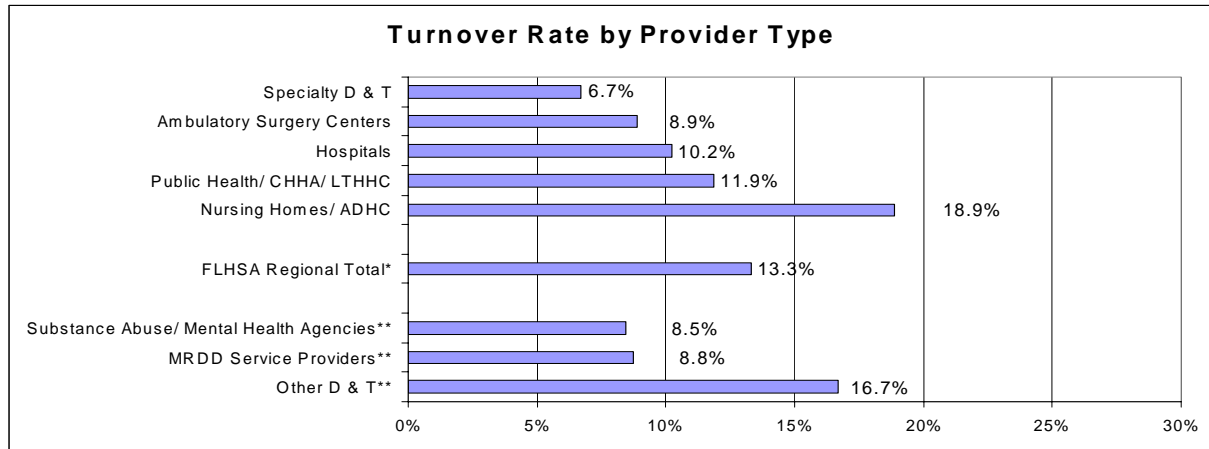
⁸E. Salsberg, Milbank Memorial Fund, "Making Sense of the System: How States Can Use Health Workforce Policies to Increase Access and Improve Quality of Care." 2003.

⁹The Central Finger Lakes subarea includes Livingston, Ontario, Seneca, Wayne and Yates counties.

Central Finger Lakes sub-area also experiences the highest vacancy rates in the FLHSA region for RNs, LPNs, paraprofessionals, rehabilitation professionals, technologists and technicians.

Turnover and Retention

*The FLHSA regional total only includes *selected providers*.



**These rates are based solely on information provided by survey respondents and are NOT region-wide trends

High turnover rates affect the healthcare industry at every level of service delivery, although healthcare providers in this region have managed to keep turnover below national averages (19%), with a regional turnover rate of 13%. However, this number varies widely by sector with nursing homes experiencing an annual turnover rate of 19%, compared with specialty diagnostic and treatment centers at 7%.

The highest rates of turnover in the FLHSA region, by title, included medical assistants (26%), certified alcohol and substance abuse counselors (CASAC) (21%), paraprofessionals (20%), mental health councilors (18%) and cytomologists (18%). There were also several positions with no turnover in 2004 including audiologists, utilization reviewers, clinical assistants, and clinical and medical technicians. Turnover rates by geographic sub-area were relatively equal.

High turnover of the paraprofessional workforce, in particular, continues to be a difficult hurdle for the regional health system to overcome. This is especially true for area nursing homes, where over 1,200 paraprofessionals turned over last year. This trend is also apparent nationally, where paraprofessional turnover in nursing homes

is 13 to 18 percent higher than the overall labor force and 30% higher than other service workers.¹⁰

Nursing home administrators maintain that the turnover rate of paraprofessionals is largely due to the skills and expectations of those who enter the healthcare workforce at this level. New members of the paraprofessional workforce often enter the field with little or no work experience or training, and many lack the work ethic and problem-solving skills that are demanded in the workplace.¹¹

On the other hand, interviews with members of the paraprofessional workforce cite low wages as the primary reason for worker discontent.¹² In the Finger Lakes region, health care paraprofessionals are among the lowest paid members of the healthcare workforce, earning on average \$22,334 annually, just over 200% of the Federal Poverty Level for a single adult.¹³ Other factors cited by dissatisfied paraprofessionals include limited room for upward mobility, lack of respect from clients, employers and supervisors, and exclusion from the decision making process surrounding patient care.

