



## 2008 Profile: Oregon's Hospital Workforce

Compiled by the Oregon Healthcare Workforce Institute (OHWI)

In this profile: Hospitals in top ten growth industries, workforce solutions, broad services and job base, economic impact. July, 2008

### Quick Facts

- Salaries, wages and benefits constitute more than half of hospital expenses. Nationally, hospitals are the second largest source of private-sector jobs, just behind full-service restaurants (AHA).
- In Oregon, 1,900 new hospital jobs were added between March 2007 and March 2008, nearly a 4% increase in employment. Hospital employment has grown approximately 40% between 1990 and 2007.
- The Federal Bureau of Labor Statistics states that most health care jobs require less than four years of college. Practitioners who diagnose and treat patients, however, are among the most educated.

### Data Notes

Unless otherwise stated, data for this Profile comes from the Oregon Employment Department's:

- 2006-2016 occupational employment projections based on the annual employer survey.
- Current Employment Statistics monthly survey and industry reports.

Data on health care employment should be considered as conservative estimates.

- Health care workers in federal, state, local and tribal governments are included in the government labor data.
- Health care providers who own their own practices and workers who are self-employed or employed directly by the individual consumer are not included in state employment reports.

## Hospitals in Oregon's Top Ten Growth Industries

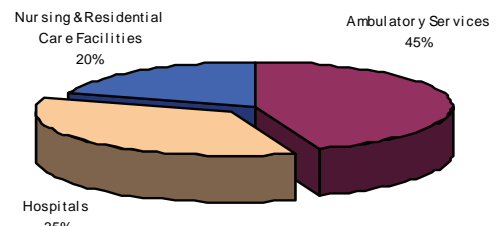
The hospital industry lands at number five of the top ten industries forecast to add the most jobs in Oregon, 12,700, between 2006 and 2016. The other health service industries, ambulatory health care and nursing and residential care, place second and sixth respectively for job growth.

The Federal Bureau of Labor Statistics predicts that nationally, the hospital sector's employment in public and private establishments will grow 13% between 2006 and 2016. Oregon's forecast for hospital sector employment growth for the same ten-year period is twice that at 26%. This places it at number six of industries with the largest percentage gain in job growth in Oregon, just below nursing and residential care facilities.

In Oregon's 54 private sector hospitals, the average annual employment grew 18% between 2001 and 2007. These hospitals employed on average 51,110 health care workers in 2007 with paid wages amounting to nearly \$2.6 billion. In addition, the seventeen government owned hospitals (local, state and federal) in Oregon collectively employed a 2007 annual average of 6990 workers with annual total wages of over \$385 million.

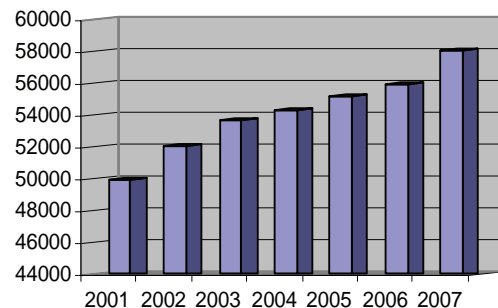
While hospitals constitute less than 1% of

### Health Care Employment by Sector



the health care establishments in the state, they employ over one-third of the health care labor market. Nationally, this is nearly the same with hospitals just over 1% of all health care establishments but employing 35% of all health care workers.

### Oregon Hospital Average Annual Employment



## Hospital Workforce Solutions

For years, hospitals in Oregon and nationwide have confronted the health care workforce shortage with creative, practical solutions. Many hospitals partner with local educational institutions, workforce organizations, government and foundations to increase the number of workers in health care occupations. Approaches include incentives for new students as well as incumbent workers. Scholarships, loan forgiveness and tuition reimbursement are some of the existing programs that hospitals have developed to recruit and retain their workforce.

Many Oregon hospitals have outreach programs to inform and attract high school students. These programs include mentoring, shadowing and volunteer activities. This is especially useful in rural

communities that have a better chance of recruiting and retaining local residents.

One proven solution to the workforce crunch has been hospital partnerships with educational institutions or training entities to create career pathways. In the form of certificates, credentials and degrees, these educational pathways are tailored to be flexible with working schedules, teach the knowledge and skills that providers need and align with the statewide articulation pipeline. New students and incumbent workers have opportunities to advance in fields of interest and gain job security in high demand occupations while providers look forward to a bolstered supply of properly trained health care workers.



