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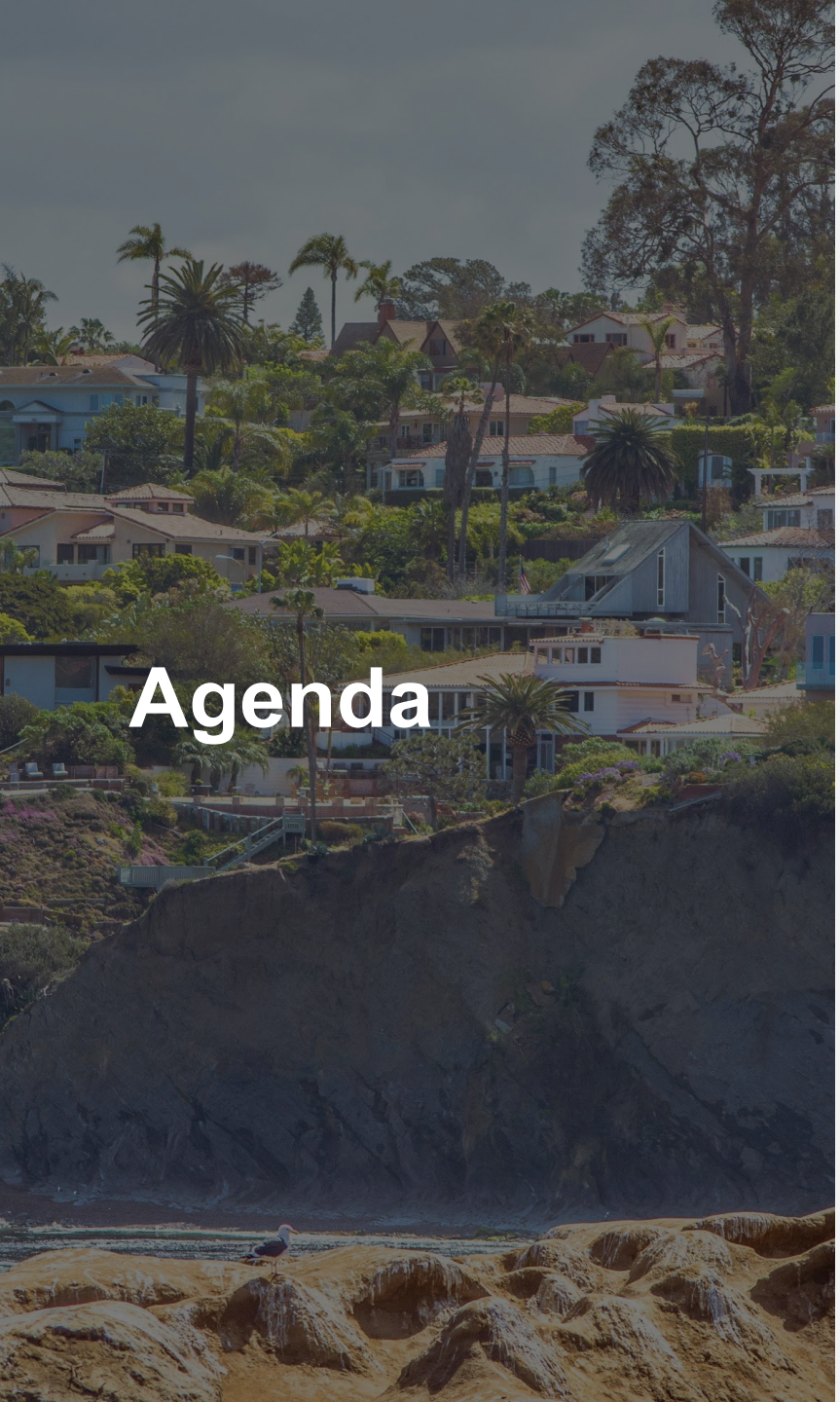
Department of Health Care Access and Information

Agenda Item 4:

Barriers, Stakeholders, and Role of HCAI

Facilitator: Boston Consulting Group



Agenda

Health Workforce Overview: Problem Statement & Voice of the Worker (9:10-11:00am)