The Cost of Turnover

High turnover rates result in a significant cost to the regional health system. Studies have shown that increased turnover has a direct effect on the quality of care that a patient receives.¹⁴ High turnover also causes burdensome workloads for remaining staff, decreases employee morale, and imposes high monetary costs for hiring and training new employees.

Some suggest that turnover costs can be estimated by counting 50% of an employee's annual salary and benefits.¹⁵ Based on that metric, an estimate of salaries supplied by the U.S. Bureau of Labor Statistics and the turnover data collected in this study, the total cost of turnover to the regional health system is \$52 million per year. The high

¹⁰U.S. Department of Health and Human Services, "Recruiting and Retaining a Quality Paraprofessional Long-Term Care Workforce: Building Collaboratives with the Nation's Workforce Investment System." May, 2004.

¹¹The Paraprofessional Healthcare Institute, "Creating a Culture of Retention: A Coaching Approach to Paraprofessional Supervision." September, 2001.

¹²Ibid.

¹³U.S. Bureau of Labor Statistics. October, 2005.

¹⁴N.G. Castle, "Turnover Begets Turnover", The Gerontologist. 45(2): 186-195, 2005.

¹⁵J. Gering, "A Strategic Approach to Employee Retention and Recruitment", Healthcare Financial Management. November, 2002.

turnover of registered nurses cost agencies over \$14 million annually, the highest for all positions, followed by paraprofessionals (\$12.4 million) and LPNs (\$5.6 million).

Educating the Healthcare Workforce

The Finger Lakes region has a wide variety of education and training programs to develop the healthcare workforce, with 122 certificates and degrees offered in health careers. These programs represent a range of career options throughout the healthcare continuum from training certificates that require just over 12 months of education to postgraduate Masters and Doctoral programs.

The New York State Area Health Education Center (AHEC) reports 3,096 graduates from regional health-related education programs in 2004.¹⁶ Two-thirds of these programs are located in Monroe County, including all but two of the Masters and Doctoral level programs in the region. Females made up 81% of the graduating class in both the rural and urban counties. There was some variation in class diversity within the region, with White/Non-Hispanic students making up 78% of graduates in Monroe County and 88% percent of graduates in the rural counties.

When comparing the number of 2004 graduates locally to reported vacancies and estimates of future supply developed by the U.S. Bureau of Labor Statistics, a number of trends become apparent.

- Programs across the region graduated 544 RNs last year. This is 67 nurses over the 477 that the U.S. Bureau of Labor Statistics predicts the region will need annually through 2012. However, of these graduates, it is estimated that 288 will replace employees retiring from the workforce over the next year, leaving 256 RNs to fill the 483 current RN vacancies reported by survey respondents, as well as additional vacancies not identified by this study. This means that at the very least, the region needs to graduate 50% more RNs in order to meet demand.
- In 2004, 300 LPNs received their training certificate in the Finger Lakes region. This is nearly 250% greater than the annual total needed to meet the estimated regional demand; however, a portion of these individuals will continue their education for more advanced nursing degrees. A national survey of RNs

¹⁶New York State AHEC, Op Cid.

revealed that 26% worked as LPNs immediately prior to earning their RN degree.¹⁷

- Medical and Clinical Lab Technologist and Technician programs graduated 15 individuals in 2004. This number falls short of the projected 35 that the U.S. Bureau of Labor Statistics anticipates the region will need on an annual basis. At current rates of enrollment, this data, compounded with the 25 FTE reported vacancies in the FLHSA survey suggests the possibility of a shortage in the years to come.

While this data indicates trends in the current supply of workers entering the system, it must be noted that some graduates will leave the region and most will stay concentrated in metropolitan areas.

