



Testimony

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Health and Aging, Committee on
Health, Education, Labor, and
Pensions, U.S. Senate

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**HEALTH CARE
WORKFORCE**

**Federal Investments in
Training and the Availability
of Data for Workforce
Projections**

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GAO Highlights

Highlights of [GAO-14-510T](#), a testimony before the Subcommittee on Primary Health and Aging, Committee on Health, Education, Labor, and Pensions, U.S. Senate

Why GAO Did This Study

A well-trained and diverse health care workforce is essential for providing Americans with access to quality health care services, including primary care services. To help ensure a sufficient supply of physicians, nurses, dentists, and other direct care health professionals for the nation, the federal government has made significant investments in health care workforce training through various efforts. As Congress considers funding existing or additional training programs that would address any potential shortages of health care professionals, timely and up-to-date estimates of future supply and demand for health care professionals are critical.

This statement addresses (1) the scope of the federal government's role in health care workforce training and (2) the availability of data related to projecting health care workforce supply and demand. It is based on findings from two recent GAO reports. The first report identified federal programs that supported postsecondary training and education for direct care health care professionals in fiscal year 2012, including information about program purpose, funding, and targeted health professionals. The second report examined actions HRSA has taken to project the future supply of and demand for physicians, physician assistants, and advanced practice registered nurses (APRN) since publishing its 2008 physician workforce report. These products used a variety of methodologies, which are detailed in each report.

View [GAO-14-510T](#). For more information, contact Linda T. Kohn at (202) 512-7114 or kohnl@gao.gov.

April 9, 2014

HEALTH CARE WORKFORCE

Federal Investments in Training and the Availability of Data for Workforce Projections

What GAO Found

GAO found that there is substantial federal funding for health care workforce training programs but that obtaining comprehensive information about the scope of such programs is challenging. In GAO's August 2013 report on the federal role in health care workforce training, GAO found that four federal departments—the Department of Health and Human Services (HHS), the Department of Veterans Affairs (VA), the Department of Defense (DOD), and the Department of Education (Education)—administered 91 programs that supported postsecondary training or education specifically for direct care health professionals in fiscal year 2012. All together, the four departments reported obligating about \$14.2 billion for health care workforce training programs in fiscal year 2012, with HHS funding the most programs (69) and having the largest percentage of total reported funding (82 percent). The majority of funding for health care workforce training in fiscal year 2012—about \$11.1 billion, or 78 percent—was invested in seven programs that supported postgraduate residency training for physicians, dentists, and certain other health professionals, called Graduate Medical Education. The remaining 84 programs administered by HHS, VA, DOD, and Education accounted for obligations of about \$3.2 billion and provided varying levels of assistance, ranging from participation in short-term continuing education courses to full support for tuition and books and a stipend for living expenses. Compiling comprehensive information about the scope of federal support for health care workforce training is challenging because multiple federal departments administer such programs, and GAO found that the departments did not always have comparable program information.

Lack of timely, regularly updated data creates challenges for projecting health care workforce supply and demand. The Health Resources and Services Administration (HRSA)—an agency within HHS—is responsible for monitoring the supply of and demand for health care professionals. At the time of its September 2013 report, GAO found that, since publishing a 2008 report on physician supply and demand, HRSA had awarded five contracts to research organizations to update national health care workforce projections. However, HRSA had failed to publish any new workforce projections. While HRSA created a timeline in 2012 for publishing a series of new workforce projection reports, the agency missed its original goals for publishing them and had to revise its publication timeline. HRSA's report on the primary care workforce was published in November 2013, more than 3 years after the contractor originally delivered its report to HRSA for review.