- Introduction to health workforce shortages
- Panel discussion with practicing nurses & behavioral health professionals

Barriers, Stakeholders, and Role of HCAI (11:10am-12:40pm)

- Known barriers that lead to shortages
- Players across the ecosystem
- Role of HCAI
- What we know today about supply shortages & demand

Supply & Demand Modeling (1:40pm-3:10pm)

- Prioritized use cases for tool
- Overall calculation approach, functionalities, and data required
- Data gaps and key assumptions underpinning model

Our ask of you

Engage in discussion, ask questions, and share relevant knowledge

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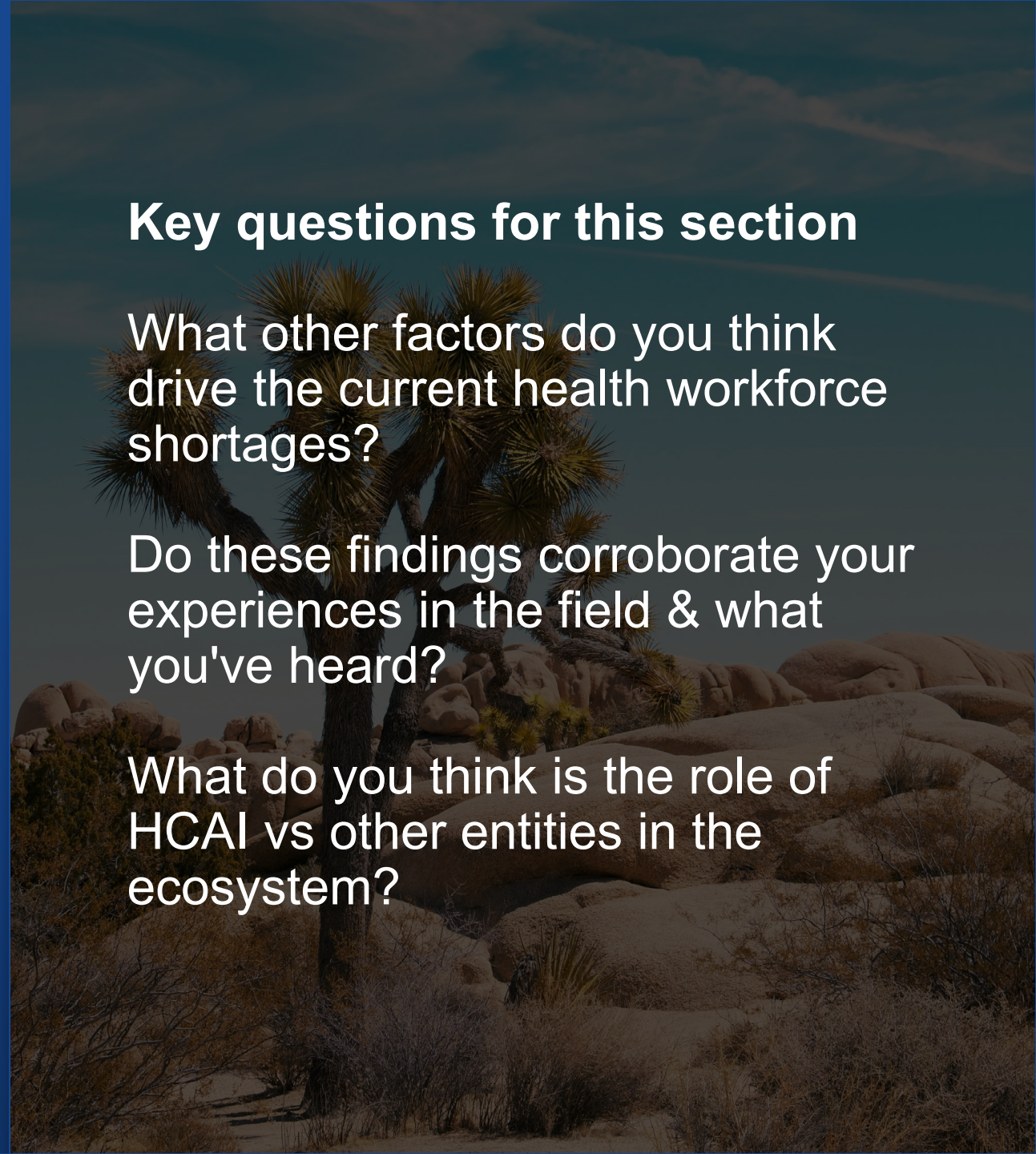
In this section, we will conceptualize what we just heard from panelists into a set of barriers

