



GET A QUOTE: [input] GO DJIA 13,203.98 ▲ +58.16 NASDAQ 3,099.26 ▲ +3.90 S&P 500 1,409.09 ▲ +5.81 as of 01:17 PM

# Health care jobs grow . . . in administration

By Russ Mitchell, Kaiser Health News

Updated 11/30/2011 8:07 PM

Recommend 107

219

0



After New Hampshire's legislature severely cut Medicaid funding last summer, hospitals throughout the state began shedding jobs. Exeter Health Resources, which runs a 100-bed hospital near the coast, lopped off 110, almost 5% of its workforce, many of them nurses and other caregivers.

Yet Exeter is still hiring — mainly administrative workers. "We're trying to balance the need to cut costs with the need to grow," says Mark Whitney, Exeter's vice president for strategy. "It's an interesting balance."

It's a paradox, too. Even as cutbacks in Medicaid and other programs gouge hospital budgets, and overall health care demand slackens as penny-pitching patients put off procedures in a bad economy, hospitals are creating jobs: a net gain of 95,000 this year, 13,000 of them in September and 6,600 in October, according to the Bureau of Labor Statistics.

In fact, the health care sector is not only the nation's top job generator, but it's also one of the few major industries producing new jobs at all. Of the 80,000 net new U.S. jobs created in October, 12,000 of them were in health care. Hospitals, doctor's offices, clinics, labs, home health care agencies and nursing homes all are creating net new jobs. Over the past 12 months, health care has created 20% of all new jobs.

What's up?

### General restructuring

The new jobs appear to be driven not by patient demand as much as a general restructuring of the health care industry that includes changes mandated by the 2010 federal health care law, the 2009 federal stimulus funding,

new government regulations and increasing use of information technology. Strong anecdotal evidence — hospital job listings, interviews with health care employers, analysis by health care economists — indicates the attention now is on hiring clerks and administrators.

"We need to deal with new technology, new services, new regulations, electronic health

### Videos you may be interested in



1011 0001 0001y broccoli



1100y 011 00011 care law



Sponsored Link

low Policy in California ConsumerAutoSource

by Taboola More videos

### Most Popular

#### Stories

- Best Buy is closing 50 stores after losing...
- High gas prices? Some consumers just say no
- Whole Foods to stop sale of unsustainable...
- 'Walmart of weed' opening store in...
- Honda recalls 550,000 Pilots, CR-Vs

#### Videos

- Raw Video: Slain teen's parents on Capitol Hill
- Raw Video: Prayers at City Hall for Fla. teen
- Raw Video: Cameron:

#### Photos

- The 1100 horsepower Shelby 1000
- 2013 Subaru BRZ
- Test Drive

### Most Popular E-mail Newsletter

#### Sign up to get:

Top viewed stories, photo galleries and community posts of the day

#### Most popular right now:

Bengals cheerleader accused of sexual abuse



### Ads by Google

#### University of Phoenix®

Online and Campus Degree Programs. Official Site - Classes Start Soon.

[Phoenix.edu](http://Phoenix.edu)

#### Yale Healthcare MBA-e

Earn an MBA with a Healthcare Focus from Yale's School of Management.

[mbae.som.Yale.edu](http://mbae.som.Yale.edu)

#### Healthcare Admin Degree

Get a Degree As a Healthcare Admin Online or At a School Near You.

[HealthcareAdministrationDegree.net](http://HealthcareAdministrationDegree.net)

records, government reporting requirements on quality," says Exeter's Whitney. "A lot of this is related to the new federal health law."

Hospitals are also preparing to compete for tens of millions of now-uninsured patients the federal law will make eligible for health coverage beginning in 2014. So even as budgets are cut, the competition for patients will become more intense.

Exeter is seeking billing specialists, information technology experts and program managers at the same time it is cutting nurse positions. Job listings at hospitals around the U.S. show the same trend.

Those who study the link between jobs and the health care overhaul aren't surprised. "What we're experiencing right now (around the USA) is similar to what we experienced in Massachusetts," says Douglas Staiger, an economist at [Dartmouth College](#). He co-authored a recent study on job growth in the state between 2005 and 2010, in the wake of the health law signed by [Mitt Romney](#) when he was governor.

Health care jobs grew in Massachusetts 9.5%, cumulatively — almost twice as fast as in the U.S. as a whole — driven by administrative jobs. "Most of it was from enrolling patients who were previously uninsured," says Staiger.

Doctor and nurse hiring grew as well, but not as fast.

