

SB 1687

Addressing the Current and Pending Shortages of Oklahoma's Health Care Educators & Workers

Unless bold steps are taken soon, Oklahoma will have a shortage of more than 3,000 nurses, 600 lab technicians, 400 physical therapists, 300 surgical technologists and nearly 200 occupational therapists by the year 2012.* Critical needs also exist for respiratory therapists, imaging (radiology) technologists, and pharmacists, as well as other health care workers.

Oklahoma hospitals, nursing homes, home health agencies, ambulatory care clinics, physician offices and clinics, schools, public health service agencies and other organizations are all impacted by current and future shortages. While alarming, the projected shortages above are greatly understated since they do not account for increased demand in health care services by an aging population, nor do they include substantial pending retirements of baby boomers from the health care workforce.

Current nursing and health care worker shortages impact many aspects of health care delivery. Unfilled positions on nursing units and in pharmacies, laboratories and X-ray departments contribute to delays in care delivery. Hospitals and emergency departments may be forced to divert patients to other hospitals, postpone surgeries and reduce or delay outpatient services.

These problems are compounded in rural Oklahoma where access to health care is sometimes already severely limited. Health care employers and educators can't begin to keep pace with the demand because an increasing percentage of the population is aging, experiencing increased longevity and requiring a greater amount of health services.

As Oklahoma's second largest employing industry, the health care industry is a major economic engine in Oklahoma and considered key to the state's efforts to recruit and retain new and expanding business. Oklahoma's health care industry provided 198,636 jobs in 2004, or 14% of the state's total employment. With an estimated 141,032 additional jobs created indirectly in other industry sectors, Oklahoma's health care industry contributed 339,668 jobs to the state in 2004. In 2003, the health care industry's direct contribution to Oklahoma's Gross State Product (GSP) was \$6.5 billion (6.4%). Health care's direct and indirect contribution to the state's GSP totaled \$11.7 billion in 2003.*

According to recent data from the Oklahoma State Regents for Higher Education, only 57 percent of **qualified applicants** were admitted into Oklahoma public postsecondary education programs in nursing and allied health. The primary reason qualified applicants are being denied opportunities to pursue nursing and health care education is the critical shortage of faculty available to teach. While solutions to the nursing and allied health shortages are multi-faceted, the issue of **educational capacity** is a top priority.

Without additional faculty members available to teach and graduate an increased number of students, some of Oklahoma's health care providers will continue to consider alternatives such as importing workers trained in other countries. Growing our own nursing and allied health professionals creates quality employees and therefore improves the quality of care our citizens receive.

Specifically, we seek funding for faculty development, expanding health care education capacity and student scholarships. The proposed FY 2009 cost is \$7.8 million, with an addition of approximately \$5.1 million in both FY 2010 and FY 2011. In 2011, \$18 million will have been phased in and annualized thereafter. Ongoing costs are projected as follows:

1. Faculty Development - \$225,000

Create additional nursing or allied health faculty by providing scholarships to cover individuals' costs of gaining the advanced degrees necessary to serve as faculty members in nursing and allied health. Special emphasis will be placed on those nearing retirement from direct care, encouraging their continued service to their profession by transitioning to faculty instead of leaving health care altogether.

2. Expanding Health Care Education Capacity - \$2,750,000

Expand and modernize learning environments. Part of the funding will provide matching grants to institutions to make more use of online learning, simulations, the expansion of clinical opportunities and other innovative methods to provide education and training. Many educational institutions and their health care and community partners are already sharing innovative approaches and financial and other resources to further expand educational capacity. This matching grant pool will provide additional assistance at the local and regional levels for increased collaboration and support of community partnerships. The goal is to provide the best training in a manner that enables students to graduate on time and ready to work.

3. Student Scholarships - \$15,006,000

Provide student scholarships to cover the costs of pursuing degrees, with the goal of increasing the number of Oklahomans working in those nursing and allied health professions experiencing shortages.

The scholarship funds will be available to all qualified students enrolling in Oklahoma's public and private higher education institutions and Career Technology centers in any of the designated shortage areas as determined by Oklahoma Health Care Workforce Center research.

Once appropriated, the Oklahoma State Regents for Higher Education will direct funds for these purposes to the Oklahoma Health Care Workforce Center.

The allocation of funding within the three areas of need would address the priority issues first; then, could be balanced to address all three solutions moving forward. Nevertheless, annual funding in the amount requested will be used to address the shortages in an efficient manner without the need for any additional increases in appropriations in subsequent years.

*Oklahoma's Health Care Industry Workforce: 2006 Report, Governor's Council for Workforce and Economic Development (GCWED).