We will then provide an overview of the other players across the ecosystem, and discuss the role of HCAI



Key questions for this section

What other factors do you think drive the current health workforce shortages?

Do these findings corroborate your experiences in the field & what you've heard?

What do you think is the role of HCAI vs other entities in the ecosystem?

Why are there shortages? | Several key barriers **constrain the pipeline** of behavioral health and nursing providers, contributing to shortages in supply

Insufficient training capacity (primarily nurses)

- **Insufficient funding means public programs are unable to enroll all qualified students**, disproportionately impacting low-income students of color[1,2]
- **Faculty and clinical placement shortages**, particularly in nursing[3]
- **Unequal distribution of training programs** across regions and counties, due locations of schools

High tuition, lower perceived ROI (primarily behavioral health)

- State budget cuts in higher ed led to **increased reliance on student tuition**, raising average student loan debt and disproportionately impacting students from underserved backgrounds[4]
- **Student loan debt can discourage low-income students** from pursuing behavioral health careers[5]

Life barriers to training & completion (both)

- **Non-tuition barriers include:**
  - Limited childcare options, other caregiving, transportation needs, language barriers, etc.
  - Limited on and off-ramps to training process causing inflexibility
  - Perspective among many in the workforce that higher ed is "not for them"

As we hear from learners and workers through additional interviews and focus groups, we will add to this perspective

1. Public Policy Institute of California (2013), "The Impact of Budget Cuts on California's Community Colleges"; 2. PolicyLink (2018), "Building an Inclusive Health Workforce in California: A Statewide Policy Agenda"; 3. Inside Higher Ed (2016), "Wanted: Nursing Instructors"; 4. AACN (2017), "Financing Graduate Nursing Education"; 5. GAO (2022), "Available Workforce Information and Federal Actions to Help Recruit and Retain Providers"
Source: California Future Health Workforce Commission (2019), "Meeting the Demand for Health"

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Why are there shortages? | Multiple barriers exist to **retaining** behavioral health and nursing providers, which can also contribute to shortages in supply

Workplace conditions
(both)

- **Providing care is physically and mentally stressful,** especially during and after the Covid-19 pandemic, contributing to burnout[1]
- **Provider shortages** in both behavioral health and nursing have also **contributed to higher patient loads**, increasing the pressure on remaining providers[2]

Administrative burden
(both)

- **Providers' administrative burden is significant and growing,** lowering career satisfaction[3]
- Research demonstrates **that administrative burden is contributing to provider burnout**[4]