When the federal health care law was passed in 2010, economists and other health care analysts expected a similar pattern to emerge, Staiger says. In addition, as states begin work to meet the federal law's provision for computerized health exchanges, employment is growing. "But how all this turns out is very speculative because we don't know how the health care law will evolve," Staiger says.

### **Election pressure**

In fact, the health law and the jobs that come with it could be jeopardized in 2012 if the Supreme Court rules against the law or by the outcome of the November elections.

Republican presidential candidates are competing over who would kill the law fastest.

Polls show jobs and the economy as voters' top issues. In one [GOP](#) presidential candidate debate, Rep. [Michele Bachmann](#) lambasted the health law, asserting that "Obamacare is killing jobs."

"The same (political) forces that have been creating these jobs could end them very quickly," says Craig Garner, a health care attorney who served as CEO at Coast Plaza Hospital in Norwalk, Calif., until his family sold it earlier this year.

Garner notes that the health law provides major spending for pilot preventive care programs that, supporters say, could save money in the long run by keeping people healthier. "I'm afraid they're going to cut the legs out from under these programs before they've shown whether or not they can work," he says.

Also vulnerable: at least \$20 billion in federal funds to help doctors and others upgrade computer and communications technology for electronic health records. Federal funds, for example, are helping Alameda County Medical Center in Oakland to deploy a major new electronic health record system.

"One of our big needs is IT people," says Jeanette Loudon-Corbett, head of human resources. Hiring hasn't been easy because of competition with other organizations, she says.

Unlike most industries, health care is under-computerized, with institutions poorly linked to one another electronically. Some of the stimulus money is meant to help counteract cultural resistance and financial disincentives to modernize.

It's impossible to determine how many health IT jobs are being created: The Bureau of



Sign up for USA TODAY E-mail newsletters

### **USATODAYMONEY on Twitter**



Follow us on  
**twitter**

For the latest Money news, follow  
USATODAYMONEY On Twitter.

**MONEY**

Labor Statistics doesn't count those jobs specifically. Nor are those who make and sell the computer and software systems counted as health care workers, although Hewlett-Packard, IBM and others regard health care as a high-growth business.

At least for now, workers such as Allie Woods, 29, are in the driver's seat. "I didn't even have to look for a job," says Woods, who had several offers more than a year before she graduated from her pharmaceutical residency last June with advanced training in "informatics," which qualifies her to be the liaison between the pharmacy department and the IT department.

Today she works at the Oregon Health & Science University hospital in Portland, customizing computer programs to prevent adverse drug interactions and identify patient-drug trouble spots before they occur.

Kaiser Health News is an editorially independent program of the Henry J. Kaiser Family Foundation, a non-profit, non-partisan health policy research and communication organization not affiliated with Kaiser Permanente.

For more information about [reprints & permissions](#), visit our [FAQ's](#). To report corrections and clarifications, contact Standards Editor Brent Jones. For publication consideration in the newspaper, send comments to [letters@usatoday.com](mailto:letters@usatoday.com). Include name, phone number, city and state for verification. To view our corrections, go to [corrections.usatoday.com](http://corrections.usatoday.com).

Posted 11/30/2011 3:30 PM | Updated 11/30/2011 8:07 PM



### More from USATODAY

**Elise Testone rocks to the top of Idol Meter**  
*USATODAY.com in Idol Chatter*

**Canceled credit card debts come back to haunt taxpayers**  
*USATODAY.com in Money*

**For long-unemployed, hiring bias rears its head**  
*USATODAY.com in Money*

**Texas trucker pleads guilty to 2 more murders**  
*USATODAY.com in News*

**18-year-old victim of grisly gang-rape dies in Ukraine**  
*USATODAY.com in On Deadline*

### More from the web

**ATM charges 3 percent for cash** *Bankrate.com*

**The 5% Money Management Rule** *DailyFX*

**Trump Warns 'Massive Inflation' Coming**  
*Moneynews*

**10 Tax-Unfriendly States for Retirees 2011**  
*Kiplinger*

**The Affordable Care Act: Top Things to Know for Seniors** *HealthCare.gov*

[?]

USA TODAY is now using Facebook Comments on our stories and blog posts to provide an enhanced user experience. To post a comment, log into Facebook and then "Add" your comment. To report spam or abuse, click the "X" in the upper right corner of the comment box. To find out more, read the [FAQ](#) and [Conversation Guidelines](#).

13 comments

[Add a comment](#)



**Joe Gaffney** · Top Commenter · Southern Illinois University Edwardsville

These are paper pushing jobs that add no value or wealth to the nation.

