

## Executive Summary

# Caring for the Future

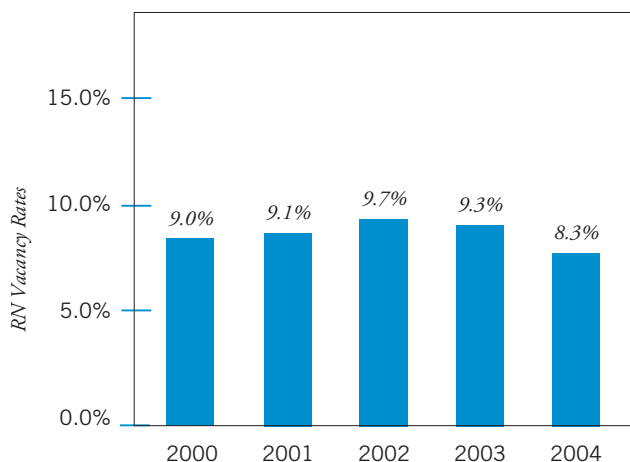
## A PLAN FOR MEETING METROPOLITAN CHICAGO'S GROWING HEALTH CARE WORKFORCE NEEDS

An acute health care workforce shortage is plaguing the metropolitan Chicago area – a shortage projected to swell by 2020 unless significant action occurs now to close the growing gap between demand for health care services and the supply of skilled health care workers to deliver those services.

Today, the metropolitan Chicago area has a shortage of 2,500 nurses. By 2020, the shortage will grow to 21,000 nurses statewide, according to the U.S. Health Resources and Services Administration.<sup>1</sup> About two-thirds of these vacancies will be in the Chicago area.

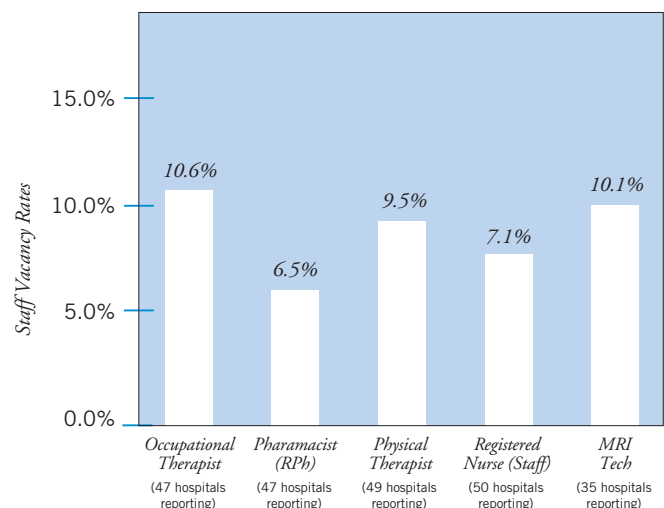
Other skilled health professions face similar shortages. Already Chicago-area hospitals report vacancy rates of approximately 10% for physical therapists, occupational therapists and magnetic resonance imaging technicians. Many other categories are not far behind.

**REGISTERED NURSE SHORTAGE  
METRO CHICAGO REGION**



Source: Metropolitan Chicago Healthcare Council

**STAFF VACANCY RATE  
(AS OF JAN. 1, 2005)**



Source: Metropolitan Chicago Healthcare Council

# When Demand Exceeds Supply

## A WORKFORCE CRISIS IS BORN

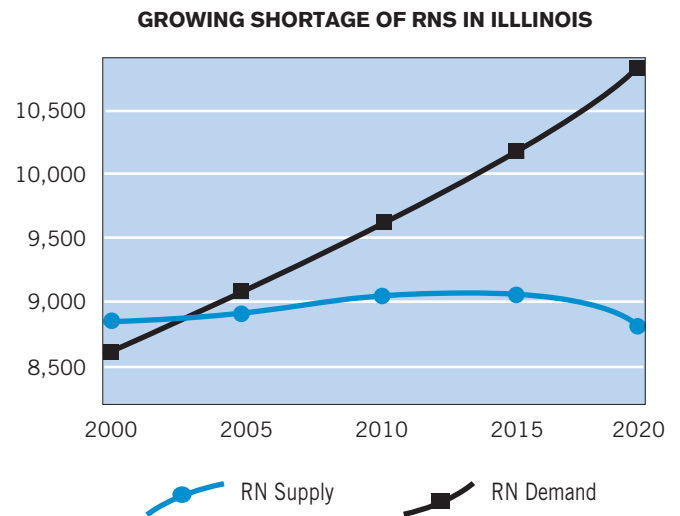
Many factors contribute to the health care workforce shortage, but the root cause is simple: demand for skilled health care workers far outweighs supply – today and well into the future. The growing, aging population is increasing demand for health care services and is expected to do so well through 2020.

