Since 2017, regional health care jobs have finally been growing after years of remaining essentially flat, and even declining.

In 2018, there were 3,990 annual average (year-round equivalent) health care jobs in Southeast Alaska, comprising 9% of the total regional workforce. Between 2016 and 2018, total health care employment increased by 12.5%, for a gain of more than 450 jobs. High worker replacement rates, partly due to the high use of traveling health care workers, means that the total number of people working in the regional health care industry is higher than the annual average job number, with more than 5,000 workers participating in the Southeast Alaska’s health care industry in 2018.

The top health care employers in the region are Southeast Alaska Regional Health Consortium (SEARHC) with nearly 1,200 staff, Juneau’s Bartlett Regional Hospital with approximately 650 employees, and PeaceHealth Ketchikan Medical Center with nearly 500 workers. Just over a quarter (28%) of health care jobs (1,130) are government jobs, including municipal hospital workers and State of Alaska Pioneer Homes staff.

Regional health care wages have grown significantly in recent years, increasing by $47 million, or 24%, over the past three years, from $195 million in 2015 to $243 million in 2018. Southeast Alaska’s health care workers earned 11% of all regional wages last year. The total economic impact of the health care industry in Southeast Alaska in 2018 was $569 million.

Despite growing health care needs in the region due to an aging populace and growing patient volumes, health care employment and wages stagnated through 2016 amid political uncertainty over national health care policy, proposed Medicare cuts, and cuts to state Medicaid. Once that uncertainty appeared to be resolved, hiring increased significantly.

Nationally competition for health care jobs is fierce. With more health care workers needed nationally to support an aging America and more Americans accessing health care, there is a shortage of medical professionals entering the workforce. Medical and nursing schools graduate a similar number of students as they did two decades ago, and baby boomers are retiring. Regional wages were found not to be competitive enough to attract and retain sufficient talent. Southeast providers had to adjust wages upward to remain competitive in attracting workers, resulting in the significant total wage increase.

Whether or not this trend continues is up in the air, as political uncertainty surrounding health care is back. The Spring 2018 Southeast Alaska Business Confidence survey showed that the health care sector was the most optimistic among all regional sectors. However, in December 2018 the governor proposed steep cuts to health care and Medicaid spending across the State of Alaska, which would also result in the loss of matching federal dollars. There are 19,815 individuals enrolled in Medicaid across the region. By Spring 2019 the annual confidence survey showed that health care sector leaders dropped to become the least optimistic in the span of just a year. (See page 17).

In 2019, Southeast Conference conducted a Southeast Alaska health care workforce survey to measure the future workforce needs of regional health care providers along with the obstacles to meeting those needs. Top management from 22 regional health care organizations completed the survey, representing 3,161 health care workers, or 80% of all health care staff. The survey was commissioned by the University of Alaska Southeast, University of Alaska Anchorage, Bartlett Regional Hospital, the Southeast Alaska Regional Health Consortium, and Alaska State Hospital and Nursing Home Association. The following page summarizes some of the survey’s key findings.

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**Southeast Alaska Health Care Employment (Annualized Jobs)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Jobs</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>3,591</td>
<td>-2%</td>
</tr>
<tr>
<td>2014</td>
<td>3,523</td>
<td>0%</td>
</tr>
<tr>
<td>2015</td>
<td>3,521</td>
<td>0%</td>
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<tr>
<td>2016</td>
<td>3,536</td>
<td>+9%</td>
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<tr>
<td>2017</td>
<td>3,869</td>
<td>+3%</td>
</tr>
<tr>
<td>2018</td>
<td>3,990</td>
<td></td>
</tr>
</tbody>
</table>

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Source: Southeast Alaska Health Care Workforce Analysis September 2019, Southeast Conference. Photo credits: Peter Metcalfe
Southeast Alaska Health Care Workforce Analysis

Best/Least Effective Recruitment Strategies
Southeast Alaska health care leaders were asked to rank the effectiveness of 16 recruitment strategies. This chart is a weighted ranking of their highest and lowest ranked tools.

The most effective recruitment tools for Southeast health care institutions include higher wages and providing flexible work arrangements.

The least effective recruitment tool was use of job fairs.

Primary Retention & Turnover Factors
Health care leaders asked to rank the significance of 20 factors that result in long-term retention, or in staff turnover.

The high quality of life offered by Southeast towns, being from Alaska, and the region’s access to recreation keep people at their health care jobs in Southeast Alaska.

The high cost of living, lack of childcare, and relative isolation are the primary reasons health care workers quit their jobs. Housing costs and lack of housing availability also key factors.

Workforce 5 Year Development Needs
This bubble chart cross-tabulates earnings, recruitment ease, and turnover, and compiles a single picture of the region’s future health care workforce needs. It provides a visual blueprint as to where the most resources should be focused when attracting workers to the region, or for “growing our own” workforce. Registered nurses have the highest workforce development need. Last year, 824 registered nurses worked in the region, although the average quarterly worker count was 628, meaning there was significant worker churn in those positions. Moreover, it is hard to fill registered nurse jobs, 82% of health care organizations in the region say it is a difficult position to fill, including 64% who say it is very difficult. While the position is not growing as fast as others — the projected growth for this position is 5% in five years — combined growth and turnover rates mean that an additional 543 registered nurses will be needed in the region over the next five years, assuming nothing is done to stem the high rate of turnover. Nursing assistants will also be in high demand, with 312 new positions in need of filling by 2023. While physicians, surgeons, and psychiatric technicians are the hardest positions to fill, the total number of positions forecast to be in need of filling over the next five years is comparatively smaller at 49 combined positions.

Traveling Health Care Workers
Use of traveling health care workers is another important tool that the regional health care industry can use to staff their organizations. Last year, nearly 350 traveling health care workers came to Southeast Alaska. Travelers are both positive and problematic for the Southeast Alaska health care industry. While each of those traveling health care workers represents additional capacity, they also represent additional costs. According to survey analysis, it costs 30% to 250% more to engage a traveling health care worker than it would be to hire a permanent employee, depending on the organization.