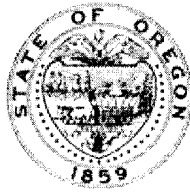


Theodore R. Kulongoski
Governor



The Oregon Healthcare Workforce Institute

Public-Private Partnership to Address the Shortage of Healthcare Workers in Oregon

“The shortage of people in Oregon’s healthcare workforce must be a top priority. Without highly skilled workers, we cannot ensure access to healthcare services for Oregonians—it’s that simple. We must make strategic investments to drive down healthcare costs and bring more people into our skilled workforce, because both are essential to providing the high-quality, affordable health care Oregonians deserve,” Governor Ted Kulongoski said.

Oregon’s Healthcare Workforce Shortage: Oregon faces a severe shortage of healthcare workers, a shortage that affects accessibility to health care, as well as affordability, for families and employers.

As Oregon’s population grows older and expands, the need for a highly skilled healthcare workforce intensifies. Approximately 80 percent of overall health care costs are attributable to the cost of labor, which is a factor that relates to the shortage of skilled workers. Payroll costs have increased by more than 50 percent over the past five years, thanks to overtime for employees who work more than 40 hours a week. The shortage also forces health care institutions to contract with outside providers to meet the demand for services.

Health care occupations are among the fastest-growing in Oregon. Direct health care occupations represent 10 of the 25 fastest-growing occupations in Oregon, and will comprise 13 percent of the state’s projected new jobs between 2004 and 2014. During that 10-year period, Oregon will need to recruit or attract nearly 60,000 new healthcare workers to meet the industry’s projected job openings as the result of retirements and the demands of a growing population.

The Oregon Healthcare Workforce Institute: Governor Kulongoski has embarked on a program to increase the number of Oregonians who have health insurance, and to contain the skyrocketing cost of health care. To achieve these goals, he understands that Oregon must make strategic investments in innovative education, training systems and sustainable healthcare delivery models. His Healthcare Workforce Initiative in 2003 responded to these needs. To bolster the program, the Governor has led the private-public coalition that created the Oregon Healthcare Workforce Institute.

Goals of the Institute: The Governor developed a public-private partnership with the Oregon Association of Hospitals and Health Systems, and multiple health, education and labor partners to develop a coordinated statewide response to critical needs in the healthcare workforce. The mission of the Institute is straightforward:

- Research, analyze and identify the greatest occupational and training needs statewide.
- Develop policy initiatives and recommendations for industry and local and state government.
- Pool and raise funds to carry out the policies and initiatives developed by the board to address the shortages, and to increase the quality of healthcare delivery.

Healthcare Workforce Institute Board: June Chrisman, Chief Human Resources Officer, Providence Health System; Phil Fogg, Jr., Marquis Companies; Jesse Gamez, Director of Regional Clinical Services, Kaiser Sunnyside Medical Center; Deborah Glass, RN, Vice President of Patient Care, Salem Hospital; Dan Smith, President and CEO, Bay Area Hospital; Steve Smith, Oregon Federation of Workers and Health Professions; Dr. Martha Anne Dow, Oregon Institute of Technology; Dr. Bruce Goldberg, Director, Oregon Department of Human Services; Dr. Lesley Hallick, OHSU; Dr. Teri Johanson, Department of Community Colleges and Workforce Development; Kris Campbell, Oregon Center for Nursing, Oregon Nursing Leadership Council; Lita Colligan, Workforce Policy Advisor, Governor's Office; and Jo Bell, Acting Director, Oregon Healthcare Workforce Institute.

Funding for the Institute: The Institute will raise funds to carry on this work but the initial seed funding included investments from:

- Kaiser Permanente Foundation \$300,000
- Providence Health Systems \$250,000
- Oregon Workforce Investment Board and member agencies \$300,000
- Oregon Association of Hospitals and Health Systems \$20,000 in kind
- Oregon Employment Department \$50,000 in kind

Progress Under the Governor's Healthcare Workforce Initiative: Since the Governor launched his Healthcare Workforce Initiative in 2003, the following activities and investments have contributed to closing the healthcare workforce shortage:

- More than \$1.3 million in grants to healthcare facilities to train current workers to improve both quality and efficiency in the delivery of care.
- Investment of \$600,000 to establish the Oregon Simulation Alliance to expedite the training of healthcare workers using innovative technology and training methods.
- Creation of the Nurse 2000 Program to train lower skill, ethnically diverse workers into RN positions. Providers recover the \$25,000-\$40,000 it costs to train lower-skilled workers to qualify for higher-skilled positions within 18 months through this program, and it has increased nursing students in some community colleges by 50 percent.
- Expanded training for medical interpreters for rural communities, improving access and ensuring appropriate care is delivered.
- In partnership with the Oregon Nursing Leadership Council, simultaneous enrollment of nurse students in two-year community college programs and in 4-year OHSU nurse program has helped increase graduates from RN education programs by 45%.

Example of how Oregonians will benefit: A former medical transcriber at a Central Oregon hospital will fulfill his career goal to become a nurse while maintaining his salary and benefits. The hospital will pay for his training through a unique partnership with the community college, and he will earn his credentials, higher wages and long-term employment in central Oregon.

A nursing student at Mt Hood Community College will use a new high-fidelity mannequin to simulate real healthcare emergencies. She will gain critical clinical experiences in life-like situations prior to practicing on patients, and will be able to use simulation hours to complete her training programs more quickly.

Hospitals and health providers in both urban and rural areas will be able to contain health care costs by having an adequate supply of healthcare workers and reducing overtime and expensive contract labor.

Oregonians will continue to receive high quality care at the lowest possible cost from dedicated professionals who are highly skilled.