

# Literature Review in Brief: Healthcare Occupational Training and Support Programs under the Affordable Care Act

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*The Health Profession Opportunity Grants (HPOG) Program was established by the Affordable Care Act of 2010 (ACA) to provide training in high-demand healthcare professions, targeted to Temporary Assistance for Needy Families (TANF) recipients and other low-income individuals. In 2010, the Administration for Children and Families (ACF) of the U.S. Department of Health and Human Services (HHS) awarded five-year grants to 32 HPOG grantees in 23 states. ACF is using a multipronged research and evaluation strategy to assess the success of the HPOG Program, including examining program implementation and systems changes resulting from HPOG programs, and outcomes and impacts for participants. This brief reviews the literature on the policy context of the HPOG Program and the challenges and opportunities related to developing healthcare occupational training and support programs. It discusses the structure of the healthcare industry and employment trends, implications of the ACA for entry-level employment in healthcare, and resulting challenges and opportunities for training programs.<sup>1</sup>*

## About the Affordable Care Act

The Affordable Care Act, passed in 2010, aims to improve access to quality healthcare services by expanding health insurance coverage to millions of people. Another objective of the law is to reduce the costs of care, through emphasis on prevention and by restructuring the delivery system, including efforts that focus on the organization and development of the healthcare workforce.

## How is the Healthcare Industry Structured?

Healthcare constitutes one of the largest sectors of the workforce, and the fastest growing sector in terms of number of workers. In 2010, there were more than 17 million people employed in the healthcare industry by approximately 600,000 employers.<sup>2</sup> Health services are delivered by workers with specialized training of varying levels and may address acute, short-term needs, or the treatment or prevention of chronic and long-term conditions. Most revenue in the sector is generated by private or public health insurance, a substantial minority from patients' out-of-pocket payments, and some from other public programs or facilities.<sup>3</sup> Private and public health plan rules influence occupational opportunity, wages, and conditions of employment, as well as the delivery of care. The federal and state governments play a significant role in regulation of healthcare credentials and services.

## What are the Occupations in the Healthcare Industry?

Healthcare occupations are marked by a high degree of specialization and are organized hierarchically, based largely on educational level, other credentials, and the extent to which workers are involved in clinical care rather than social or supportive services. Licensure and credentialing play a very large role and greatly influence potential career paths. The types of jobs in the healthcare sector include:

- ❖ **Clinical occupations** with college or higher educational degree requirements (e.g., physicians, nurses, audiologists, chiropractors, etc.);
- ❖ **Technical occupations** requiring substantial training (e.g., clinical lab technicians, dental hygienists, etc.);
- ❖ **Healthcare support occupations** (the bulk of healthcare jobs) requiring less training (e.g., licensed practical nurses (LPNs), nursing assistants, and medical assistants);
- ❖ **Direct patient service jobs** that are not specifically in healthcare (e.g., social and human services assistants, fitness workers, or personal care aides, etc.); and
- ❖ **Administrative, clerical or managerial positions** in non-health settings (e.g., insurance, research, or the public sector) that are occupied by both health professionals and those without healthcare training or education.<sup>4</sup>

HPOG grantee programs target a range of occupations within these categories, although the most common are in the healthcare technical and healthcare support occupations.

### Who are the Workers and Where are the Jobs in Healthcare?

The healthcare workforce is composed overwhelmingly of women, typically without post-secondary education and earning incomes low enough to qualify for public benefits. The majority of employers are doctor’s offices. Hospitals also employ a large share of healthcare workers, although employment in hospitals has been leveling off in recent years. Healthcare jobs are found throughout the country, but are concentrated in metropolitan areas.

Key Facts about the Healthcare Workforce and Employers	
Facts about the Healthcare Workforce	Facts about Healthcare Employers <sup>5</sup>
<ul style="list-style-type: none"> <li>• Approximately 89 percent of healthcare workers are women.</li> <li>• Nearly half are African-American or Hispanic/Latino.</li> <li>• Seventy-seven percent of healthcare workers were born in the U.S. and 23 percent were born outside the U.S.<sup>6</sup></li> <li>• Many supportive healthcare workers have incomes sufficiently low to qualify for public benefits (e.g., SNAP and Medicaid).<sup>7</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Nearly 75 percent of healthcare employers are offices of physicians, dentists, or other health practitioners, but represent only about 28 percent of healthcare employment.</li> <li>• Hospitals constitute only 1.3 percent of employers but employ 35 percent of all healthcare workers.</li> <li>• Nursing homes are 3 percent of employers, yet employ 12 percent of workers.</li> </ul>

