



W O R K F O R C E TRENDING NOW

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

October 2, 2015

SEPTEMBER JOB GAINS SLOW, CREATING 142,000 JOBS; UNEMPLOYMENT REMAINS FLAT AT 5.1%

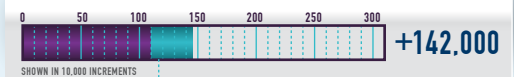
According to the U.S. Bureau of Labor Statistics Employment Report, a modest 142,000 jobs were created last month, below economist expectations that the economy added 200,000 jobs in September. Adding to the disappointment, employment gains for August and July were revised down by a combined 59,000. Hiring in August was weaker than initially reported, with the government revising its estimate to 136,000 from an originally reported 173,000.

The consecutive August and September sluggish reports were the worst pair reported in three years, prompting economists to suggest that the labor market cooled off toward the end of the summer season.

Although the pace of hiring slowed a bit, the healthcare sector once again remains a bright spot in terms of overall job creation, adding 34,400 jobs in September. The growth primarily came from Hospitals (+15,500) and Ambulatory Care (+12,900). Nursing and Residential Facilities accounted for 6,000 new jobs created. Healthcare in total has contributed 311,300 jobs in 2015.

SEPTEMBER JOBS ADDED BY SEGMENT

ALL U.S. JOBS



HEALTHCARE JOBS +34,400

HOSPITALS +15,500

AMBULATORY CARE +12,900

NURSING & RESIDENTIAL CARE +6,000

AN IN-DEPTH LOOK AT WHAT PLAGUES PRIMARY CARE PROVIDERS TODAY

In last month's Workforce Trending report, we discussed how surging numbers of newly-insured consumers were impacting the stress levels of healthcare providers nationwide. This month, we take a closer look at some of the additional factors causing them concern, focusing on a group of more than 1,600 primary care providers. The 2015 National Survey of Primary Care Providers, conducted by the Commonwealth Foundation and the Kaiser Family Foundation, asked physicians, nurse practitioners and physician assistants for their opinions on the many recent changes impacting the healthcare industry. Several recent trends, including the use of quality metrics to determine reimbursement, consolidation of hospitals and practices, and billing processes lead the list of current worries from primary care providers.



PAY FOR PERFORMANCE: NUMBER ONE CAUSE FOR CONCERN

The Affordable Care Act has turned the traditional fee-for-service payment model on its head, prompting new approaches that base provider payment on quality of care, patient experience and efficiency of care-factors, which by their very nature, aren't easily measured with precision. Not surprisingly, this trend tops the list of primary care providers' current concerns. The impact of these new payment models has been far reaching. Approximately one-third of physicians and only 10% of nurse practitioners and physician assistants reported that they are still paid exclusively on a fee-for-service basis.

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WHAT TYPE OF IMPACT WILL THE USE OF QUALITY METRICS PROVIDE?

Our Physicians and Nurse Practitioners/Physician Assistants weigh in on their opinions.

 PHYSICIANS

 NURSE PRACTITIONERS/PHYSICIAN ASSISTANTS

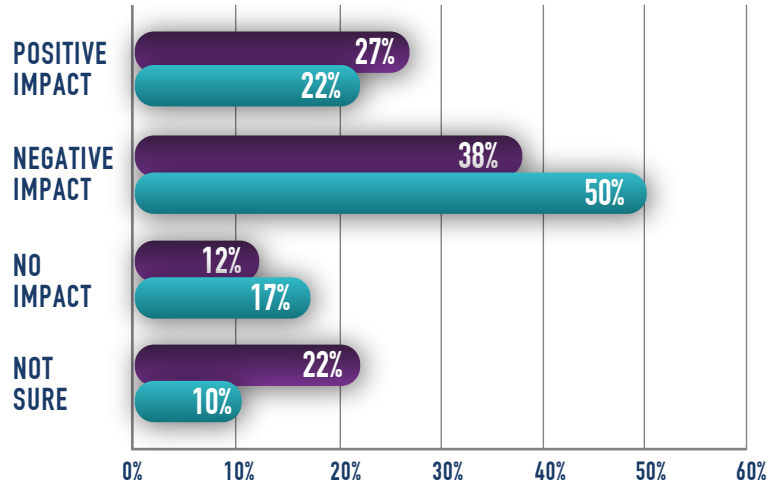
Sources:

The Commonwealth Fund/Kaiser Family Foundation

2015 National Survey of Primary Care Providers (<http://www.commonwealthfund.org>)

Wall Street Journal (<http://www.wsj.com/articles/health-care-providers-insurers-supersize-1442850400>)

Bureau of Labor Statistics (www.bls.gov)



PRACTICE CONSOLIDATION: RECORD BREAKING, ANXIETY INDUCING

According to research firm Irving Levin Associates, 2015 is forecast to be a record-breaking year for managed care consolidations, with the industry's top five health insurance companies set to merge into just three through deals being closely scrutinized by Congress, the Justice Department and the Federal Trade Commission. Furthermore, the number of hospital acquisitions has doubled from 2009 to 2014. Both large corporations and small practices alike often cite these deals as the only way to stay competitive – or even afloat for that matter – in the current ACA-dominated marketplace. Indeed, 17% of physicians and 16% of nurse practitioners and physician assistants surveyed reported that their practice had been consolidated with or acquired by a group practice hospital or other organization within the last two years.

BILLING: MORE-LESS MONEY, MORE PROBLEMS

When providers were asked to rank the billing process, specifically how satisfied they were with their reimbursements and the process required to receive them, their answers revealed yet another point of contention. Less than half of the surveyed physicians rated reimbursements from private insurance as good or excellent, and nearly 40% of them rated Medicaid reimbursements as poor. Additionally, while nearly a third of the respondents gave private insurance companies a good rating when it came to ease of obtaining reimbursements, only 20% could say the same about Medicare, while just 10% said it of Medicaid.

PHYSICIAN ANXIETY LEVELS: HEALTHCARE'S GROWING EPIDEMIC

Amid the storm of healthcare reform, shifting payment models, mergers and acquisitions, individual providers may offer one of the clearest front-line perspectives of the current healthcare landscape. Nearly half of those responding to the survey indicated that current industry trends are causing them to consider early retirement. Their increased burden hasn't been rewarded with higher salary levels either; according to the BLS, primary care physicians saw only a 1.2% increase in pay between 2012 and 2014.

While the situation's long-term effects on physician recruitment isn't entirely clear, hospitals and healthcare facilities are likely to continue their reliance on supplemental staffing to ensure quality patient care. Ongoing needs to fill open positions during restructuring periods, as well as temporary replacements to relieve staff burnout, are on the rise. Additionally, auxiliary staff will be needed to fill the roles of practitioners who follow through on their early retirement indications.