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Rural Focus

Planning for a Sustainable Rural Healthcare Workforce

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Workforce challenges are contributing to margin pressures for hospitals and health systems across the U.S., and rank number one on the list of hospital CEO top concerns, according to the American College of Healthcare Executives.¹ Research published in the *Journal of Nursing Regulation* found that 20 to 30 percent of the nursing workforce is actively considering retiring, leaving the profession, or departing from their current position in the near future.² Similarly, 22 percent of physicians said they have considered early retirement because of overwork.³ These statistics among clinicians present a current and future workforce challenge that must be addressed. Workforce challenges are exacerbated in the rural setting, which is historically more difficult to recruit for than metropolitan settings due to comparatively lower professional mobility.

As these workforce issues persist, rural healthcare organizations will need to continuously evaluate how best to meet market compensation and benefit needs, as well as long-term staff development needs, to create a thriving work environment for existing and prospective staff and to compete with local for-profit employers for non-clinical staff. This article focuses on how rural hospital senior leaders and boards can pursue a multifaceted approach to:

- Attract a leading workforce.
- Retain employees through a strong culture.
- Partner with other organizations to close persistent gaps.

1 American College of Healthcare Executives, *Top Issues Confronting Hospitals Survey*, 2022.
2 Brendan Martin, et al., "Examining the Impact of the COVID-19 Pandemic on Burnout and Stress Among U.S. Nurses," *Journal of Nursing Regulation*, April 2023.
3 Pat Newitt, "22% of Physicians Considering Early Retirement Amid COVID-19: 4 Stats to Know," *Becker's ASC Review*, December 22, 2021.

Attracting Staff

The shortage of clinical and non-clinical staff in the rural healthcare setting is likely to worsen. According to the AAMC, the U.S. could see a shortage of between 38,000 to 124,000 physicians by 2034.⁴

A logical first step for organizations struggling to attract and retain staff is to increase compensation, but this is often insufficient in the long term and may not be feasible for every hospital. Additionally, rural hospitals struggle to attract non-clinical staff because non-healthcare companies can be more financially stable and offer higher compensation.

Aside from boosting pay, strategies to attract talent include the following:

- **Offering loan relief and tuition reimbursement:** Providing relief for all or some portion of student debt can incentivize current staff and prospective recruits as they pursue advanced degrees or continuing education, representing an opportunity to invest in future high-value employees.
- **Establishing recruitment pathways:** One option is to compensate rising talent in your organization for pursuing new certifications and degrees, or develop your own educational programs. These pathways create an opportunity for clinical staff to graduate to clinical-administrative leadership and for non-clinical staff to learn on the job and qualify for managerial and leadership roles, all while staying and growing with your organization. For example, Madison County Memorial Hospital, a 25-bed, not-for-profit critical access hospital in Florida, actively invests in its workforce through employee education and scholarship programs.⁵
- **Recruiting international physicians:** The American Medical Association (AMA) recently found that international medical graduates represent 25 percent of doctors and surgeons in the U.S.⁶ Non-U.S.-citizen physicians on J-1 visa waivers who commit to practicing in a health professional shortage area or medically underserved area for a three-year period are permitted to remain in the U.S. for three years following the expiration of their visas—this can be an attractive incentive to recruit physicians into rural communities. Through this program, states have collectively recruited approximately 800 to 1,000 international medical graduates annually to practice in underserved communities, with many

4 AAMC, “AAMC Report Reinforces Mounting Physician Shortage” (press release), June 11, 2021.

5 National Rural Health Resource Center, “Madison County Memorial Hospital: Making the Most of FOA”; “Madison County Memorial Hospital: Scholarships.”

6 American Medical Association, “Advocacy in Action: Clearing IMGs’ Route to Practice,” June 7, 2023.

of these providers choosing to remain and practice in their communities after the three-year requirement is met.⁷

Used individually or together, these strategies can help your organization address workforce shortages for both clinical and non-clinical staff.

→ Key Board Takeaways

- To address the healthcare workforce shortage, healthcare boards should ensure that their organizations prioritize attracting and retaining talent through initiatives such as loan relief and tuition reimbursement, creation of recruitment pathways, and international physician recruitment.
- However, there is no one-size-fits-all approach to addressing the rural workforce shortage. Your organization should carefully consider and blend the strategies discussed, based on the organization's specific needs and the characteristics of your community.
- Partnerships can help augment workforce gaps, but creating a supportive culture and efficient work environment is essential for retaining and growing staff.