Chairman Sanders, Ranking Member Burr, and Members of the Subcommittee:

I am pleased to be here today to discuss our work on federal investments in health care workforce training and the availability of data related to projections of supply and demand for health care professionals. A well-trained and diverse health care workforce is essential for providing Americans with access to quality health care services, including primary care services. A number of reports published by government, academic, and health professional organizations have projected national shortages of some types of health care professionals, which could result in patients experiencing delays in receiving, or a lack of access to, needed care. To help ensure a sufficient supply of physicians, nurses, dentists, and other direct care health professionals for the nation, the federal government has made significant investments in health care workforce training through various efforts.¹ These efforts include federal programs that train health professionals directly, award grants or make payments to institutions training health professionals, and provide financial assistance to health professional students through stipends, scholarships, loans, or loan reimbursement. In addition, as Congress considers policy options to address health care workforce issues—such as funding training programs that would address any potential shortages of health care professionals—timely and up-to-date estimates of future supply and demand for health care professionals are critical. The Health Resources and Services Administration (HRSA)—an agency within the Department of Health and Human Services (HHS)—is responsible for monitoring the supply of and demand for health care professionals.

This statement addresses (1) the scope of the federal government's role in health care workforce training and (2) the availability of data related to projected health care workforce supply and demand. It is based on findings from two recent GAO reports. The first report, *Health Care Workforce: Federally Funded Training Programs in Fiscal Year 2012*, identified federal programs that supported postsecondary training and education for direct care health care professionals in fiscal year 2012, including information about program purpose, funding, and targeted

¹For the purposes of this statement, direct care health professionals are those who deliver clinical or rehabilitative care to patients, such as allopathic and osteopathic physicians, nurses, dentists, pharmacists, physician assistants, podiatrists, psychologists, and physical or occupational therapists.

health professionals.² The second report, *Health Care Workforce: HRSA Action Needed to Publish Timely National Supply and Demand Projections*, examined actions HRSA has taken to project the future supply of and demand for physicians, physician assistants, and advanced practice registered nurses (APRN) since publishing its 2008 physician workforce report.³

Each of the reports cited in this statement provides detailed information on our scope and methodology. This statement is based on work that was conducted from March 2013 through September 2013 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

The U.S. health care workforce includes a spectrum of health professionals requiring varying levels of postsecondary education and training, ranging from diploma programs to graduate degrees and postgraduate training.⁴ Some professionals who deliver direct health care services to patients require clinical training through a health care institution—such as internships, residencies, or fellowships—in addition to completing graduate-level educational requirements before being eligible for full licensure. These professionals include physicians, certain pharmacists, podiatrists, clinical psychologists, and dentists seeking a dental specialty.

To maintain an adequate health care workforce, the future supply of health care professionals must be projected and compared to the expected demand for health care services to determine whether there will be enough providers to meet the demand. Such projections can provide advance warning of shortages or surpluses so that health care workforce

²GAO, *Health Care Workforce: Federally Funded Training Programs in Fiscal Year 2012*, [GAO-13-709R](#) (Washington, D.C.: Aug. 15, 2013).

³GAO, *Health Care Workforce: HRSA Action Needed to Publish Timely National Supply and Demand Projections*, [GAO-13-806](#) (Washington, D.C.: Sept. 30, 2013).

⁴Postsecondary education is education or training beyond the high school level.

policies, such as funding for health care training programs, can be adjusted accordingly. In its 2008 physician workforce report, HRSA noted that due to the long time needed to train physicians and to make changes to the medical education infrastructure, policymakers and others need to have information on the adequacy of the physician workforce at least 10 years in advance.⁵ We have also previously reported that producing supply and demand projections on a regular basis is important so that estimates can be updated as circumstances change.⁶

Substantial Federal Funding for Health Care Workforce Training Programs Exists, but Obtaining Comprehensive Information about the Scope of Such Programs is Challenging

In our August 2013 report, we found that four federal departments—HHS, the Department of Veterans Affairs (VA), the Department of Defense (DOD), and the Department of Education (Education)—administered 91 programs that supported postsecondary training or education specifically for direct care health professionals in fiscal year 2012. All together, the four departments reported obligating about \$14.2 billion for health care workforce training programs in fiscal year 2012, with HHS funding the most programs (69) and having the largest percentage of total reported funding (82 percent).⁷ See table 1 for additional details about the number of health care workforce training programs administered by HHS, VA, DOD, and Education and the funds the departments reported obligating for them in fiscal year 2012.

