New Jersey State Employment and Training Commission
Health Care Workforce Council
Hunterdon Medical Center, Flemington
July 22, 2011

MINUTES

I. Welcome and Chairman's Remarks: Robert P. Wise, Chair, and Health Care Workforce Council.

The meeting was called to order at 9:00 am by Chairman Robert Wise and members were welcomed to the meeting. The minutes of June 19, 2011 were approved. Chairman Wise acknowledged the one year anniversary of the Council and welcomed the participation of the Health Care Talent Network representatives. Dante Rieti was introduced as a new Council member. Mr. Rieti is the Executive Director of Workforce Development, Cumberland County and has led innovative health care projects, including a federal Community-Based Job Training grant that operated in conjunction with the local community college and vocational school. The project trained more than 400 people to work in health care careers and helped to establish a good foundation for the health care workforce in the Cumberland/Salem area. Cumberland/Salem's One-Stop Career Center also developed a popular health care track that is being replicated for use in other industry sectors.

David Finegold suggested an employer addition to the Council membership. His suggestion will be followed up on. Chairman Wise asked Council members for additional suggestions as needs or gaps are identified in the Council membership.

II. Defining NJ Primary Care Physician Needs and the Challenges in Addressing Specific Shortages: Deborah Briggs, Senior Vice President, Health Policy, New Jersey Council of Teaching Hospitals.

The New Jersey Physician Workforce Taskforce Report can be accessed at: http://www.njcth.org/NJCTH/media/NJCTH-Media/pdfs/FINAL-NJ-Physician-Workforce-Report--w-appendices-012910.pdf. Members who would like a bound, hard-copy of the report should contact Ms. Briggs.

Clarifying primary care. Ms. Briggs continued her presentation from the June 19 Council meeting on the primary care physician shortage. Sponsored by the New Jersey Council of Teaching Hospitals (NJCTH), the New Jersey Physician Workforce Taskforce Report is the work of a group of 25 dedicated professionals analyzing a large amount of data to understand where the current state of the primary care shortage in New Jersey. This task was challenging because despite the large amount of data that exist, other needed data was not available. The Bureau of Medical Examiners (BME) has agreed to include 15 scope-of-practice questions in the current 2011 physician re-licensure process.

This should result in needed data on physician practice, such as how many OB/GYNs continue to deliver babies. Other states that collect data on primary care update their statistics every two years. The Physician Workforce report captures a point in time from 2008 to 2009 and will need to be re-done. Ms. Briggs informed members that there is debate nationally and in New Jersey about what is meant by primary care. The focus of this discussion was how the primary care workforce can be expanded; which is a stated priority of the Council. Generally, primary care is considered family medicine, geriatrics, general internal medicine, pediatrics, and OB/GYN. Because of the shortage of general surgeons throughout the US, the definition of primary care is sometimes expanded to include general surgery; however, this expanded definition is contested. Each state needs to look at its individual population and understand the prevalent disease categories to determine the most appropriate makeup of the teams providing care to particular groups. Examples of teams made up of physicians from various specialties caring for autistic and geriatric patients were given. Ms. Briggs proposed that the issue of defining primary care can be approached simplistically by using definition of primary care used at the national level. Or the question can be asked, "What are our population needs and, therefore, what is the mix of physicians that we will need in NJ?"

It was asked, of the two choices, if there is a preferred option and whether it would be appropriate for the Council to suggest a definition. Ms. Briggs suggested that, for the short term, the traditional definition should be considered because it is already known that there is a shortage of primary care physicians (as defined traditionally). Longer term, a subcommittee, working with epidemiologists in New Jersey, might study population needs to discover what the primary care needs are.

Primary care and team models. Members discussed the effects that Dr. Jeff Brenner's successes in Camden have had on the structuring of primary care teams. These teams are not limited to primary care physicians but include a wider range of health care providers that are a resource to meet primary care needs. Ms. Briggs agreed and added that data show, that with current and projected future shortages of primary care physicians, it is not possible for primary care to be limited to physicians. A care model needs to be created that is appropriate for New Jersey. When looking at the priority occupation list created by the Council, Advanced Practice Nurses are included.