Creating a Strong Culture to Retain Staff

Money isn't everything. Today's workers put a premium on growth opportunities, workplace culture, and work-life balance. Hospital and health system leaders can retain staff by keeping them happy and motivated through:

- **Measuring and alleviating burnout:** With many physicians and nurses considering leaving the industry, addressing burnout should be an organizational imperative. Burnout can be alleviated by ensuring that clinicians have the necessary resources and up-to-date equipment and technology to effectively and efficiently fulfill their roles and creating an optimized work environment. Together, these steps can reduce workflow barriers and keep clinicians focused on their patients.

7 Davis Patterson, et al., "Conrad 30 Waivers for Physicians on J-1 Visas: State Policies, Practices, and Perspectives," Rural Health Research Center, March 2016.

- **Creating an autonomous work environment:** Providing training can help clinicians feel more confident in their abilities and make them more likely to operate at the top of their license, thus providing a greater sense of autonomy. Emphasize these features in the recruitment process. For example, highlighting nurse-to-patient ratios may give prospective nurses peace of mind before joining your organization. When ratios follow best practice guidelines, they not only improve the quality of care but also enhance patient safety and clinician job satisfaction.
- **Addressing survey feedback:** Conducting regular surveys and following up on legitimate concerns and issues can help boost retention and create a more collaborative work environment.

Augmenting Workforce Gaps through Partnerships

Recruitment pools for many rural healthcare providers lack the scale of larger metropolitan areas. To augment these gaps, rural healthcare providers should evaluate how to partner with other local, national, and even international organizations to help stabilize their workforces. This could include:

- **Local partnerships:** Many rural hospitals are pillars of their communities and often have close relationships with other local entities and institutions. As noted previously, rural healthcare providers can develop educational pathway programs to create a pipeline for future staff. This does not need to be done in isolation; partner with local school districts, vocational schools, and colleges to co-develop educational pathway programs for medical assistants, nurses, and other clinical staff. While these programs are long-term strategies requiring time and investment before benefits are realized, a more immediate solution is to consider pooling resources with other local healthcare providers in high-need physician specialties and staffing areas (e.g., nursing).
- **State and national telehealth partnerships:** Telehealth has proved to be an effective means of expanding care in rural communities. But implementing a telehealth solution is often expensive and requires scale for economic sustainability. Instead of investing in a costly program that may not have enough volume, partner with national, for-profit telehealth providers or larger, statewide health systems. These telehealth companies often have systems in place for an optimized user experience, and statewide healthcare systems can better integrate care for tertiary or quaternary patient needs. For partnerships with other statewide health systems, it will be critical to have an agreement in place for what care should stay local versus referred out of market.

- **International recruiting agencies for nursing staff:** International recruiting agencies can help bridge gaps in care. The Billings Clinic in Montana recently added more than two dozen international nurses with the help of such agencies.⁸ Avant Healthcare Professionals, a company specializing in international nurse recruiting, reports that 90 percent of its nurses opt to stay in the communities they are placed in. Additionally, these agencies often help with visa and regulatory issues for the nurses they recruit.⁹

Addressing Workforce Challenges with a Multifaceted Approach

The healthcare industry is facing a critical workforce shortage that demands attention from executive leaders as hospitals and health systems are grappling with margin pressures. To address this shortage, rural healthcare organizations should promptly implement a multifaceted approach that focuses on attracting top talent, retaining employees, and/or forming necessary partnerships to bridge recruitment gaps, depending on the specific needs of the organization and community it serves. The time to act is now to ensure the future stability and effectiveness of healthcare delivery to rural communities across the country.

The Governance Institute thanks Aleks Keser, Associate Principal, and Richard Beaton, Senior Consultant, ECG Management Consultants, for contributing this article. They can be reached at akkeser@ecgmc.com and rbeaton@ecgmc.com.



8 KTVQ News, “Billings Clinic among U.S. Hospitals Recruiting International Nurses to Fill Pandemic Shortages,” January 7, 2022.

9 *Ibid.*