



W O R K F O R C E TRENDING NOW

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

November 6, 2015

SIZZLING JOB MARKET BOASTS LARGEST GAINS OF THE YEAR; UNEMPLOYMENT RATE AT 7-YEAR LOW

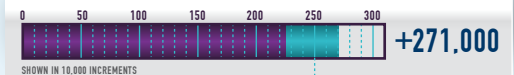
The U.S. Bureau of Labor Statistics Employment Report revealed robust job creation in October, with the economy adding 271,000 jobs, more jobs than the 180,000 expected by economists. This performance suggests that the slowdown in job growth at the end of the summer was likely temporary. Additionally, employment gains for August and September were revised up by a combined 12,000.

Hourly wages rose at the fastest year-over-year pace seen since 2009, adding to the strength of the October Report.

Healthcare contributed nearly 17% of jobs created in October, adding 44,900 jobs. Ambulatory healthcare accounted for more than half of that growth, growing by 26,900 jobs. Hospitals followed, adding 17,800 new jobs. Nursing and residential care facilities lagged behind, adding only a modest 200 jobs. Over the past year, healthcare has accounted for nearly half a million jobs (495,000).

OCTOBER JOBS ADDED BY SEGMENT

ALL U.S. JOBS



HEALTHCARE JOBS +44,900

AMBULATORY CARE +26,900

HOSPITALS +17,800

NURSING & RESIDENTIAL CARE +200

PATIENT VOLUME CONTINUES TO SHIFT FROM HOSPITAL TO AMBULATORY CARE SETTINGS

According to a recent UBS survey, inpatient admissions at hospitals nationwide saw only a slight year-over-year increase of 0.6% in September 2015. Outpatient visits far outpaced inpatient visits with a year-over-year increase of 3.1%, which was up from a 2.2% increase in August.

Leading the way in outpatient visits were ER visits, which saw a year-over-year increase of 2.5%. Outpatient surgeries saw the next biggest year-over-year increase at 1.5%. These numbers seem to confirm the recent trend of outpatient activity surpassing inpatient activity. Patient activity is steadily shifting from the hospital setting to the ambulatory care setting.

HOSPITAL ADMISSIONS: A LOOK AT THE NUMBERS YEAR-OVER-YEAR

	Sept 2014	Sept 2015
Overall Inpatient Admissions	-0.2%	+0.6%
Outpatient Visits	-0.2%	+3.1%
ER Visits	+1.6%	+2.5%
Inpatient Surgeries	+1.0%	+0.6%
Outpatient Surgeries	+0.6%	+1.5%
Commercial Admissions	-0.1%	+0.3%
Uncompensated Care Volumes	-5.0%	+3.7%
Medicaid Admissions	+4.4%	+3.8%

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AFFORDABLE CARE ACT CONTINUES TO DRIVE MEDICAID ADMISSIONS

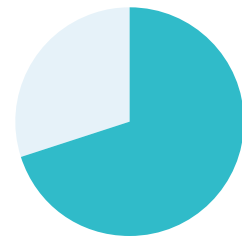
Although general hospital admissions declined year-over-year on average, 78% of surveyed hospitals said they saw a year-over-year increase in their number of Medicaid admissions. Most facilities experienced an increase, and the number of those who saw a substantial increase between ten and twenty percent was significant. Increased Medicaid admissions are one of the top reasons we are seeing a rise in demand for per diem, temporary and even full-time staffing requests for medical professionals across the board.

Year-Over-Year Increase in Medicaid Admissions

No Change
22%
Up to 10% Growth
★ 62%
10-20% Growth
16%

AMBULATORY CARE DEMAND DRIVING INCREASED AUXILIARY STAFFING NEEDS

More consumers are choosing the faster and more convenient services provided by ambulatory care settings, which is expected to continue fueling demand for auxiliary healthcare staffing. According to this survey, more than 70% of facilities saw a rise in the number of Emergency Room visits compared to a year ago. Additionally, standalone ambulatory facilities are smaller and have fewer employee recruiting resources available to them. Partnering with a medical staffing service allows them to outsource a large portion of their Human Resources department, saving them time and money. Staffing services allow these facilities to staff up or down based on monthly, weekly, or even day-to-day demand. With branch offices located in more than 70 metro areas throughout the country, each with a roster of providers available for per diem shift coverage, Cross Country Healthcare is expressly suited to provide these services.



70% OF AMBULATORY FACILITIES SAW INCREASED ER VISITS

YEAR-OVER-YEAR INCREASE IN ER VISITS

Decline	No Change	Up to 10%	More than 10%
16%	14%	★ 65%	6%

NUMBER OF SELF-PAY (UNINSURED) ADMISSIONS CONTINUE TO DWINDLE

On average, self-pay hospital admissions showed a year-over-year decrease of almost 4% in September. However, the decrease doubled to 6% in states that expanded their Medicaid programs. The combined effect of a continually improving, robust economy plus expanded enrollment in Marketplace insurance plans is expected to keep the number of uninsured at historically low rates nationwide. This means, of course, that the number of healthcare consumers has risen to an all-time high.

Sources:
 Bureau of Labor Statistics (<http://www.bls.gov/>)
 UBS (<https://www.ubs.com/>)