



WHEN DEMAND EXCEEDS SUPPLY

OLDER PATIENTS AND FEWER PHYSICIANS IN WORKERS' COMP

The aging of the American workforce has been a subject of much discussion in workers' compensation, and with good reason. By 2020, one out of four workers is expected to be 55 or older.¹ This startling fact raises concerns about injury rates and health issues that become more likely with age, such as comorbidities, polypharmacy, and longer recovery times.

These are legitimate concerns that deserve the attention they are receiving. But injured workers are not the only people who are aging. The entire American population is getting older, including the people we count on for care – physicians, nurses, and other healthcare professionals.

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THE LOOMING PHYSICIAN SHORTAGE

Over 50 % of U.S. physicians are over the age of 50 and one third will be over the age of 65 in the next decade.² Experience is a valuable asset in medicine, but this is not just an issue of more mature providers. Thirty % of physicians retire between the ages of 60 and 65² and more are leaving the profession before retirement age due to job dissatisfaction and burnout. A limited number of residency programs, combined with fewer young people aspiring to careers in medicine, has restricted the number of new physicians. All of which means that physicians are leaving the profession faster than they can be replaced.

The Association of American Medical Colleges projects a shortage of 47,000 – 122,000 physicians by 2032,² with family and internal medicine, emergency medicine, hospitalists, and radiologists all falling within the top 10 specialties experiencing shortages. Urgent care, cardiology, orthopedic surgery, neurology, general surgery, and anesthesiology are all included within the top 20.

By 2030, the share of the population aged 65 and older will increase from 13 to 19 %.³ Because older adults consume a disproportionate share of healthcare services, the supply of physicians is shrinking just as the demand for care is expanding.

And we cannot count on allied health professionals to fill the gap. The average nurse age is now 51⁴ and 44 % of physician assistants are over the age of 40.⁵ According to the Center for Health Workforce Studies, approximately 15,400 new nurse practitioners and physician assistants will be needed each year between 2016 and 2026 to fill new positions and those being vacated.⁶

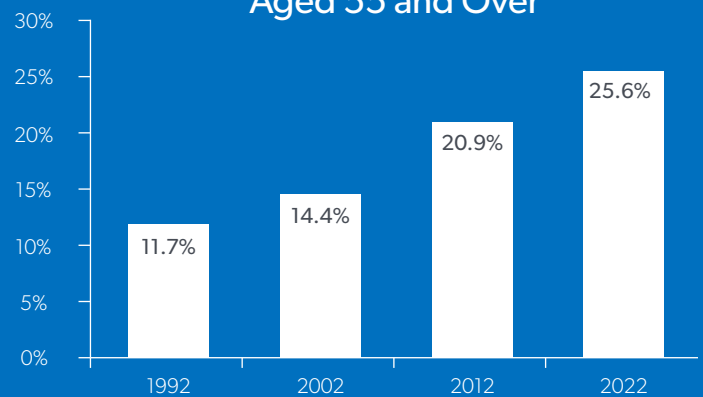
Ironically, the size of the healthcare workforce overall is expanding and now accounts for 14 % of the total U.S. workforce. But the increased staffing is occurring in administrative positions, not front-line care providers,⁷ which adds cost without increasing access to medical care.

IMPACT ON WORKERS' COMP

Older injured workers often require more complex courses of treatment, which alone raises the specter of higher medical costs and increased compensable time. Add to that longer wait times and higher professional fees for healthcare providers, and the impact goes beyond cost to potentially compromised care for patients.