To meet current and future demand, educational institutions, government and the health care sector must work together to expand capacity in existing education and training programs, while also increasing the applicant pool. Both will be required to meet the health care workforce demand. Likewise, there is a critical need to stimulate interest in, and preparation for the health careers – both in young students and adults interested in changing careers or furthering their education in the health professions. This will increase the number of individuals entering the pipeline for health care careers.

This may require fundamental changes in how the education system prepares students for health careers, how employers design work and create positive work environments, and how the government regulates the health professions. While bills signed into law this year are an excellent start, more remains to be done.

MCHC believes:

- Individual students must be aware of and adequately prepared for health care careers.
- Middle schools must emphasize the importance of a solid math and science foundation as key to success in health careers.
- Expanded, enhanced or new training programs must be in place to educate qualified candidates.
- Adequate faculty must be trained and employed to staff training programs.
- Financial aid must be available to allow incumbent health care workers to enhance their skills.
- Regulatory impediments must be lifted to allow health care professionals trained in other states or outside the United States an equal opportunity to work, and to allow qualified potential faculty to teach in nursing and other health professions programs.
- Health care employers must provide and sustain work environments that reward and encourage workers to stay in health care and develop new skills.



Source: HRSA Bureau of Health Professionals

# Protecting Access

## PRESERVING ECONOMIC GROWTH

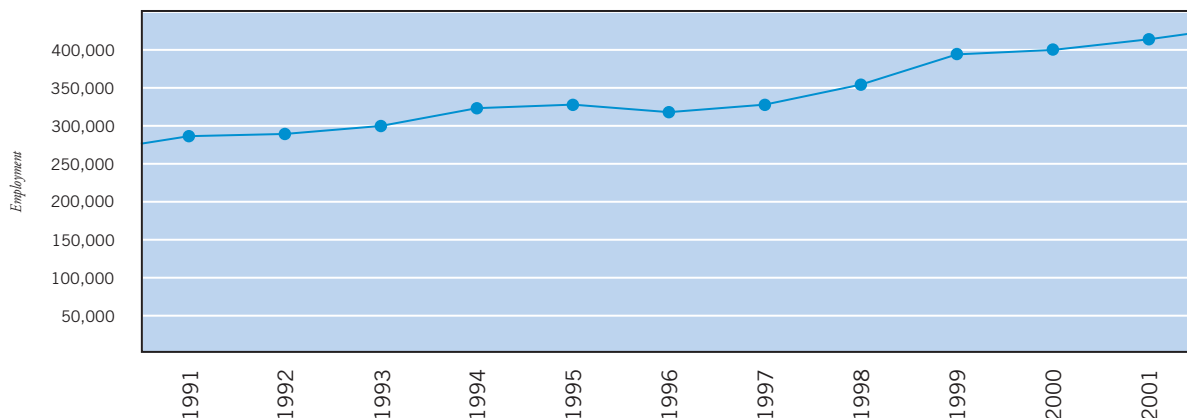
Metropolitan Chicago hospitals serve a dual role in the communities they serve – they preserve both the physical and fiscal health of the people in this region. If significant steps are not taken now to address the present and future workforce shortages, the ability of Chicago-area hospitals to meet growing demand for medical services will be severely limited. The workforce shortage threatens access to advanced and even routine health care services. The quality of care will decline, and the cost of available care will likely rise.

What is more, an inadequate labor supply also puts at risk the metropolitan Chicago region’s robust economic development. In 2003, health care was the third-largest employment sector in the Chicago region, directly and indirectly accounting for more than 400,000 workers, and generating \$23.7 billion in personal income for residents in this region in 2003.<sup>2</sup>

Chicago-area hospitals also contributed \$1.8 billion in capital improvements to the economy and generated better-paying and sustainable employment opportunities – with an average salary and benefits package of \$63,088; that is approximately \$20,000 more than the regional average salary and benefits package of \$43,021.<sup>2</sup>

The health care workforce shortage will inevitably slow expansion of the health care sector, which has been one of the fastest growing sectors of the economy.

