



Building a Healthcare Workforce Sector Initiative

Presented to Industry Representatives
August 24, 2009



What is an Industry Sector Initiative?

- A long term effort that integrates workforce and economic development strategies
- Focuses attention on multiple employers in a given industry sector or region
- Serves dual customers – employers and workers
- Builds in-depth knowledge of an industry
- Promotes community change
- A demand-driven strategy



Key Characteristics of Sector Initiatives

- Focuses intensively on an industry within a regional and state labor market area(s), and multiple employers in the industry, over a sustained period of time
- Creates new pathways for low wage workers into the industry, and up to good jobs and careers
- Achieves systemic changes that are “win-win” for employers, workers and the community



Sector Benefits to the employer

- Reduces recruitment costs
- Creation of skill development pipelines based on industry wide need, aligning previously disconnected resources
- Reduces turnover
- Provides access to support services for job seekers and workers
- Results in greater promotion-potential of entry employees
- Provides higher quality customer service
- Check out: National Network of Sector partners at www.nedlc.org/nnsp



Examples of Sector Initiative Partners

- Businesses
- Business/Trade Associations, Labor-Management Partnerships
- Community Colleges, Adult Ed, Training Providers
- Community-based and Faith-based Organizations
- Workforce Organizations – WIBS, Career Center
- Providers of Work-Related Social Services
- Workforce, Economic Development and Other Agencies
- Advocacy or Interest Groups



Success Factors

- Industry led – requires deep knowledge of industry, culture and employers' needs
- Capacity to develop solutions for businesses and workers
- Meaningful measure of result and effective ways to report
- Focus on quick response to changing industry needs
- Commitment to long-term involvement
- Governance that involves business leaders in key decisions
- Last – but not least – a strong workforce sector strategic plan based on solid data



Requires a New Way of Thinking

- Mission and results directed – not statute and rule directed
- Teamwork and network driven – not hierarchically driven
- Decentralized and empowerment – not centralized control
- Selection of strategies should fit an understanding of where leaders want to go



What You Can Do

- Join the sector partnership and designate a contact person to work with the Industry Team
- Review the recommendations and the priority objectives – add additional objectives if needed for your particular industry
- Use the template to draft strategic steps for each priority objectives
- Ask your members to participate in each of the eight regional meetings (late October and early November) and ask that they submit recommendations, objectives and strategic steps to your Industry Team Member
- As your Industry Team Member to consolidate the responses from the regional meetings to present to the final drafting meeting
- Have your Industry Team member attend the drafting meeting (late November) to prepare the final plan for the Workforce Commission



Legislative Changes Mandate New Ways of Thinking – Act 743 – Regular Session 2008

- Created the Louisiana Workforce Commission (previously LA Dept of Labor) and the Workforce Council within the Commission. Among the charges:
 - Meet the needs of employers of the state for a highly skilled and productive workforce
 - Ensure that the workforce development system, including the educational system, has the flexibility to meet the current and future needs of existing and emerging businesses
 - Use Occupational Forecasting Data in funding and policy recommendations



Occupational Forecasting Conference Created within the Commission – Establishes the Official Occupational Forecast

- Develop models for occupational forecasting over a 10 year period
- Include state, regional and local data for forecasting
- Reviews local and regional data which may warrant the inclusion of a particular occupation(s) on statewide forecasting list
- Makes semiannual recommendations to the Commission on additions or deletions to lists of locally targeted occupations



Projections of New and Replacement Workers Needed by 2016

- Registered Nurses – 13,510
- Licensed Practical Nurses – 3,900
- Nursing Aides, Orderlies and Other Attendants – 7,420
- Respiratory Therapists – 660
- Occupational Therapists – 530
- Physical Therapists - 970
- Lab Technologists and Technicians – 1240
- Medical Assistants – 2,050
- Surgical Technicians -- 430
- Rad Techs and Technicians – 750
- Cardio, Sonographers and Nuclear Medicine Techs - 570
- Physicians – 880
- Dentists – 340
- Dental Hygienists – 590
- Pharmacists – 1,060
- Emergency Techs and Paramedics – 900
- Medical Records and Health Information Technologists - 210
- Social Workers and Counselors - 2300



Factors Today Affecting OFC – A Possible Undercount of Need

- Data is taken from the Unemployment Insurance System filed with the Workforce Commission – not all employers file or belong to the System
- Data is taken from Employer Surveys – not all employers complete the survey



Unknown Factors Which May Affect the OFC

- Implementation of Healthcare Reform requiring more preventive care in alternate settings – a pilot study in Northwest Louisiana predicted a Medical Home Model for just that region would require:
 - 88% annual increase in primary care providers (physicians and mid-levels) – 346 new physicians a year; nurse practitioner graduation rate is relatively constant at 24; Louisiana has 359 Physician Assistants – 8 per 100,000; US average is 14 per 100,000
 - 12% increase in the number of nurses – 256 per year – Louisiana graduates an average of 1500 per year – 1200 qualified students not admitted
 - 256% increase for IT and 20% for clerical staff



Other Factors

- Aging population expecting better care and living longer
- No certificate of need – more facilities can be built
- Staffing ratios and overtime provision legislation now pending in Congress
- Legislation that provides funding for nurses and nurse practitioner education using same funding as GME
- Aging workforce – 80% of Louisiana nurses are 30 +; average age – 47 years old; also true of our nursing faculty
- Of Louisiana's physicians – 24.2% are 60 years of age or older; 19.4% are under the age of 40