Team learning. A member observed that the operative word is "teams" and a team focus may necessitate a curriculum change in medical schools – to teach physicians to be team players and build teams, not only with peers but with team members from other disciplines. Physicians might learn this when they get out of medical school but often forget it when they enter practice.

Ms. Briggs explained that a New Jersey Osteopathic school had a nationally recognized program of progressive team education years ago. Unfortunately, the realities of the different sequencing of curriculum and the location of campuses created a logistical challenge to bringing the different disciplines together in the classroom and that currently the program is not operating. Solutions to these team learning barriers need to be found by bringing together the deans of Nursing, Pharmacy, Social Work and Medicine. One answer to overcoming logistical challenges may be virtual, online learning – this method of getting everyone in the same learning environment is gaining in popularity.

Rethinking practice settings and structures. The importance of the structure and practice settings of the Council's priority professions was raised. The changing utilization of these occupations, as they move out of institutional settings in the future, may make them more of a priority than in the past. When lower costs are considered, it becomes increasingly important to think of the priority occupations as a whole rather than as separate; this is a valuable way for labor, industry and education to look at what type of investment is needed in order to get the most value when solving health care issues. This may be an area for further Council exploration.

Due to the work of Dr. Brenner and others, the use of Advanced Practice Nurses and Physician Assistants is recognized as very important when considering primary care issues. The specialists have led the way in thinking in terms of multidisciplinary models; this should be considered not just in primary care, but in specialties also.

Retention of resident graduates. Ms. Briggs presented data showing significant primary care and specialty physician shortages in the southern region of the state for both insured and uninsured. With the passage of federal health care reform, those shortages are expected to increase. In New Jersey, 2,800 medical residents are trained annually. The retention rate of these residents has declined from 47% (during the study) to the current rate of 37%. That means that the 2009 projected need of 1,000 physicians has increased because of non-retention. State legislators want to know why residents are not being retained in New Jersey. One reason is that there are 400 medical school graduates to fill 800 residency openings annually in New Jersey, necessitating the remaining slots be filled with out-of-state or international medical school graduates. Additionally, there is an inadequate number of fellowships for the one-third of resident graduates in New Jersey who pursue additional training. About 250 physicians leave the state to seek fellowships in other states each year. It is known that doctors usually stay to practice where they do their fellowship.

This is the first year that NJCTH's Annual Resident Exit Survey asked for comments about why a respondent is leaving New Jersey. Proximity to family is always cited, but this year in particular, economic factors were listed. Because of the amount of debt most new physicians have incurred, economic issues such as cost-of-living and reimbursement rates are of primary importance.

The question was asked whether those residents pursuing fellowships are the most qualified and those who will be future specialists. Ms. Briggs answer was that residents going on to fellowships were not necessarily the "best of the best", but nonetheless, the fellowships aren't available to keep them.

In response to another question, Ms. Briggs explained how surplus and shortage are defined not only as the ratio of physicians to population, but other factors as well. For instance, when the economy is good more specialty services are sought, therefore, economic upturns and downturns need to be considered.

When asked how New Jersey's retention rate compares to neighboring states, Ms. Briggs responded that other states hover around 50%. Currently, little is known about residents entering New Jersey from other states, but NJCTH is discussing the possibility of including questions related to this issue in the licensing process with the BME.

It was observed that early in a physician's career, issues of salary are of primary importance because loans need to be repaid, but as loans are paid off, salary moves down the list and is replaced by issues of quality of life in both work and community.

Perceptions about primary care practice. Ms. Briggs explained that for more than a decade primary care has not been the desired focus for new physicians. The perception of what primary care is needs to be changed to correct this bias.

Reimbursement of primary care physicians compared to specialty physicians was discussed and debated including the rate negotiating process and the overall payment system that rewards specialists significantly more than primary care doctors. It was observed that if New Jersey is trying to transition from acute care to community-based care these issues are critical to address.

New Jersey has half the number of residency and fellowship slots per 100,000 persons when compared to Pennsylvania.

Some New Jersey schools award additional points to residency candidates who grew up in New Jersey, and have connections to the state, and therefore may be more inclined to reside and practice in New Jersey.