[Reply](#) · 10 · Like · November 30, 2011 at 3:43pm



**Victor R Rosa** · FAU

Well, healthcare amounts to the greatest financial burden in the US. If jobs are created to administer healthcare costs and regulation, it will untimely save money which make them jobs of value.

What jobs would you say we have in the US that are jobs of value?

[Reply](#) · Like · December 6, 2011 at 10:47am



**Steve Hanel** · Top Commenter · Delta College

Administrators added to help steal more from Insurance and Medicare while the real care givers, nurses, aids and tech personal get cut. Because of the "CREATIVE FINANCEING" the books read that profits are going up, but nothing else matters like the fact that patient care is down.

And each administrator added cost 2 to 3 times as each REAL HEALTHCARE WORKER that they are laying off.

[Reply](#) · 7 · Like · November 30, 2011 at 9:06pm



**Joseph L Cooke** · Top Commenter · Works at Tac56 Consulting

Cutting nurses and adding bureaucrats? Who bears responsibility for this nonsense?

[Reply](#) · 5 · Like · December 1, 2011 at 4:08am



**Larry Hubble** · Top Commenter · Phoenix, Arizona



I am very hopeful that the SC will find the health insurance mandate unconstitutional, and that we do not have to live with this albatross of a health care plan. The government needs to stay out of the health insurance foray and leave that issue to the private sector to sort out. Obama's health care plan, and lack of enforcement of illegal immigration and taking that problem seriously are two reasons why I will not vote for Obama and will do everything in my power to see that he does not get re-elected.

Reply · 4 · Like · December 1, 2011 at 5:10am



**Felton Stevens** · Health Services Planner at Dallas county

So should the healthcare system continue to stay the same? What would you do?

Reply · Like · December 6, 2011 at 7:07am



**Bret Hinkie** · Louisiana Tech University

Sick or injured people need to see a nurse or doctor. Every person or organization that gets in between those two parties have justified their existence in order to make money from that relationship. It's that simple. And we wonder why health care costs are out of control...

Reply · 3 · Like · December 1, 2011 at 6:28am



**Susi Q Beck** · Baton Rouge Magnet High School

... and why we have a food system that is killing us. in my neighborhood the only thing going in the business district is government funded health clinics. my husband's in construction and these days it's just hospital after hospital...watch out, they're going to need a lot of sick people. other big growth industry by the way: prisons and detention centers.

Reply · 1 · Like · December 1, 2011 at 6:32am



**Wayne DeWitt** · Top Commenter

The biggest threat to our health, is being smothered by paperwork, and drowned in red ink.

Reply · 3 · Like · December 1, 2011 at 7:39am



**John Barbieri** · Top Commenter · Manhattan College

The very essence of Obama's plan: More money for "administration," less money for patient care!

Reply · 2 · Like · December 1, 2011 at 11:49am



**Bleu Bird** · Top Commenter · Blue Bird High School at National Audubon Society

Note: Seeking Bill Specialist. this is a job to get people to pay their bills. Duh.. People are broke today.. AMR just declared Ch. 11. WT? That's 8000 employees off the chart. In addition, the 80K retirees whose pension will be gone as well.. Did I mention the US Post OFFICE tanking as well. Go figure.. ??

Reply · 1 · Like · December 1, 2011 at 7:54am



**Jerry Greenwood** · Sul Ross State University

looks like we are headed in the right direction...single payer...

Reply · 1 · Like · December 1, 2011 at 2:41am



**Are Buntz** · Top Commenter

You wanted more government... you got more government.

Reply · 1 · Like · December 1, 2011 at 7:53am

[View 3 more](#)

Facebook social plugin

## USA TODAY Digital Services

[Mobile](#) | [E-Newsletters](#) | [RSS](#) | [Twitter](#) | [Podcasts](#) | [Widgets](#) | [e-Edition](#) | [USA TODAY for iPad](#) | [Kindle Edition](#) | [Subscribe to Home Delivery](#)  
[Reprints & Permissions](#) | [USA TODAY Topics](#) | [Reporter Index](#) | [Corrections/Clarifications](#) | [Contact Us](#) | [Archives](#)

[Home](#) | [News](#) | [Travel](#) | [Money](#) | [Sports](#) | [Life](#) | [Tech](#) | [Weather](#)

Visit our Partners: [USA WEEKEND](#) | [Sports Weekly](#) | [Education](#) | [Space.com](#) | [Travel Tips](#)

[Contact us](#) | [Advertise](#) | [Pressroom](#) | [Jobs](#) | [FAQ](#) | [Reprints/Permissions](#) | [Privacy Notice/Your California Privacy Rights](#) | [Ad Choices](#) | [Terms of Service](#) | [Site Index](#)

