



GOVERNOR'S COUNCIL FOR WORKFORCE
AND ECONOMIC DEVELOPMENT

EDUCATION. ECONOMIC DEVELOPMENT. EMPLOYMENT.

Contact: Leslie Blair
Public Information Officer
Oklahoma Department of Commerce
405.815.5320 T | 405.596.9789 C
Leslie_Blair@odoc.state.ok.us

For Immediate Release

**The Governor's Council for Workforce and
Economic Development Announces Results of
Health Care Industry Study**

Oklahoma City, OK – April 10, 2006 – If current trends continue, by 2012 Oklahoma is expected to have a shortage of more than 3,000 nurses, 600 lab technicians, 400 physical therapists, 300 surgical technologists and nearly 200 occupational therapists, according to an industry report released today by the Governor's Council for Workforce and Economic Development (GCWED). The Health Care Industry study, the first of a series of selected industries, assesses supply and demand and provides a gap analysis of the current and future workforce needs of Oklahoma's health care industry.

The Health Care Industry study surveyed Oklahoma's hospitals, ambulatory care facilities, residential nursing homes, home health providers and the Oklahoma State Department of Health to determine patterns of demand, along with expected trends over the next five to ten years. At the same time, health care educators were surveyed to determine how many new health care workers are graduated each year and to identify barriers to further growth.

“The significance of this study is, for the first time, Oklahoma is able to quantify its need for nurses and other critical health care professionals,” according to Mike Packnett, vice chairman of the Governor's Council and president/CEO of Mercy Health System Oklahoma. “As a state, we now know what our target is for expanding the educational pipeline in order to have the number of workers needed by the year 2012. It is critical that Oklahoma makes this issue a key priority and monitors its progress, and the need for health care workers, on an ongoing basis.”

As one of Oklahoma's most important industries, health care continues to be a key element in the state's ability to recruit and retain new and expanding businesses. As new companies and families consider moving to or staying in Oklahoma, they look carefully at the education, health care, safety and economic environment before committing. Providing education and health care attuned to the needs of each community across the state is essential to this commitment. In 2004, health care was the second largest employing industry in Oklahoma, comprising 14% of the state's total employment. In 2003, health care provided \$6.5 billion in direct contributions to Oklahoma's Gross State Product.

The Oklahoma State Regents for Higher Education reports that in 2004 there were more than 11,619 applicants to 113 postsecondary education programs in nursing and allied health. While 79% (9,193) of those applicants were deemed qualified, only 57% were actually admitted because of limitations in the education system capacity.

"Current health care worker shortages are projected to steadily worsen unless steps are taken today to greatly increase the number of nurses, therapists, and technicians entering health care professions in Oklahoma." Phil Berkenbile, State Director of Career and Technology Education. The shortage projections included in the report are most likely understated since they do not adjust for: 1) the higher demand for health care services needed by aging Baby Boomers, 2) the reduced supply of workers due to anticipated retirements from the current health care workforce, or 3) the existing need to improve the overall health status of Oklahomans.

"Our higher education institutions are currently at the limits of their capacity when it comes to producing the health care professionals that our state needs. We have no shortage of applicants to earn degrees, but we must find a way to bring more resources to the table so that we can expand the number of students we can accept into our programs," Chancellor Risser.

To resolve current and projected health care workforce shortages, the study recommends collaboration among Oklahoma's educators, health care employers, and economic development leaders to ensure that health care workforce solutions are made a priority. Oklahoma's health care industry and its educational and economic development partners must develop new and innovative programs to recruit and retain a sufficient number of highly-trained health care workers. Expanding the health care education pipeline by allocating education funds to solve faculty shortages, and increasing the number of clinical training sites were identified as key to increasing the number of health care workers needed in the state.

The recommendations address issues uncovered by the study such as:

- Oklahoma's health care workforce is aging. Currently, 36% of Oklahoma's RNs are aged 50 or over
- The elderly consume up to three times more health care than younger age groups.
- Oklahomans aged 65 and over will increase by 63% by 2030
- Oklahoma currently ranks 44th in the nation in terms of RNs per capita

- Demand is greater than the size of the health care current workforce
 - In 2004, physical therapist jobs exceeded the number of active licensed physical therapists by 16%
 - In 2005, Oklahoma's nursing and allied health programs reported 11% of their faculty positions were vacant

“By investing now in the current and future health care workforce, Oklahoma will ensure that the state preserves access to needed medical services, and Oklahoma will continue to be an attractive place to work, play and live,” said Steven D. Hendrickson, Director, State and Local Government Relations, The Boeing Company.

A copy of the full report and the executive summary can be found at www.okcommerce.gov/data.

About The Governor’s Council for Workforce & Economic Development

Established in early 2005, the goal of the Governor’s Council for Workforce & Economic Development (GCWED) is to integrate Oklahoma’s workforce and economic development efforts in order to give Oklahoma a competitive advantage as a desirable place to work and live. One of the Council’s five broad-based goals “is to ensure that Oklahoma has a labor pool that is competitive, advances the economic objectives of the state and local communities, and meets the employment interest of industry clusters and employer groups”.

###