The issue of residents' perceptions of negative surroundings and the problem of how these perceptions can be changed while residents are studying and working in New Jersey were discussed. Ms. Briggs offered that in addition to the marketing and PR task, some states are trying to change a negative practice environment to a positive one by actions such as making regulations more favorable for practice.

In response to the questions of how serious the shortage is in light of the non-retention rate, Ms. Briggs responded that people are getting primary care but that some people are having a harder time than others. Ms. Briggs asked, how long is too long a wait if an individual has a problem? At the present time New Jersey does not have the resources to prepare for the expected health care changes and future primary care needs. Given that, how can primary care best be balanced with specialty care? Fifty-five percent of residency slots are for primary care, but three quarters of the 55% go on for more training to become specialists (excepting family medicine and geriatricians). This indicates why it is important to have physician residents declare a commitment to practicing in New Jersey and why understanding the intent of prospective residents should be considered in admissions criteria. Ms. Briggs offered that NJCTH is creating a committee of Deans to examine these issues on a statewide basis.

Payment structure. The point was made that if internists' salaries are half of specialists' then only those committed to the ideals of medicine and not the practicalities will stay in the field.

It was noted that every new physician brings an average of 2.5 employees and direct and indirect revenue of $1.5 million annually to a community. The need to communicate the benefits (job expansion, economic growth, primary care coverage) physicians bring to a community to municipalities was discussed. Ms. Briggs pointed out that the Physician Workforce Report has an analysis of primary care providers per capita for each New Jersey county.

The shift from private practice to employer-based practice is slower in New Jersey than in other states. An in-depth analysis of how long it takes to recruit a pediatric specialist has been done by NJCTH but this has not been done for all specialties.

Ms. Briggs related that one hospital moving toward the employment model, has taken the proactive approach of putting $2 million aside for a loan repayment program for graduating residents in primary care. Participation in the program requires a commitment to the hospital of 4 – 5 years. Seventy percent of the graduating class said they wanted to make a commitment to stay in exchange for loan repayment; however, the hospital could not find physician practices that would hire those doctors. This illustrates that individual physician groups don't have succession planning in mind; what they see are economic risks e.g. salary costs, but not the potential reimbursement.

Task Force recommendations:

- **Center for Physician Workforce Planning.** The Physician Workforce study proposes that an unfunded entity, which already exists in New Jersey statute, should be funded to create the Center for Physician Workforce Planning. This center would accept the challenge and responsibility of analyzing data and examining where New Jersey needs to be in the future. Currently the Advisory Graduate Medical Education Council (AGMEC) is doing this work with no funding. It was suggested that one funding possibility is an additional licensure fee dedicated to funding the center – this is how the Collaborative Center for Nursing is funded.

- **Joint Physician Workforce Planning.** Another role of the Center could be to coordinate joint strategic planning between the State, medical schools, and teaching hospitals. Currently there is no collaborative strategic planning effort between these entities and relatively no communication. The questions need to be asked: where do we need to be; where does the primary care focus need to be in the future; and what is the right mixture of residency slots? AGMEC could be a resource to bring the parties together for this critical planning process.

Recruitment Tools: NJCTH is now able to stay in touch electronically with graduating residents who participated in the Resident Exit Survey, making it possible to create a database that includes doctors who leave New Jersey. The tool could be used to inform these doctors about employment opportunities and recruit them to practice in New Jersey.

Also, with the scope of practice data from the BME survey, health professional shortages in New Jersey can be better defined. Last year only two of 30 J-1 Visa slots were used; this data could be used to identify shortages in areas where available funding could be used. Health Professional Shortage Areas (HPSAs) also need to be defined to assure that available federal loans are procured.

Overarching workforce questions: What is the optimum ratio of care providers to residents? If this ideal ratio was attained, how many other jobs would be created? What would the economic benefits be? What is the ideal care model? These questions have enormous implications for workforce development beyond health care. It was suggested that, with the support of data from employers and the NJ Department of Labor and Workforce Development (LWD), the Council could lead efforts to identify key priorities and begin to address them.

III. Talent Networks Initiative: Aaron Fichtner, Assistant Commissioner, Labor Planning and Analysis, LWD, and Robert Grimmie, Director of the Center for Occupational Employment Information, LWD.