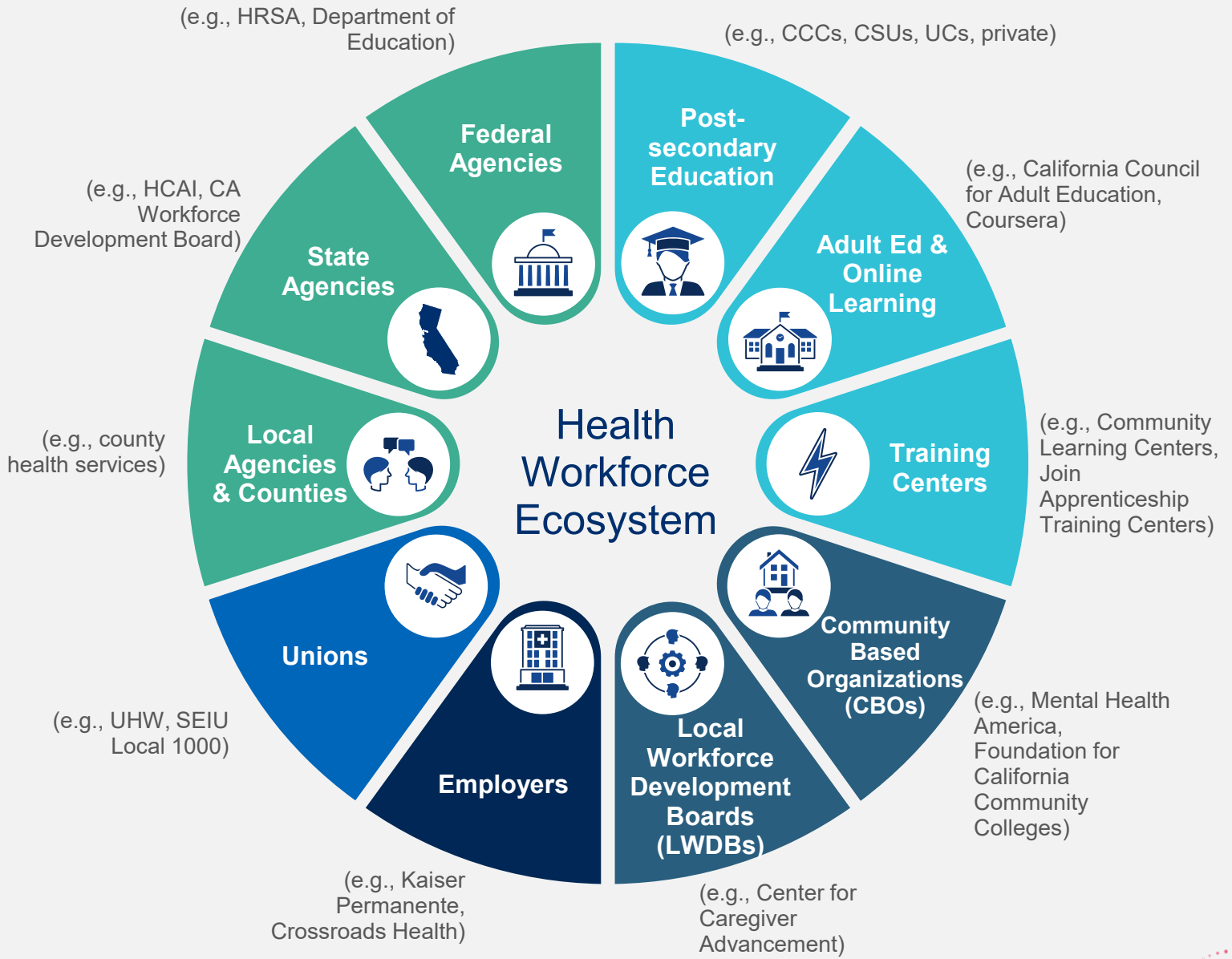
Pay and benefits
(both)

- **~33% of Californian nurses cite pay and benefits as a factor** in decision to leave principal nursing position;[1] **national nursing shortage opens other lucrative options** (e.g., travel nursing)
- Most behavioral health roles **have mean wages below California's average**[6], especially for certified roles
- **Public sector providers** (nonprofits, counties, schools) pay less than private sector and telehealth, but see increased demand, exacerbating unmet need in target populations[7]
- **Low reimbursement rates, high admin burden** discourages behavioral health providers from accepting insurance[5]

As we hear from learners and workers through additional interviews and focus groups, we will add to this perspective

1. UCSF (2024), "California Board of Registered Nursing 2022 Survey of Registered Nurses"; 2. APA (2022), "Psychologists struggle to meet demand amid mental health crisis"; 3. International Journal of Health Services (2014), "Administrative work consumes one-sixth of U.S. physicians' working hours and lowers their career satisfaction"; 4. National Academies of Sciences, Engineering, and Medicine (2019), "Taking Action against Clinician Burnout: A Systems Approach to Professional Well-Being." 5. California Health Report (2020), "Therapists Want to Provide Affordable Mental Health Care. Here's What's Stopping Them"; 6. BLS May 2023 California OEWS; 7. Cal Matters "Why California faces a shortage of mental health workers"

Who is engaged in the work to address the shortages and access? | Many stakeholders make up the health workforce development ecosystem