A Difficult Time Ahead

- Division of Administration expects a \$1.93 billion shortfall by 2012
 - \$1.35 billion – Increased Medicaid Payments
 - \$235 million – MFP
 - \$218.7 million – Replacing the Higher Ed Stimulus funds
 - \$92 million – Inflation
 - \$85 million – Merit Increases
 - \$64.5 million – Replacing Flexible Stimulus funds (elected officials, etc.)
 - \$36 million – Group Insurance for active employees and retirees
 - *Higher Ed and Health Care each year are subject to the largest cuts due to statutory dedications in the Constitution



Donahue Commission – Streamlining State Government

- Each agency must identify their core mission – why they exist
- Identify constitution/statutory duties vs other activities
- Define all non-core activities
- Can outdated activities be transformed?
- Identify all under performing programs
- Identify areas of duplication that overlap with other agencies/employers – both public and private
- Identify areas to privatize



The Tucker Commission – Reforming Higher Education

- Align education attainment with economic development – 4 year and 2 year colleges and universities; ensure that programs and degrees match employer needs
- Funding vs performance – new funding formula includes Occupational Forecasting Data and Cost of Programs; focus on results – only 37% of higher ed students on 4 year campuses complete a degree
- Higher education institutions cannot be all things to all people – development centers of excellence
- Eliminate duplication – reorganize campus administration, boards, racial disparities



Health Works Commission to Take Lead

- Established through Act 157 of the 2002 Legislature
- Charged to examine three areas of concern
 - The Workforce needs of the healthcare industry in Louisiana
 - The education of future healthcare workers in Louisiana and the promotion of healthcare careers
 - The image of healthcare professionals in the state including working conditions and retention of the healthcare workforce



Healthcare Commission Programs

- Nursing Capitation – admitted 3,691 additional nursing students since 2004
- Licensed Practical Nurse Capitation – 350 additional students over the last year
- Nursing and Allied Health Faculty - Loans – additional 305 students since 2004
- Allied Health Capitation – additional 1,103 since 2004
- 20 new Accelerated LPN programs
- High School Pharmacy Tech Curriculum and available in Louisiana high schools
- Simulation equipment for LPN programs in the state
- *Funding cut from a high of \$19,183,092 (2007) to \$13 million in 2009



Health Works Recommendations for Healthcare Education and Training Strategic Plan – approved 2004

- Improve the development and the coordination of education, training and workforce policy for healthcare
- Increase the number of nursing and allied health educators and their salaries
- Increase the recruitment and retention of healthcare professionals and improve the workplace environment
- Increase the number of applicants and admissions to healthcare education/training programs and retain students in these programs
- Improve and streamline the education processes to facilitate entrants and advance existing workers
- Develop supply and demand databases and statistical models to facilitate planning, to serve as the basis for funding program and legislative decision-making, to assist policy formation and to measure progress and results
- *New – not yet approved – address changes necessary due to passage of healthcare reform at the national level



Excerpt from the Health Works Commission 2004 Annual Report

RECOMMENDATION 3: Increase the recruitment and the retention of healthcare professionals and improve workplace environment

Problem - Need to retain healthcare professionals in the workplace to decrease shortage of qualified healthcare professionals

Objective

- 2. 2. Provide funding to healthcare facilities for demonstration projects and the evaluation of initiatives to improve workplace conditions and to redesign jobs; encourage industry financial partnerships to share costs of projects through private and public dollars
 - A) Develop and promote voluntary standards of excellence based on the magnet hospital model
 - B) As an incentive to providing exceptional healthcare workplace environment, develop a program to recognize healthcare employers of the year in various healthcare fields
 - C) Explore use of childcare and/or eldercare options as available benefit for healthcare workers

Total (People)

Cost (Per Person)

Total (\$)

Legislation Required - Substantive and Appropriation

When (Including Start Date) - Study in Year 3 (2005-2006); Implementation in Year 4 (2006-2007)

Where (Statewide, Regional Or Local) - Statewide with at least one project funded in each of the 8 Regional Labor Market Areas

Responsible Parties - Health Works Commission, Louisiana Hospital Association, state partners, associations, boards, local workforce investment boards, communities, industries, business, etc.

Outcome - Results in programs to address specific retention challenges and possible solutions to these issues and increased retention of healthcare professionals

Legislative Mandate - Retention of healthcare workers per Health Works Act 157; Improves image of healthcare professionals



Who Does What and When?

- Develop outline for strategic plan initiative in conjunction with the Louisiana Workforce Commission; Commission to be a full partner in strategic plan development initiative
- Industry planning group meets to develop objectives and strategies for each recommendation
- Nursing Supply and Demand Council and other nursing representatives review current plan and update
- Health Works Commission Executive Committee members to work with Medical and Allied Health representatives to review and update
- Industry planning group hold meetings with members to discuss plan and to meet with Workforce Investment Board members for input
- By December 1, 2009 plan is presented to the Workforce Commission for review and approval of the Workforce Council to initiate program, statutory, funding recommendations for General Session 2010



Questions?

Contact:

KarenSue Zoeller

Vice President of Workforce Development Chair
of Louisiana Health Works Commission

225-928-0026

kzoeller@lhaonline.org