**EMPLOYMENT IN HEALTH SECTOR IN METROPOLITAN CHICAGO AREA**



Source: U.S. Department of Labor, Bureau of Economic Analysis, 2002

# Building

## ON WHAT'S BEING DONE TODAY

Already, a coalition of health care providers, colleges, training programs and government agencies has formed to address the shortage. The Workforce Boards of Metropolitan Chicago, a consortium of nine workforce boards serving the Northeast Economic Region, has worked with these groups to secure \$3.6 million in state grants to upgrade skills of existing health care workers and support innovative teaching programs through Illinois' Critical Skill Shortages Initiative (CSSI).

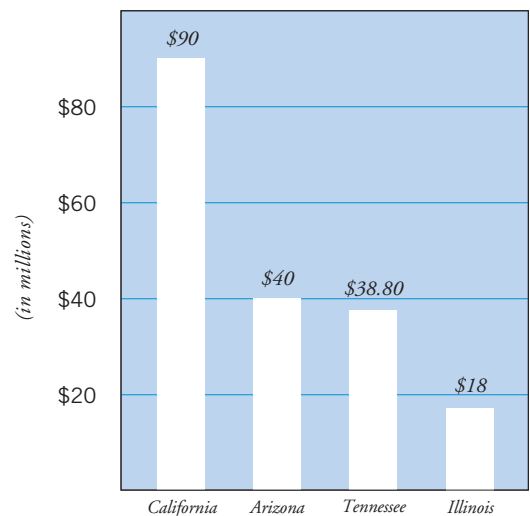
Of the \$3.6 million, \$2.6 million is devoted directly to skills training programs offered by 16 health care, government and education organizations. The remaining \$945,000 will go to community colleges in the northeast region of the state to support Healthcare Innovation grants to target training programs designed for non-traditional nursing students. Statewide, the governor has committed \$18 million to support health care workforce development through 2010.

While these efforts are an excellent first step, they are only a start. Based on detailed studies in other states addressing shortages of a similar magnitude, a comprehensive solution likely will require an investment of \$40 million to \$50 million to expand health care training capacity and add new programs to meet projected need.

MCHC believes the next steps should include:

1. A comprehensive study in Illinois to better understand the issues and provide a detailed roadmap, based on data, to directly address the most urgent needs.
2. Development of a task force to coordinate the region's hospital activities related to workforce issues and to provide a forum for collaboration and sharing of best practices. These activities would build on the partnerships health care organizations have historically maintained with the education community, the Workforce Investment System, government, business and other community groups to secure the resources and cooperation necessary to address the health care workforce shortage.
3. Creation of a master health care workforce development plan to meet the regional needs for the next 5 to 15 years. The task force and representatives from the education community, government, business and other community groups will collaborate on developing this plan.

**FUNDING CURRENTLY EARMARKED FOR HEALTH PROFESSIONS WORKFORCE THROUGH 2010**



Source: Metropolitan Chicago Healthcare Council

## Addressing the Shortage

RECOMMENDATIONS FROM THE METROPOLITAN CHICAGO HEALTHCARE COUNCIL

**Addressing the shortage** requires a major coordinated effort among health care providers, the education community and government and business leaders. The Metropolitan Chicago Healthcare Council (MCHC) believes that, to address the current and projected health care workforce shortage in this region, Illinois must:

- Increase by 50% the number of nurses and health professionals trained by 2010 statewide by investing \$40 million to \$50 million to develop new faculty and expand education and training programs. An estimated 2,000 of these new workers will be needed in the eight-county metropolitan Chicago region each year.
- Increase recruiting and support for health professions candidates.
- Reduce regulatory barriers to expanding the health workforce.
- Continue improving working conditions to reduce turnover and increase job satisfaction.

Health care has a major impact on both the physical and fiscal health of the metropolitan Chicago region. Investing in the skilled workforce required to keep up with growing demand is essential to maintaining access to adequate care and all the economic benefits that a thriving health care industry brings.



### ABOUT MCHC

The Metropolitan Chicago Healthcare Council is a membership and service association comprising more than 140 hospitals and health care organizations working together, since 1935, to improve the delivery of health care services in the greater metropolitan Chicago area. More information is available on the MCHC Web site at [www.mchc.org](http://www.mchc.org).

### FOOTNOTES

1. Projected Supply, Demand and Shortages of Registered Nurses: 2000-2020, U.S. Department of Health and Human Services, Health Resources and Services Administration, Bureau of Health Professions, July 2002
2. The Value of Caring: The Economic Impact of Chicago's Hospitals on the Metropolitan Chicago Area, Metropolitan Chicago Healthcare Council, September 2004