

## Special Audio Report Transcript

Headline                                      Job Growth in California's Health Care Sector  
Slowing to a Crawl Amid Ongoing Recession

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### TEXT:

I'm Kelly Wilkinson with a look at the slowdown in the creation of health care jobs in California. This is a special report for *California Healthline*, a daily news service from the California HealthCare Foundation.

Health care has long been a robust sector of the economy -- reliably creating new jobs that employ one out of every 10 Californians.

But that's changed. California is now seeing a slowdown in the health care jobs sector, as the state's continually high unemployment rate has taken its toll. Neeraj Sood is associate professor and director of international programs at the University of Southern California's Schaeffer Center for Health Policy and Economics.

***(Sood): "Basically, when people make less money, they spend less on health care. And if they're spending less on health care, job growth in the health care sector is going to be weaker in California compared to other parts of the country."***

Sood says Californians who have lost their jobs have also lost their employer-based health insurance coverage. And many people are forgoing or delaying care and elective surgery. The decreased demand means less demand for health care workers.

In a recent survey, the California Institute for Nursing and Healthcare found that 43% of recently-licensed nurses had not found work yet. Deloras Jones is the Institute's executive director. She says older nurses have not been retiring as expected, and many retired nurses returned to work when the recession hit.

She says the job difficulty for new nurses shows how elastic the nursing work force is.

***(Jones): "When the economy is good, nurses work less. When the economy is bad, nurses work more. And with California having one of the highest unemployment rates in the country -- you know, over***

**12% -- nurses were working more and experienced nurses were taking the jobs new grads expected to go into."**

Jones says the recession hit at a particularly bad time for the nursing field in California. Since 2004, the state has increased educational capacity dramatically, to prepare for an expected nursing shortage.

**(Jones): "So here we were educating more nurses. At the same time, we expected the demand for health care to increase with the first of the baby boomers becoming Medicare eligible in 2010. And it was just a reflection of, no matter what good planning you do, things sometimes don't turn out way you expected it to."**

In partnership with several nonprofits, the California Institute for Nursing and Healthcare has created transition programs to give new nursing graduates intensive clinical experience. Jones says there are nursing jobs outside of hospitals -- places like home health care, community clinics, and schools -- but those facilities don't have the resources to train new nurses.

Dylan Roby, assistant professor of health services at the UCLA School of Public Health, says there are jobs out there -- just not where job seekers want to live.

**(Roby): "There's a mismatch between physician supply, nursing supply, and where people are actually living. And so I think there's a concern that even though people might be having a hard time finding jobs, we still have gaps in the state where people are still having problems with physician and nursing shortage, and dental shortage."**

He says the general expectation in California and nationwide is that as the population ages and as the federal health reform law rolls out, there will be a need for more health care workers. Not just practitioners, but health information technology workers and administrators.

The reform law also puts an emphasis on primary care and teams of practitioners.

**(Roby): "So we'll probably see growth in the need for primary care physicians, but also in the need for well-trained nurse practitioners, for people in the information technology realm who will be able to program and deploy electronic medical record systems so that those physicians and nurses and all the people in that team will be able to use services more efficiently."**

Neeraj Sood at the Schaeffer Center for Health Policy and Economics says that if health reform ultimately reduces health care spending, there will be fewer jobs in that industry. But spending less on health care will mean more job creation in other industries, like manufacturing and construction.

***(Sood): "So if, in the long run, health care spending goes down, then there would be fewer health care jobs but there would be more jobs in other sectors of the economy."***

This has been a special report for *California Healthline*, a daily news service from the California HealthCare Foundation. If you have feedback or other issues you'd like to have addressed, please email us at [CHL@CHCF.org](mailto:CHL@CHCF.org). I'm Kelly Wilkinson. Thanks for listening.