### What are the Key Workforce and Employment Trends in the Healthcare Industry?

As the population ages and advances in medicine increase, the number of persons living with chronic medical conditions and the need for healthcare workers will expand. These changes suggest that the nation may not have an adequate supply of workers to meet the expected increase in demand. Demand for supportive healthcare services is likely to outpace physician services as a means to increase physician alternatives, support automation of medical recordkeeping, and facilitate a shift from inpatient to ambulatory care. Projected job growth may be as high as 50 percent over a decade, depending on the job category and location in the country; drivers include both growing demand and employee separations due to high workforce age and high turnover in some fields.<sup>8</sup>

### What are the Implications of ACA Coverage Expansion for the Healthcare Workforce?

The expansion in the number of individuals with health insurance coverage and the scope of services eligible for payment under the ACA have direct implications for the healthcare workforce.

- ❖ **Increased Demand for Care.** Estimates indicate that by 2016 the provisions set out in the ACA will reduce the number of uninsured by approximately 26 million people; the current number of healthcare workers will be unable to meet the volume and scope of healthcare services demand.<sup>9</sup>
- ❖ **Downward Shift in Care Responsibilities.** While the level of demand and nature of the healthcare system cannot be precisely predicted and will take shape over time, it is expected that workers in support occupations will be asked to do more and that collaboration and flexibility among providers will be fundamental.

- ❖ **Promoting Development of Alternative Approaches to Care Delivery.** The evolving healthcare system and changing demands will lead to expansion in supportive healthcare services that address chronic disease management or prevention and support activities of daily living and thus increase opportunities for supportive health services employment.
- ❖ **Catalyzing Improved Efficiency and Quality of Care.** Investing in healthcare workforce training and development through collaborative partnerships between employers, professional organizations, and external training programs will be critical to meeting new efficiency and quality standards.

### What are Strategies for Addressing the Demand for Healthcare Workforce?

The interrelated demand- and supply-side factors strongly suggest a need for more policy focus on expanding training programs and encouraging the development of more targeted and innovative strategies for training healthcare workers. Several strategies are highlighted here:<sup>10</sup>

- ❖ **Creating Accessible Programs for Trainees.** The current training structure cannot meet the current and growing demand for trained healthcare workers due to low program enrollment, limited program capacity, and not enough trainees with program pre-requisites or needed financial resources.
- ❖ **Navigating Complex Credential Requirements for Employment Entry and Retention.** Advancement requires formal education and credentialing, yet mobility may be restricted by variation in state requirements and limited incentives for employers to promote or support advancement.
- ❖ **Meeting Health Service Needs.** Although the market for the healthcare workforce is national, shortages differ across and within states and between urban and rural areas.
- ❖ **Responding to Employer Demand.** As shown above, the healthcare workforce is made up of largely low-income individuals. These workers may have limited ability to move to regions with more positions available given the costs associated with relocation. Further, many areas do not have adequate training programs for local residents.
- ❖ **Addressing Workforce Turnover, Burnout, and Position Churning.** High vacancy rates and turnover among direct care or paraprofessional healthcare workers—due to low wages, few benefits, difficult working conditions, and inadequate training—are a chronic problem.
- ❖ **Providing Support for Post-Secondary Vocational Education for Low-Income Populations.** To expand effectively the pool of trained healthcare workers, training programs may have to incorporate systematic supports for students who may not otherwise succeed, including tuition support, either directly or through partnerships.

### What are the Implications for HPOG?

The literature indicates that the ACA expansion of healthcare coverage will significantly increase demand for care and, in turn, will require significant action from employers, training institutions, and public agencies to transform the workforce training system and the healthcare delivery structure to meet demand. This review suggests that the HPOG grantee programs, and all training programs focusing on healthcare employment opportunities, need to be aware of the following:

- ❖ The specific healthcare labor market context in their area;
- ❖ Growing and changing occupational demands;
- ❖ Credential requirements; and
- ❖ Supports necessary for low-income individuals to succeed.

The HPOG research agenda will help shed light on how a key potential source of the future healthcare workforce—low-income workers—can be trained and placed into healthcare jobs.



