



The influential voice of Nebraska's hospitals

September 6, 2007

Governor Dave Heineman
Office of the Governor
P.O. Box 94848
Lincoln, NE 68509-4848

Dear Governor Heineman,

The Nebraska Hospital Association (NHA) supports your efforts to help launch the Nebraska Career Dream Team, highlighting opportunities for young people in Nebraska who choose to pursue a career in advanced manufacturing. The NHA agrees that manufacturing is an important part of our state's economy and promises a bright future for many Nebraskans. The partnership that has been formed to address this promising sector of Nebraska's economy is a model that many industries can use to meet their growing employment demands.

As you know, the NHA represents 85 hospitals that employ over 39,000 people. The overall job creation due to health care in Nebraska is estimated at 166,206 jobs (14% of Nebraska's total employment). Income earned due to health care is estimated at \$6.21 billion (16% of Nebraska's total income). The output created by the health care industry in Nebraska is estimated at \$13.3 billion (11% of the state's total output). Those are impressive numbers, but there are other numbers that concern us. Those are the numbers of positions in our hospitals that are currently unfilled and those of the projected health care workforce needs over the next 10 to 15 years.

Addressing the health care workforce shortage has been identified by our members as our highest priority. Significant gaps between the workforce supply and demand continue to challenge the health care field. It will take a collaborative effort by the health care industry, academic institutions, private sector and government to meet the projected demand for health care professionals.

Swift action, similar to the efforts being made by the Dream It – Do It campaign, are critical to change the trends that could significantly impact hospitals' ability to provide quality care.

According to the U.S. Bureau of Labor Statistics, between 2002 and 2012 the health services industry is projected to add 3.5 million new jobs, or 16 percent of all wage and salary employment. Nine of the 20 fastest growing occupations in the United States will be in health care, with registered nurses having the highest demand rate. However, the supply of new health care employees is not keeping pace with demand.

The projected shortage of nurses alone is cause for concern. Results of a recent analysis by the National Center for Health Workforce predict that the demand in Nebraska will grow from the current need of 16,000 full-time RNs to more than 20,300 by 2020. Over the same period, the supply is only expected to increase to 16,500, leaving Nebraska with a shortage of approximately 3,800 full-time RNs. According to a U.S. Department of Labor 2006 survey, the average wage for a RN in Lincoln was \$46,716. Without any adjustment for inflation, the full employment of the estimated 3,800 full-time RNs needed by 2020 would mean an additional \$177.5 million per year in gross wages. That is nearly \$200 million annually—from one profession alone.

One can only imagine what that means to the state's economy when you consider that in addition to nurses, Nebraska will need physicians, physical therapists, physician assistants, pharmacists, lab and radiology technicians, respiratory therapists, speech and occupational therapists, catheter technicians, monitor and ultrasound technicians, and dental care providers. Careers in health care provide competitive salaries, unlimited opportunities for advancement and excellent benefits. Health care providers are challenged every day to be creative innovators, using the latest in technology to provide the best care possible.

The NHA is seeking your support in the development of an initiative similar to the "Dream It - Do It" campaign. A potential initiative, "Building the Pipeline for Health Care", could be an excellent addition to the Nebraska Career Dream Team, promoting the unlimited potential and rewarding careers in health care available to Nebraska's youth. I welcome your response to my idea and look forward to discussing it with you or an appropriate member of your staff. Thank you for considering my request.

Sincerely,

Laura J. Redoutey, FACHE
President