⁵Health Resources and Services Administration, *The Physician Workforce: Projections and Research into Current Issues Affecting Supply and Demand* (Rockville, Md.: 2008).

⁶GAO, *Health Professions Education Programs: Action Still Needed to Measure Impact*, [GAO-06-55](#) (Washington, D.C.: Feb. 28, 2006).

⁷GAO asked department and agency officials to provide obligations, including those for which expenditures have been made, for each program in fiscal year 2012. The term obligation refers to a definite commitment by a federal agency that creates a legal liability to make payments immediately or in the future. Agencies incur obligations, for example, when they award grants or contracts to private entities. An expenditure is the actual spending of money by the issuance of checks, disbursement of cash, or electronic transfer of funds made to liquidate a federal obligation. The total reported obligations do not include amounts obligated in prior years that were expended in fiscal year 2012.

Table 1: Health Care Workforce Training Programs Administered by Four Federal Departments and Funds Obligated for These Programs in Fiscal Year 2012

Department	Number of health care workforce training programs funded	Obligations
Department of Health and Human Services	69	\$11.7 billion
Department of Veterans Affairs	12	\$1.7 billion
Department of Defense	7 ^a	\$0.9 billion
Department of Education	3	\$2 million

Source: GAO summary of Department of Defense (DOD), Department of Education (Education), Department of Health and Human Services (HHS), and Department of Veterans Affairs (VA) information.

Note: DOD, Education, HHS, and VA obligated a total of about \$14.2 billion for health care workforce training programs in fiscal year 2012. Amounts listed in this table do not add to \$14.2 billion because of rounding.

^aOne of DOD's seven programs represents multiple clinical and instructional health professions education programs. For the purposes of this statement, we characterized them as a single program because DOD could not provide consistent program-level information.

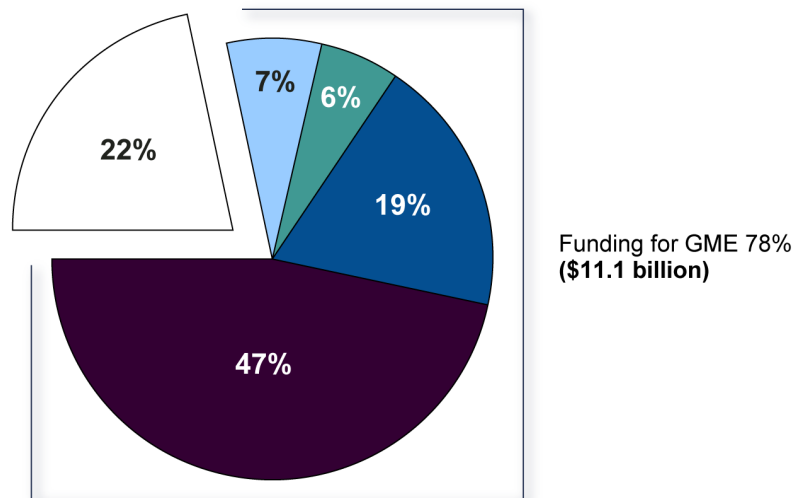
In total, across all four departments, the majority (78 percent) of federal funding for health care workforce training in fiscal year 2012—about \$11.1 billion—went to seven programs that supported postgraduate residency training for physicians, dentists, and certain other health professionals, called Graduate Medical Education (GME) (see fig. 1). Two programs administered by HHS's Centers for Medicare & Medicaid Services (CMS)—Medicare payments to teaching hospitals and other entities for Direct Graduate Medical Education (DGME) and Medicare payments to teaching hospitals for Indirect Medical Education (IME)—accounted for about 66 percent of total reported health care workforce training funding.⁸ CMS's Medicaid program also made payments to teaching hospitals for GME, and HRSA, another agency within HHS, administered two programs that supported GME in settings other than