## Endnotes

<sup>1</sup> This brief is based on the longer review Randall Bovbjerg and Erin McDonald (2014). Literature Review: Healthcare Occupational Training and Support Programs under the ACA—Background and Implications for Evaluating HPOG, OPRE Report #2014-29, Washington, DC: Office of Planning, Research and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services. Additional citations to literature can be found here. For more information about the HPOG Program and the evaluation efforts see <http://www.acf.hhs.gov/programs/opre/research/project/evaluation-portfolio-for-the-health-profession-opportunity-grants-hpog>.

<sup>2</sup> Bureau of Labor Statistics (2014). "Employment Projections Table 1.9 2010-20 Industry-Occupation matrix data, by industry." Washington, DC: U.S. Department of Labor, [http://www.bls.gov/emp/ep\\_table\\_109.htm](http://www.bls.gov/emp/ep_table_109.htm).

<sup>3</sup> CMS (Centers for Medicare & Medicaid Services). 2012. National Health Expenditures by Type of Service and Source of Funds, CY 1960-2011. <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsHistorical.html>

<sup>4</sup> Bureau of Labor Statistics. 2010. "Standard Occupational Classification: 2010 SOC Major Groups." [http://www.bls.gov/soc/major\\_groups.htm](http://www.bls.gov/soc/major_groups.htm)

<sup>5</sup> Bureau of Labor Statistics. 2014. "Employment Projections Table 1.9 2010-20 Industry-Occupation matrix data, by industry." Washington, DC: U.S. Department of Labor, [http://www.bls.gov/emp/ep\\_table\\_109.htm](http://www.bls.gov/emp/ep_table_109.htm).

<sup>6</sup> Paraprofessional Healthcare Institute. 2013. Direct-Care Workers at a Glance. New York: Author. <http://phinational.org/direct-care-workers-glance>

<sup>7</sup> Robert Wood Johnson Foundation. 2005. Defining the Frontline Workforce. Princeton, NJ: The Robert Wood Johnson Foundation Human Capital Portfolio Team, with contributing authors at Health Workforce Solutions, LLC, Kim Solomon, Jennifer Schindel, David Cherner, and Edward O'Neil. <http://explorehealthcareers.org/en/issues/policy>

<sup>8</sup> For further information see Institute of Medicine. 2008. Retooling for an Aging America: Building the Healthcare Workforce. Washington, DC: The National Academies Press; HRSA (Health Resources and Services Administration). 2004, February. Nursing Aides, Home Health Aides, and Related Healthcare Occupations—National and Local Workforce Shortages and Associated Data Needs. Rockville, MD: U.S. Department of Health and Human Services, National Center for Health Workforce Analyses, Bureau of Health Professions. <http://bhpr.hrsa.gov/healthworkforce/reports/rnhomeaides.pdf>; Seavey D. and A. Marquand. 2011, December. Caring in America: A Comprehensive Analysis of the Nation's Fastest-Growing Jobs: Home Health and Personal Care Aides (Appendix 2: State Projected Demand for Direct-Care Workers, 2008-2018, pp. 89-96). New York: Paraprofessional Healthcare Institute. <http://phinational.org/sites/phinational.org/files/clearinghouse/caringinamerica-20111212.pdf>

<sup>9</sup> Congressional Budget Office. 2013. CBO's February 2013 Estimate of the Effects of the Affordable Care Act on Health Insurance Coverage. <http://www.cbo.gov/sites/default/files/cbofiles/attachments/43900-2013-02-ACA.pdf>

<sup>10</sup> For more information see American Association of Colleges of Nursing. 2012. Nursing Shortage Fact Sheet. Washington, DC: Author. <http://www.aacn.nche.edu/media-relations/NrsgShortageFS.pdf>; Institute of Medicine. 2011. The Future of Nursing: Leading Change, Advancing Health. Washington, DC: The National Academies Press; Chisman, F. P., and G. Spangenberg. 2005. To Reach the First Rung and Higher: Building Healthcare Career Opportunities for Low Skilled Disadvantaged Adults. New York: Center for Advancement of Adult Literacy (CAAL). <http://www.caalusa.org/firstrungandhigher.pdf>; Jacobson, Louis, and Christine Mokher. 2009. Pathways to Boosting the Earnings of Low-Income Students by Increasing Their Educational Attainment. Washington DC: The Hudson Institute.

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