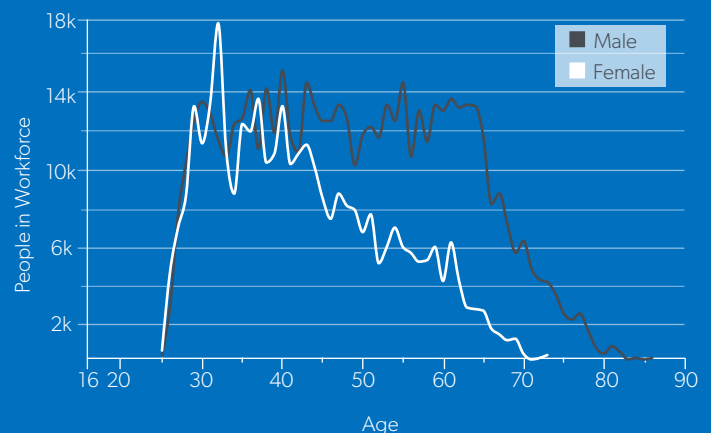
Percentage of U.S. Workforce Aged 55 and Over



*BLS Estimate

*Source: U.S. Dept. of Labor, Bureau of Labor Statistics

Age by Gender



The risks of higher costs and suboptimal care exists for all healthcare, of course, but the threat is greater to workers' compensation programs for the following reasons:

- ▶ A highly regulated environment with stringent requirements for provider qualifications, timely access to care, and patient choice
- ▶ Limited ability to mitigate physician shortages through technological innovations, such as telemedicine, due to reimbursement issues and outdated workers' comp legislation
- ▶ Severe shortage of occupational medicine physicians
- ▶ Increased care complexity due to high pain management needs
- ▶ Longer claim durations and delayed return-to-work times resulting from increased wait times
- ▶ Severe provider shortages in rural areas that already pose coverage challenges

Some efforts are being made to address physician shortages and modify workers' compensation laws to keep up with the changing healthcare landscape. For example, California recently spent nearly \$70 million to pay off student loans for doctors with at least 40 % MediCal patients. And a new bill was introduced in the New York State Senate to examine how connected health technology could improve outcomes for injured workers and increase access to care providers.

Any positive measures to address physician shortages and/or mitigate its consequences for workers' comp are welcome and we need more of them. Unfortunately, even if all 50 states took aggressive action, the remedies could not be realized quickly enough to forestall the impending issues. Already the wait time for new-patient appointments has increased by 30 % or more in 15 major metropolitan areas since 2014,⁸ and the number of qualified medical evaluators in California declined 20 % from 2012 to 2017.⁹

WHAT TO DO

The double threat of an aging workforce combined with a shortage of healthcare providers is upon us and workers' compensation payers should take pro-active steps to meet the challenge, including:

- ✓ Using data analytics to assess injured worker populations and identify at-risk patients for early intervention and assistance

- ✓ Utilizing pharmacists for clinical oversight and intervention programs to assist patients and fill gaps between provider appointments
- ✓ Investing in patient engagement and wellness programs to empower patients with the right knowledge and tools to aid their own recovery and prevent unnecessary complications
- ✓ Improving referral and claims adjudication processes to speed care delivery
- ✓ Selecting reliable benefits management partners who strike the right balance between quality care and cost savings
- ✓ Staying informed about legislative activity and aligning with other workers' comp leaders to advocate for needed changes

The aging worker population and healthcare provider shortage are matters out of direct control, but workers' compensation payers, managed care organizations, and their partners can work together to contain costs and ensure the best possible outcomes for injured workers.

ABOUT HEALTHSYSTEMS

At Healthsystems, we believe that putting patients first and basing all decisions on sound, evidence-based clinical knowledge is the best way to restore injured workers to good health and return them to work in record time. Our full-service clinical program stands apart from the industry, beginning with the depth of in-house pharmacology and occupational health experience, and the way this knowledge is embedded within the tools and workflows included in our platform and service delivery.

<https://www.healthsystems.com/> 

For more on providing quality care for the aging workforce, please see:

Valuable Assets: Appreciation and Care Considerations for Older Workers
<https://rxinformer.healthsystems.com/article.php?id=197>

Patient Age: More than Just a Number in Rx Management
<https://rxinformer.healthsystems.com/article.php?id=140>

Patient Engagement is Personal: How to Help Injured Workers Help Themselves
<https://rxinformer.healthsystems.com/article.php?id=206>

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