⁸For the purposes of this statement, we considered Medicare DGME payments and Medicare IME payments to be separate programs. Medicare DGME payments cover the teaching costs of training residents, such as resident stipends, administrative overhead, and supervisory physician salaries. Medicare IME payments support the higher patient care costs associated with training residents, such as the ordering of more tests and increased use of emerging technologies.

teaching hospitals.⁹ VA and DOD also administered GME programs; however, the funding information VA provided to us accounted for resident salaries and benefits, while the funding information provided by DOD accounted for only certain administrative costs to operate its GME program.

Figure 1: Proportion of Total Reported Federal Funding Obligated for Health Care Workforce Training by Graduate Medical Education (GME) and Other Programs, Fiscal Year 2012

Total federal funding obligated for healthcare workforce training, fiscal year 2012 – \$14.2 billion



- Medicare Indirect Medical Education payments - 47% (**\$6.7 billion**)
- Medicare Direct GME payments - 19% (**\$2.7 billion**)
- Medicaid Payments for GME - 6% (**\$785 million**)
- Other funding for GME - 7% (**\$942 million**)
- All 84 other programs - 22% (**\$3.2 billion**)

Source: GAO analysis of Department of Defense, Department of Education, Department of Health and Human Services, and Department of Veterans Affairs information.

Note: Percentages do not add to 100 because of rounding.

⁹Medicaid payments for GME and the two HRSA programs—the Children’s Hospitals GME Payment program and the Teaching Health Center GME Payment program—provided funding for both direct costs of resident training, such as resident salaries and benefits, and indirect funding to reflect the higher patient care costs associated with resident education.

The remaining federal funding for health care workforce training—about \$3.2 billion—went toward 84 HHS, VA, DOD, and Education programs that

- provided financial assistance to direct care health professional students and professionals,
- provided or supported instruction or clinical training for direct care health professionals, or
- provided a combination of these and other training support services.

Across all 84 non-GME programs, trainees received differing levels of assistance, ranging from participation in short-term continuing education courses to full support for tuition and books and a stipend for living expenses. These 84 programs targeted various types of health professionals and eligible individuals. See table 2 for additional information about the number of non-GME training programs targeting various categories of health care professionals.

Table 2: Number of Non-Graduate Medical Education (GME) Training Programs That Target Certain Categories of Health Care Professionals

Category of health care professionals targeted	Number of training programs
Students, professionals, or faculty in multiple health professions ^a	47
Nurses only	18
Physicians or physician assistants only	8
Dentists or dental hygienists only	6
Behavioral health professionals only	4
Physicians and dentists only	1
Total	84

Source: GAO summary of Department of Defense, Department of Education, Department of Health and Human Services, and Department of Veterans Affairs information.

Note: We included both programs that solely targeted direct care health professionals and programs that targeted direct care health professionals among other professionals if the program purpose or objectives specifically identified direct care health professionals.

^aThese programs targeted three or more types of health professionals.

Compiling comprehensive information about the scope of federal support for health care workforce training is challenging because multiple federal departments administer such programs, and we found that the departments did not always have comparable program information. For example, at the time of our review, we relied on a multitude of sources to identify training programs and program information in the absence of a

comprehensive listing of such programs. In some cases, the level of detail in the information we obtained from the four departments varied or data were not available. For example, HHS and VA were not able to account for the number of health professional trainees supported by certain programs they administer. In another example, DOD was unable to provide information about funds obligated or the number of trainees supported by each of its multiple non-GME clinical training and education programs for military medical personnel. Therefore, we reported the number of trainees supported and amount of funds obligated at an aggregate level for these DOD programs. The funding information reported by DOD also did not include amounts for salary and benefits of residents in its GME programs, whereas other departments included these amounts in their reported GME funding.