Diversity and the Regional Healthcare Workforce

Graduates of local health-related education programs continue to be White/Non-Hispanic and Female. This is consistent with national trends; African Americans, Hispanic Americans and Native Americans make up nearly 25% of the total U.S. population, yet account for less than 10% of the nation's physicians and nurses.¹⁸ The lack of diversity among healthcare workers affects the quality of the regional health system, particularly in urban areas where the ethnic mix of the healthcare workforce does not reflect the racial diversity of the population.

A recent study by the Sullivan Commission on Diversity in the Healthcare Workforce argues that lack of diversity is a major contributor to health disparities, due to the absence of cultural competence and diverse perspectives, which fosters the overall isolation of the system's workforce in the face of demographic realities.¹⁹

Conclusions and Recommendations

The FLHSA has looked to the current national literature for proven, innovative approaches that address the current and future challenges that face the regional health system. Unfortunately, this analysis failed to uncover broad national efforts across

¹⁷U.S. Department of Health and Human Services, Bureau of Health Professionals, Division of Nursing, "Findings from the National Sample Survey of Registered Nurses." March, 2000.

¹⁸M. Maxwell, "It's Not Just Black and White: How Diverse is Your Workforce?" Nursing Economics Journal, 23(3). May/June 2005.

¹⁹The Sullivan Commission on Diversity in the Healthcare Workforce, "Missing Persons: Minorities in Health Professions." 2004.

professions. However, there are several widely held strategies that should be reiterated:

- **Proven techniques, such as flexible scheduling, tuition reimbursement and the development of career ladders should be adopted by agencies and providers throughout the region.** While these strategies have been embraced by hospitals and nursing homes to recruit, retain and develop their nursing workforce, they should also be used in other healthcare settings and applied among the allied healthcare workforce.
- **Healthcare professionals must become actively engaged as positive role models for today's youth.** It is important that young people today are educated about the positive aspects of health and health careers beginning at a young age. A recent study of nursing students revealed that the most important factor that influenced their decision to begin a career in nursing was having direct contact with a nurse, including:
 1. Prior experience when they or a loved one was hospitalized.
 2. Prior experience working in healthcare.
 3. The presence of a family member or friend who is a nurse, and
 4. A nurse role model.²⁰
- **Recruitment techniques must be directed toward the next generation.** Nearly half of survey respondents reported advertising vacancies in the local newspaper, while only 17% used online documents and 25% used company websites. Increasingly, it will be necessary for agencies to use the internet and other forms of technology as a point of contact with younger tech-savvy generations.
- **Future initiatives that address recruitment and retention must extend across all professional titles and provider types.** Thus far, nurses have been the central focus of healthcare workforce development initiatives, however shortages also exist across the allied healthcare and paraprofessional workforce, as well as in other sectors of the healthcare continuum such as substance abuse and mental health.
- **Providers, agencies, educational institutions, and current members of the healthcare workforce must continue to develop partnerships and**

²⁰Kelly, K. , "Recruiting the Next Generation into Nursing," JONA, 36(2): 55-57, 2006.

collaborate to solve workforce issues. As the baby-boomers begin to retire and the labor market tightens, agencies in the regional health system will not only have to compete with each other for qualified workers, but also with other sectors of industry. Partnerships, such as the Finger Lakes Nursing Workforce Collaborative, have demonstrated that synergy can produce innovative, high quality results.

- **The regional health system must be committed to training and mentoring a new generation of leaders.** The retirement of the baby-boomers will be marked with the loss of a wealth of knowledge and experience. Agencies must begin to develop succession plans, as well as mentoring and leadership programs, to foster communication and learning between the current and future healthcare workforce.

Additional copies of this, and other FLHSA publications, may be obtained by downloading from our Web Site (publications available on Web ♦) or calling or writing:

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Finger Lakes Health Systems Agency (FLHSA) is a health planning organization whose mission is to promote the delivery of accessible, affordable health care services to the population of the region. From its origins in the 1950s, health planning has been an integral part of this community's health care system and has been supported by community leaders, health care providers, insurers, and county governments.

As health care in the region becomes increasingly competitive, FLHSA assesses the effects of that change on the community. It does this by:

- tracking shifts in access to health services and insurance
- monitoring changes in health status of the population
- assessing health needs in the community
- providing community-wide health data.