### Quick Facts

- The American Hospital Association reports that in 2006, America's hospitals had 118 million emergency room visits, treated 600 million outpatients, performed 27 million surgeries, and delivered 4 million babies.
- Oregon community hospitals discharged 347,028 acute-care patients in 2007. The average length of stay was 4.18 days. 2006 figures are 343,481 acute-care discharges and average length of stay of 4.15 days (OAHHS).

### OHWI

The Oregon Healthcare Workforce Institute (OHWI) exists to coordinate and advance a comprehensive state-wide response to the growing health care workforce shortage.

Developing out of an initiative from the Governor's office and launched as an independent non-profit in April 2006, OHWI is sustained by dedicated health care professionals from the public and private sectors.

OHWI is unique in the state because it is the one entity that is neutral, well-positioned and specifically created to work with all stakeholders to address the broad realm of health care workforce issues.

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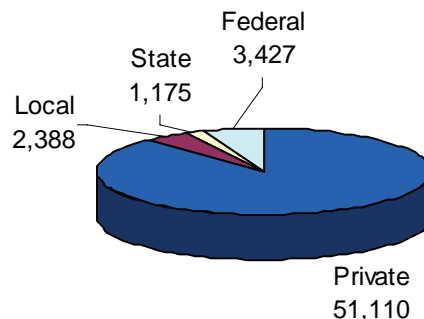
## Hospitals Provide Broad Services and Job Base

The hospital industry consists of general medical and surgical hospitals, psychiatric and substance abuse hospitals, and specialty hospitals. According to the Federal Bureau of Labor Statistics, many hospitals are adapting to the needs of their communities by adding services and shifting to more outpatient care to improve efficiency and implement cost containment measures. Technology also impacts this shift through new procedures, new methods of diagnosis and treatment, and telemedicine. As science and technology improve survival rates and change delivery systems, new specialties and occupations are emerging in the hospital health care field.

At the end of 2007, Oregon's community hospitals listed 6,137 available beds. For the entire 2007 year, the same hospitals recorded 123,035 inpatient surgeries, 230,997 ambulatory surgery visits, 1,209,551 emergency room visits, 48,442 births, and 8.4 million total outpatient visits (OAHHS).

The broad services provided by hospitals require workers with all levels of education and training. The management style, size, location, mission and funding of hospitals help determine the mix of workers needed.

### 2007 Hospital Employment in Oregon



Of Oregon's 36 counties, Columbia, Gilliam, Sherman and Wheeler have no hospital. Of the remaining counties, 16 have one hospital, eight have two hospitals, three have three hospitals, three other counties have four hospitals and one county has five hospitals. Multnomah County, with twelve hospitals, employed 17,115 workers in 2007. This represents 29% of Oregon's hospital employment. With four hospitals, Clackamas County employed 3,805 health care workers (6.5% of Oregon's total) in 2007. Jackson County's three hospitals employed 3,710 workers (6.4%) in 2007. Coos County employed an average of 1,219 workers (2%) in its five hospitals in 2007.

*Definition of Community Hospitals from the American Hospital Association:*  
Community hospitals include all nonfederal, short-term general, and specialty hospitals whose facilities and services are available to the public.

## Hospital Economics and the Ripple Effect

Source: American Hospital Association

As a growing sector, hospitals contribute to the health and wealth of communities. Large urban areas count hospitals among their top 10 employers; hospitals in rural areas are typically the largest or second-largest employer. Because of the demand for health care even in economic downturns, hospitals tend to be a stable employer. They are also an anchor for other health care businesses such as medical supply vendors and pharmacies. Further, other non-health care businesses grow when a nearby hospital thrives and patients expend their dollars on local goods and services.

In 2006, community hospitals in the United States had approximately 5 million employees and spent \$286 billion on goods and services, not including employee wages. Calculations reveal that each hospital job supports almost two more jobs and each hospital dollar spent

supports more than \$2 of additional business activity in the economy. This extrapolates to nearly \$1.9 trillion of economic activity nationally.

The American Hospital Association's data from 2006 indicate that for every job in Oregon's community hospitals, 2.2 additional jobs are added to the economy. Every dollar that hospitals spend on payroll and benefits has a ripple effect of \$1.80 on the economy when hospital employees use their wages to buy goods and services.

This translates to 7.17% of total (non-farm) employment in Oregon that is supported by hospital jobs. Applying this to income, the effect of hospital payroll and benefits on total labor in the state for 2006 is nearly \$5.9 billion. Oregon community hospital expenditures in 2006 were nearly \$6.4 billion, and the effect on total output in the state economy was \$14 billion.