



W O R K F O R C E TRENDING NOW

From the office of William J. Grubbs, President & CEO of Cross Country Healthcare

September 8, 2014

HEALTHCARE JOB CREATION REMAINS STRONG IN AUGUST DESPITE RELATIVELY LOW OVERALL JOB GAINS

Friday's report from the U.S. Bureau of Labor and Statistics revealed that 142,000 jobs were added in August 2014, lower than economist expectations of 228,000. Historically, August has been upgraded when the September numbers are announced and most experts believe that will happen this year as well. The job market has gained an average of 215,000 jobs per month thus far in 2014, up from 194,000 in 2013 marking the fastest pace of hiring in at least a decade.

Healthcare created 34,000 new jobs in August, with growth largely driven by ambulatory care, which contributed 22,800 jobs. Hospitals turned around a loss from last month gaining 7,100 jobs this month.

To date, healthcare has contributed 175,800 jobs to the economy in 2014, with the majority (121,000) occurring within the ambulatory care space. With primary care being the foundation of the Affordable Care Act (ACA), it is no surprise that job creation is originating from within physician offices, ambulatory care centers and home health. In our own business, we are experiencing trends and performance that mirror these areas of demand as patient treatments seem to be shifting from the acute care setting to ambulatory facilities because of penalties associated with hospital admissions, lower reimbursements and escalating costs.

However, it is important to note two important dynamics impacting the healthcare landscape — a lower-than-average healthcare unemployment rate (4.8% compared to the overall unemployment rate of 6.1%) and an increasingly maturing healthcare workforce. In addition, unemployment for individuals with bachelor's degrees or higher is at 3.2%. Since nurses and doctors fall into both the education and aging categories, we see no relief from the lack of available candidates for the foreseeable future.

AUGUST JOBS ADDED BY SEGMENT

ALL U.S. JOBS

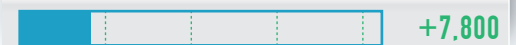


HEALTHCARE BREAKDOWN

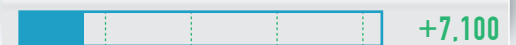
AMBULATORY



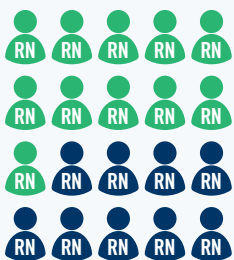
PHYSICIAN OFFICES



HOSPITAL

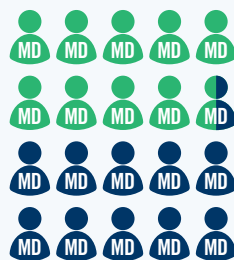


FAST FACTS: AN AGING RN & MD WORKFORCE HEADED TOWARD RETIREMENT



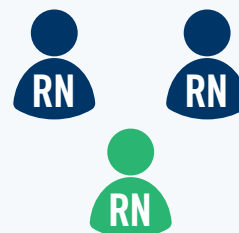
55% of RNs are **over the age of 50**

Source: National Council of State Boards of Nursing and The National Forum of State Nursing Workforce Centers



47.4% of MDs are **over the age of 50**

Source: American Medical Association Physician Masterfile



Of the RNs over the age of 50, **1/3 are set to retire by 2020**

Source: Health Resources and Services Administration Bureau of Health Professions



6 in 10 MDs likely to **retire early in the next 1 to 3 years.**

Source: Deloitte 2013 Survey of U.S. Physicians