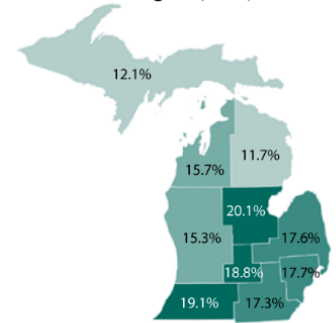


THE HEALTHCARE WORKFORCE IN MICHIGAN

Nearly one in six private sector employees in Michigan (about 667,000 workers in 2021) works in healthcare. This proportion varies from 11.7% to 20.1% of total employment across Michigan Prosperity Regions.ⁱ Like the rest of the nation, Michigan is experiencing severe workforce shortages, exacerbated by the COVID-19 pandemic.ⁱⁱ One 2023 survey showed that 86% of physician practices in the state reported declines in staff since the COVID-19 pandemic,^{iii, iv} and another showed 27,000 hospital job openings in early 2023 – a 13% vacancy rate^v compared to 5.5% for all occupations statewide.^{vi}

Nearly all health roles are expected to experience shortages within the next decade.^{vii} However, certain occupations are experiencing shortages more severely; home health and personal care aides, registered nurses, and nursing assistants represent larger portions of the workforce and are projected to experience greater shortages, between 6,000 and 12,000 annual openings through 2030.^{viii} Additionally, there is geographic variation in healthcare shortages across Michigan.^{ix} As of January 2024, 65 of Michigan’s 83 counties are considered primary care Health Professional Shortage Areas and of those, 52 are non-metro counties.^x

Healthcare Sector Share of Total Employment by Michigan Prosperity Region (2021)



Source: Healthcare Industry Cluster Workforce Analysis, Michigan Center for Data and Analytics

Shortages in Healthcare Roles in Michigan, 2021

Role	Employment	Annual Openings*	Average Wage	Typical Education/Training
Home health and personal care aides	79,170	11,555	\$11 - \$14	High school diploma or equivalent and on-the-job experience
Pharmacy technicians	15,520	1,165	\$14 - \$18	High school diploma or equivalent and on-the-job experience
Nursing assistants	41,200	6,665	\$14 - \$18	Postsecondary nondegree award
Dental hygienists	7,750	505	\$29 - \$37	Associate’s degree
Registered nurses	102,480	6,345	\$30 - \$38	Bachelor’s degree
Nurse practitioners	5,830	595	\$48 - \$60	Master’s degree
Physicians, All Other**	11,820	490	\$29 - \$100+	Doctoral or professional degree and internship/residency

*Projected annual openings through 2030.

**Excludes certain physician types.

Source: Healthcare Industry Cluster Workforce Analysis, Michigan Center for Data and Analytics, 2023

Factors Contributing to Healthcare Workforce Shortages

- **Aging population:** As the population ages, healthcare needs increase and raise demand for services.^{xi} Michigan has the 14th oldest population among states by percent (18.7% age 65+) ^{xii} and 9th highest by total numbers as of 2020.^{xiii}
- **Aging healthcare workforce:** In 2021, 44.8% of the state’s healthcare workforce was 45+, and 24% was 55+.^{xiv} In particular, 32.7% of Michigan’s physician workforce was over the age of 60 in 2020.^{xv}
- **Burn-out:** In a 2022 survey, 94% of responding nurses reported feeling burnt out^{xvi} and 4 in 10 nurses said they intended to quit within the next year.^{xvii} Multiple issues contribute to burn-out, including:

- Low pay^{xviii} – the average healthcare worker salary in Michigan in 2021 was \$61,500. While this is above the statewide average, it varies greatly across fields – particularly in careers with lower educational requirements (e.g., nursing assistants earn \$14 - \$18/hour^{xix, xx}) and is comparable to other job options in retail and service industries,^{xxi}
- High administrative burden,^{xxii} such as documentation and reporting,
- Workplace safety and harassment concerns,^{xxiii, xxiv} and,
- Lack of clear career advancement opportunities.^{xxv}

Strategies to Address Healthcare Workforce Shortages

There are multiple strategies to consider to address the healthcare workforce shortages in Michigan by recruiting, retaining, and expanding capacity.

Recruitment strategies

- Establishing career pathway programs can introduce students to healthcare fields early - particularly in high school, community college and undergraduate levels – and prepare qualified individuals to fill positions.^{xxvi, xxvii, xxviii} Such programs may also serve to recruit individuals to workforce shortage areas.
- Education campaigns can raise awareness of in-demand professions,^{xxix} such as the MI Hospital Careers campaign.^{xxx}
- Tuition reimbursement, loan forgiveness, and scholarship programs can encourage pursuit of certain healthcare careers or practice in underserved or rural areas, such as the state-funded MDOCS program.^{xxxi}

Retention strategies

- Increasing wages bolsters occupations with lower education requirements and lower salaries.^{xxxii, xxxiii} Public Act 119 of 2023 supplements and extends the previous wage increase for direct care workers through September 30, 2024.^{xxxiv} Many states have pursued similar temporary and permanent rate increases.^{xxxv}
- Reducing administrative burden, such as streamlining training and credentialing requirements or reducing paperwork, can help reduce burn-out and maximize provider time and resources spent delivering care.^{xxxvi}
- Mitigating harassment of healthcare workers may also help reduce burn-out. In December 2023, Governor Whitmer signed HB 4520 to increase fines against assaulting health professionals.^{xxxvii} Creating more opportunities for career advancement, such as certification programs, may also encourage retention and ease burn-out.^{xxxviii, xxxix, xl}
- Mentorship programs have potential to increase career satisfaction and workforce retention.^{xli, xlii}

Expanding capacity

- Increasing scopes of practice for certain professions may expand capacity to address shortages in certain fields, such as for advance practice registered nurses to address primary care shortages in rural areas.^{xliii}

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