



MCHC
Metropolitan Chicago
Healthcare Council

222 South Riverside Plaza
Chicago, Illinois 60606-6010
Telephone 312-906-6000
Facsimile 312-993-0779
<http://www.mchc.org>

Contact: Heidi Diedrich, MCHC
312-906-6142
hdiedric@mchc.com

Sharmila Rao Thakkar, MCHC
312-906-6008
sthakkar@mchc.com

NEWS RELEASE

For Immediate Release

Region Faces Critical Health Care Worker Shortages, Requires \$40 to \$50 Million Investment by 2010

Report calls for funding, education, regulatory reform to increase by 50 percent annual number of health care workers trained by 2010

Chicago (September 19, 2005) – Illinois must train 50 percent more health care workers annually through 2010 and invest a total of \$40 to \$50 million during that same time period to prevent a critical health care worker shortage in the state, according to a report released today by the Metropolitan Chicago Healthcare Council.

The report, *Caring for the Future: A Plan for Meeting Metropolitan Chicago's Growing Health Care Workforce Needs*, predicts a nursing shortage, currently estimated at 2,500 in the Chicago area alone, will grow to 21,000 nurses statewide, or 19 percent of projected demand, by 2020. Other health care professions are facing a similar critical need for skilled workers.

"Solving the health care workforce shortage will require a collaborative effort with health care, education and government leaders," said Kevin Scanlan, executive vice president of the Metropolitan Chicago Healthcare Council. "Illinois has taken several important steps to address this need. We applaud these efforts and recognize that they are only the beginning to strengthening the region's health care workforce."

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MCHC Workforce Shortage Report – Add 1

The Metropolitan Chicago Healthcare Council report states that Illinois must:

- Increase by 50 percent the number of nurses and health professionals trained by 2010 statewide by investing \$40 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 care workforce.
- Continue improving working conditions to reduce turnover and increase job satisfaction.

To accomplish these goals, the Metropolitan Chicago Healthcare Council is developing an advisory committee comprising health care, education, government and business leaders.

One reason for the projected shortage is an aging and growing population in Illinois. An aging population not only creates higher demand for health care services but also reduces the supply of health care workers when more workers retire than enter the profession. These supply and demand forces already have resulted in a shortage of 2,500 nurses in the Chicago area and vacancy rates of up to 10 percent for certain allied health care jobs at Chicago-area hospitals.

“Today, this area is experiencing a significant health care workforce shortage – a shortage that is set to grow dramatically through 2020,” the report states. “We know that unless steps are taken now to greatly increase the number of nurses, therapists and technicians needed to deliver tomorrow’s health services, area hospitals will fall further and further behind in their ability to care for their communities as workforce shortages continues.”

Illinois colleges awarded 4,148 nursing degrees in 2003, but projections indicate Illinois will have to increase that number to 6,000 new nurses per year by 2010 to keep up with demand. The state will need a similar increase in the number of allied health professionals. Two-thirds of the new health care workers will be needed in the metropolitan Chicago area.

MCHC Workforce Shortage Report – Add 2

The need for nurses and allied health professionals will increase dramatically beginning in 2011 as aging baby boomers reach age 65 and begin to retire. The result will increase hospital discharges by 26.5 percent and inpatient days by 24.4 percent.

Health care staffing shortages limit hospital services available to area residents, including critical care and medical-surgical services. Chronic shortages may prevent hospitals from expanding services such as high-tech diagnostic and minimally invasive procedures, including radiosurgery and catheter-based blood vessel repair. Workforce shortages may also affect patient safety, several recent studies indicate.

Furthermore, a critical health care workforce shortage negatively impacts the economy in the eight-county metropolitan Chicago region. In 2003, health care generated \$23.7 billion, or 9.5 percent in personal income, for regional residents and contributed 400,000 workers to the area. Every dollar in hospital wages creates \$1.42 in wages in other sectors of the economy and every hospital job creates 1.54 jobs in the community, according to an economic impact study commissioned by the Metropolitan Chicago Healthcare Council earlier this year. Health care expansion is expected to create 22,500 hospital and 50,000 regional jobs by 2020.

Illinois Gov. Rod Blagojevich recently committed \$18 million to assist in health care workforce development through the Critical Skills Shortage Initiative. Gov. Blagojevich also signed into law several bills that will reduce regulatory barriers that prevent health care workers from entering the profession.

As part of that commitment, the Workforce Boards of Metropolitan Chicago secured \$3.6 grants from which \$2.6 million will fund training programs for 16 health care, government and education organizations. The remaining \$945,000 will go to non-traditional nurse training programs offered by northeast Illinois regional community colleges. These grants should add 444 registered nurses; 119 licensed practical nurses; 116 medical records workers; 84 technician/technologists; and 10 therapists to the Northeast Illinois workforce over the next two years

A full copy of the report is available at www.mchc.org.

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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.