The scope of our August 2013 review of federal programs that supported postsecondary training and education for direct care health care professionals had some limitations. For example, we limited our review to programs that specifically targeted postsecondary training and education for direct care health care professionals in fiscal year 2012. There could be additional programs or funding that supported health care workforce training that did not specifically target direct care health professionals. For instance, in fiscal year 2012, Education administered programs—such as the Subsidized and Unsubsidized Stafford Loan Programs, the Direct PLUS and Perkins Loan Programs, Pell Grants, and Federal Work Study—that support postsecondary training or education for various types of students, including direct care health professionals. However, these programs do not specifically target health professionals, and we could not determine the number of direct care health professionals supported by these programs or the total amount of funds from these programs that supported such training. Additionally, there may be other programs that support health care workforce training but that did not obligate funds in fiscal year 2012.

Lack of Timely, Regularly Updated Data Creates Challenges for Projecting Health Care Workforce Supply and Demand

In addition to administering 50 health care workforce training programs, HRSA is responsible for monitoring the supply of and demand for health care professionals and disseminating workforce data and analyses to inform policymakers and the public about workforce needs and priorities. The Bureau of Health Professions (BHP) within HRSA has multiple responsibilities related to workforce development, including conducting and contracting for studies on the supply of and demand for health care professionals. In 2006, we found that HRSA had published few national workforce projections despite the importance of such assessments to setting health care workforce policy, and we recommended that HRSA develop a strategy and establish timeframes to more regularly update and publish national workforce projections for the health professions.¹⁰

At the time of our September 2013 report, we found that HRSA had awarded five contracts since 2008 to research organizations to update national workforce projections but that HRSA had failed to publish any new reports containing projections since those contracts had been awarded. While HRSA created a timeline in 2012 for publishing a series of new workforce projection reports, the agency missed its original goals for publishing these reports and had to revise its timeline for publishing them. (See table 3.)

¹⁰[GAO-06-55](#).

Table 3: Health Resources and Services Administration’s (HRSA) Original and Revised Timelines for Publishing Updated Workforce Supply and Demand Projections, as of September 2013

Report	Description	Original goal for publication	Revised goal for publication
Primary care	Projects supply of and demand for the primary care workforce to 2020.	No goal date	Fall 2013
Clinician specialty	Projects supply of and demand for physicians, physician assistants, and certain advanced practice registered nurses ^a (APRN) to 2025.	December 2012	Summer 2014
Nursing workforce	Projects supply of and demand for nurses, including APRNs, to 2030.	September 2013	Fall 2014
Cross-occupations	Projects supply of and demand for more than 20 health professions to 2030.	2013	2014

Source: GAO review of HRSA information.

^aIncludes nurse practitioners, certified registered nurse anesthetists, and certified nurse-midwives. Clinical nurse specialists are not included.

At the time of our September 2013 report, the most recent projections from HRSA available to Congress and others to inform health care workforce policy decisions—such as distributing physician training slots to medical specialties that were projected to experience shortages—were from the agency’s 2008 report. That report was based on data that were, at that time, more than a decade old.

As of July 2013, HRSA had received some of the contracted reports for its review, and others were under development. The first report, which included projections for the primary care workforce to 2020, was delivered to HRSA in July 2010, but HRSA was still reviewing and revising the draft when we released our study in September 2013. We recommended that HRSA expedite the review of that report, and the agency published its projection in November 2013.¹¹

¹¹Health Resources and Services Administration, *Projecting the Supply and Demand for Primary Care Practitioners through 2020* (Rockville, Md.: 2013).

Chairman Sanders, Ranking Member Burr, and Members of the Subcommittee, this completes my prepared statement. I would be pleased to respond to any questions that you may have.

GAO Contact and Staff Acknowledgments

If you or your staffs have any questions about this statement, please contact me at (202) 512-7114 or kohnl@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this statement. GAO staff who made key contributions to this statement include Martin T. Gahart, Assistant Director; Rebecca Abela; and Alexis MacDonald.

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