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Diverse set of stakeholders make up California's nursing and behavioral health landscape

List is non-exhaustive

	Government Agencies	Unions	Employers	Community Based Orgs. and Local Workforce Development Boards	Education Institutions & Centers
Local / Regional	California Workforce Development Board; Counties; Health Services LOS ANGELES COUNTY	LOCAL 221 SEIU Stronger Together; LOCAL 1000 SEIU; seiu 2015 California's Long Term Caregivers	UCDAVIS HEALTH; Sutter Health; Providence; AltaMed	MHA Mental Health America; San Diego Workforce Partnership; SAN FRANCISCO Office of Economic and Workforce Development; Victor; San Fernando Valley Community Mental Health Center, Inc.	SCOE Sacramento County Office of Education; CCAE California Council for Adult Education; werc worker education & resource center, inc.; CORONA NORCO Where your future takes flight.
State or above	HRSA Health Resources & Services Administration; DHCS; EDD Employment Development Department State of California; LABOR & WORKFORCE DEVELOPMENT AGENCY; HCAI Department of Health Care Access and Information; Ed	The Education Fund Empowering potential since 2004.; SEIU-UHW United Healthcare Workers West; California Nurses Association; UNAC/UHCP; NUHW National Union of Healthcare Workers; AFSCME	UNIVERSITY OF CALIFORNIA HEALTH; Dignity Health.; KAISER PERMANENTE®	Heluna Health® EMPOWERING POPULATION HEALTH INITIATIVES SINCE 1969; Foundation for California Community Colleges; cwa california workforce association; Futuro HEALTH WHERE THE FUTURE OF CARE BEGINS	CALIFORNIA ADULT EDUCATION PROGRAM; The University of California; California Community Colleges; CSU The California State University

Backup | Each stakeholder type has a unique role in the ecosystem

Government Agencies	Unions	Employers	Community Based Orgs & Local Workforce Dev't Boards (LWDBs)	Education Institutions & Centers
• **Launch and run** health workforce programs • **Provide strategic guidance** on program policy • **Administer, provide fiscal oversight of** major workforce funds (*WIOA Title I, Mental Health Services Act fund*)	• **Negotiate** for better wages, health & retirement benefits • **Provide training and apprenticeship** programs for nurses • **Influence** health **policy**	• **Recruit, hire,** and **retain** health professionals • **Collaborate** with educational institutions to provide workforce training • **Negotiate** with unions to establish wages & benefits	• **LWDBs coordinate WIOA** workforce funds • Educate community members on opportunities and engage stakeholders • Run **training** and **pathway programs** for learners	• **Educate** and provide **certification / credentials** for learners • **Create** education pathways to career fields • **Launch statewide initiatives** to train behavioral health and nursing workforce

For discussion

What the primary tools/ levers that each player uses today? What are the limitations of each?
Are there places where we see roles starting to blend together today (e.g., Kaiser opening schools)?
Where do we see opportunity for greater intentional collaboration?

Round Robin: Select one to answer

1. As HCAI defines its strategy, what do you see as its role relative to the other players in the ecosystem?
2. Where should we be leading vs facilitating or partnering?
3. What unique tools do only we have?
4. Where do we see opportunity for greater intentional collaboration?
5. What is the role the Council in facilitating coordination in the ecosystem?

Backup | HCAI plans to partner with CCCs to inform training expansion in areas of need

Nursing Workforce Development Demonstration Project

Overview

To address the state's critical nursing shortage, the Nursing Workforce Development project aims to **highlight successful models that significantly increase the number of Associate Degree in Nursing (ADN) graduates** at California Community Colleges (CCCs)

The project will establish a statewide blueprint to increase ADN degrees, emphasizing collaboration between regulators & employers, and utilizing a range of strategies to expand ADN program capacities

HCAI will partner with CCCs on this project, to inform training expansion in areas of greatest need

Today we have a view of current and select supply shortages relative to the population; our supply / demand model will project gaps in much more detail, for a longer list of roles