Mr. Fichtner reported that on July 20 a press event was held with the Lt. Governor to kick off the Talent Networks representing six critical industries in the state. Rutgers and David Finegold were chosen in a competitive grant process to run the Health Care Talent Network. The Talent Networks will create a framework aligning workforce and education investments with the needs of employers. The Talent Networks will help assure that people train for jobs that exist now and in the future. As discussed earlier, research has identified a shortage and the Council is well-positioned to speak to solutions to those shortages. Two important pieces to creating a framework for alignment are: 1) grounding in good data and information to inform discussions and decisions; and 2) using this information and employer feedback to plan strategically. The Council is a model for what is going to be created in the other sectors, as each Talent Network will have a council or advisory group.

It was raised that frequent Council meetings have been beneficial in maintaining momentum and focus. There was agreement on this point.

Talent Networks are intended to serve as connectors between the intermediary institutions such as Workforce Investment Boards, community colleges, 4-year colleges, training schools, and others in the workforce development system, with the needs of employers.

Robert Grimmie explained that at the root of the Talent Network idea is the direct link to employer feedback groups. The framework of a successful Talent Network advisory group would look like the Council. LWD is the execution arm with internal resources and links to other workforce development groups such as One Stops. Not all industries will approach workforce development the same way; for instance, issues of physician residencies are very specific to health care.

The question was asked if, because there are overlapping sector interests, the various councils will have the capability of interacting with each other. Mr. Grimmie responded that the Talent Network organizers intended this type of interaction to be part of the Talent Networks functions. Some interactions, such as joint events, will be organized through LWD but others will be informal and initiated by the individual Talent Networks. Strong working relationships exist between organizations doing this work already.

Ms. Horst explained that the intent is to have a representative from each industry advisory group serve as a member of the SETC Commission. The work of the Talent Networks and their advisory groups will also provide sector information that will help to build the state workforce plan.

An outline of the Talent Networks, and where they are housed, was provided:

- Health Care: Rutgers University
- Transportation, Logistics and Distribution: Heldrich Center for Workforce Development
- Technology/Entrepreneurship: New Jersey Technology Council

- Life Sciences: Bio-NJ
- Financial Services: Newark Alliance
- Advanced Manufacturing: New Jersey Institute of Technology

(An Industry Cluster Factsheet is provided with these minutes.)

Mr. Grimmie concluded by stating that the Talent Networks have the full support of the Commissioner of Labor and the Governor's office. Continuing funding of the Talent Networks is intended into the next year, if they are successful. It is also hoped that the Talent Networks will seek additional funding from other sources.

IV. NJ Healthcare Talent Network and Transitional Employment Opportunities – David Finegold, Dean, Rutgers School of Labor and Management Relations.

Dr. Finegold indicated that the biggest challenge for our state is jobs creation. New Jersey ranks at or near the bottom of states for job creation. The Talent Networks are the fourth part of the a New Jersey jobs creation strategy including: 1) the Lt. Governor's Business Action Center Team to retain and attract employers; 2) "Choose New Jersey," the public/private initiative that markets the state across the country and abroad; and 3) the Economic Development Administration's (EDA) focus on providing investment for new start-up businesses. The fourth component of the jobs creation strategy is to provide the talent to meet workforce needs. The Council has a head start on this component, but health care also has additional challenges. In addition to the Council, the NJHA will be advising the Health Care Talent Network's efforts.

Dr. Finegold asked for suggestions for filling the Health Care Talent Network coordinator position. Candidates should possess a special understanding and knowledge of health care workforce issues and an ability to work with employers and educational institutions. One year of funding for this position is assured and, hopefully, it will be extended into future years.

A member suggested that the National Fund for Workforce Solutions as a funding and technical resource in these efforts (http://nfwsolutions.org/). It was added that the Newark Alliance is part of the National Fund and hopes to generate interest in collaborative workforce efforts (http://www.newark-alliance.org/GNWFC.php) in the Northern region of the state. Additional collaboratives can be explored for the Central and Southern regions. LWD was commended by Council members for its efforts to increase collaborative efforts in workforce development.

The point was made that people are willing to change where they live and what they do. In this climate, are unemployed people able to see a solution and move in a direction that meets their needs? Dr. Finegold gave an example of a Bio-1 career event that attracted 14 employers hiring in the sector and gave participants information about careers.

Members were reminded that many long-term unemployed workers have low literacy skills. In health care in particular, people must have a higher level of skill. How do we identify the problem areas and focus the resources of the workforce development system to solve the problems?

Dedicating local resources to health care is no different than what other WIBs have done – many efforts just aren't recognized. The population of the unemployed has changed recently, with more highly educated people joining the ranks. If promoted the right way on the local level, Talent Networks should be a real success. WIBs and One-Stops are important in helping to make the right job matches.

Members expressed an interest in learning more about the work of WIBs, One Stops and available opportunities. The current problem of unemployment among newly licensed nurses was discussed. How unemployed health care personal can access a One Stop employment list was discussed. It was agreed that this is an opportunity to use existing customized training monies and that there is interest in moving forward with the idea of transitional employment for unemployed health care workers.

V. Conclusion

Appreciation was expressed for the work LWD and SETC have done on the Talent Networks.

The Council will more closely examine the recommendations and goals in the Physician Workforce Taskforce Report at the August meeting. There are common components and solutions that may be gleaned from these recommendations that are applicable to the other priority occupations identified by the Council.

Chairman Wise presented a visual schematic of how the work of the Council and that of the Health Care Talent Network will integrate and enhance each other.

The next meeting of the full Council will be held on Monday, August 22, 2011 at the Labor Building in Trenton at 9:00 am. Chairman Wise thanked all members who attended in person and on the phone. The meeting was adjourned at 11:00 am.

Member Attendees – July 22, 2011

Bakewell-Sachs, Susan, NJ Nursing Initiative
Barnett, Patricia, NJ State Nurses Association
Brady, Jane, Middlesex County Workforce Investment Board
Briggs, Deborah, NJ Council of Teaching Hospitals
Ceserano, Justine, NJ Primary Care Association (for Ms. Grant-Davis) (phone)
Daitz, Andrea, Robert Wood Johnson Foundation (for Dr. Ladden)
DiSandro, Kristin, JNESO (for Ms. Treacy) (phone)
Egreczky, Dana, NJ Chamber of Commerce Foundation
Fichtner, Aaron, NJ Dept. of Labor and Workforce Development (for Commissioner Wirths)
Finegold, David, Rutgers School of Labor and Management Relations
Franzione, Anita, Parker Memorial Home
Garlatti, Betsy, NJ Commission on Higher Education (phone)
Krepcio, Kathy, Heldrich Center for Workforce Development
Lamothe-Galette, Colette, NJ Dept. of Health and Senior Services (for Commissioner O'Dowd)
Moran, Janet, Camden County WIB Chairperson (phone)
Orchard, Patricia, Horizon Blue Cross Blue Shield of New Jersey
Rieti, Dante, Cumberland County Workforce Investment Board
Ryan, Elizabeth, New Jersey Hospital Association
Rosa, Robert, NJ Council of County Colleges (for Dr. Nespoli)
Salmond, Susan, UMDNJ School of Nursing
Weaver, Kathy, Newark Alliance (phone)
Wise, Robert, Hunterdon Healthcare
Zastocki, Deborah, Chilton Memorial Hospital (phone)

Guest and Staff Attendees – July 22, 2011

Conway, Ashley, NJ State Employment and Training Commission
Cooper, Belinda, NJ Hospital Association
Ferdetta, Frank, NJ Dept. of Labor and Workforce Development
Grimmie, Robert, NJ Dept. of Labor and Workforce Development
Hempstead, Katherine, NJ Dept. of Health and Senior Services
Holmes, Aline, New Jersey Hospital Association (for Ms. Ryan)
Horst, Michele, NJ State Employment and Training Commission
Hutchison, Sheryl, NJ State Employment and Training Commission
Kocsis, Violet, Hunterdon Healthcare
Schurman, Susan, Rutgers School of Labor and Management Relations
Timian, Jason, NJ Department of Labor and Workforce Development
Verkem, Kelly, Bergen County College (phone)