What we know today: behavioral health

- **San Joaquin Valley, Northern and Sierra, and Inland Empire** have lowest shares of providers relative to their share of California population
  - **San Joaquin Valley also has the lowest share of behavioral health graduates**, relative to pop.
- **Hispanic and Asian providers are generally under-represented** across roles, relative to California population, while **Black providers are generally at parity or well represented** for most roles
- Published estimates of demand suggests current shortage of providers, but differ in unmet need by role

What we know today: nursing

- **San Joaquin Valley, Central Coast, and Northern and Sierra** have lowest shares of providers relative to share of California population
  - **Central Coast also has the lowest share of nursing graduates**, relative to population
- **Over half of nursing workforce is from non-White** racial and ethnic groups, but **White providers form majority of all Advanced Practice roles**, except Nurse Practitioner
- Published estimates diverge on current level of unmet need for Registered Nurses, and future trends

Current gaps in what we know today

- **Custom estimates of demand and unmet need** by role, geography, and population characteristics (e.g., race / ethnicity, languages, insurance status)

Next step: understand all the ways to enact change and evidence behind each

Behavioral health demand | Published estimates suggests overall demand exceeds supply; missing key considerations to be addressed by model

Sources generally agree that there is a current shortage but estimate different roles as highest unmet need

- For **2024, HRSA** (Health Resources and Services Administration) estimates largest unmet need is for **Mental Health Counselors** (28%), followed by Healthcare Social Workers (16%)[1]
- For **2028, UCSF** projects largest unmet need for **Psychiatrists** (41 – 50%)[2]
- Steinberg Institute estimates California's behavioral health workforce can **only serve about a quarter of need**[3]
- **Also reviewed San Diego Workforce Partnership** study, but no California-wide estimates provided

Variable references in external models to:

- Roles, with each **model focusing on different roles**
  - Certified behavioral health roles, particularly Peer Personnel and Wellness Coaches have limited coverage

Limited reference in external models to:

- **Granular geographic differences** (e.g., county, Medical Service Study Areas)
- **Demographic differences** (e.g., language, race)
- Provider **insurance** carrier status (e.g., Medi-Cal acceptance)

Model will be designed to serve as 'source of truth', will provide granular estimates of demand, and can be updated by HCAI periodically

1. HRSA Workforce Projection Dashboard (accessed May 2024); 2. UCSF (2018), "California's Current and Future Behavioral Health Workforce"; 3. Steinberg Institute (accessed May 2024), "What is the behavioral health workforce shortage"

Nursing demand | Published estimates diverge on current level of unmet need in Registered Nurses; missing key considerations to be addressed by model

Sources diverge on level of demand / unmet need for Registered Nurses

- For **2024, HRSA** (Health Resources and Services Administration) estimates suggest **higher Registered Nurse unmet need** (16%)[1] **vs UCSF's 2022** paper (4%)[2]
  - For 2024, UCSF's 2018 paper suggests supply exceeds demand (-4% unmet need)[3]
- **HCAI estimates over 1 in 10 Californians live in high severity Registered Nurse Shortage Areas[4]**
- A study published in the American Journal of Medical Quality estimates a shortage of ~140k Registered Nurses in 2030[5]
- In addition, UCSF projects **shrinking unmet need and excess supply** starting between 2028 - 2029[2] while HRSA **expects growth in unmet need[1]**

Variable references in external models to:

- Roles, with **most models focusing only on Registered Nurses**
  - Only HRSA provides estimates for Licensed Vocational Nurses and select Advanced Practice Nursing roles

Limited reference in external models to:

- **Granular geographic differences** (e.g., county, Medical Service Study Areas)
- **Demographic differences** (e.g., language, race)
- Provider **insurance** carrier status (e.g., Medi-Cal acceptance)

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1. HRSA Workforce Projection Dashboard (accessed May 2024) 2. UCSF (2022), "Forecasts of the Registered Nurse Workforce in California" 3. UCSF (2018), "Regional Forecasts of the Registered Nurse Workforce in California" 4. HCAI Registered Nurse Shortage Areas in California 5. American Journal of Medical Quality (2018), "United States Registered Nurse Workforce Report Card and Shortage Forecast: A Revisit"