



2024 LABOR MARKET OUTLOOK

Healthcare

The State of Healthcare

Demand for healthcare services is steadily rising. While the number of employees nationwide has grown about 40% across all industries since 1990, it has grown 100% in healthcare overall, and almost sixfold in home health services.¹ Sector employment has increased even during recessions—with the exception of the COVID-19 recession. The main reason is that the U.S. population is aging, with 10,000 Americans reaching retirement age each day.² At the same time, chronic disease, dementia, youth depression, and drug addiction are all becoming more prevalent. If trends continue, the healthcare sector—which already accounts for about 17% of U.S. GDP³—is projected to add the most jobs over the coming decade.⁴

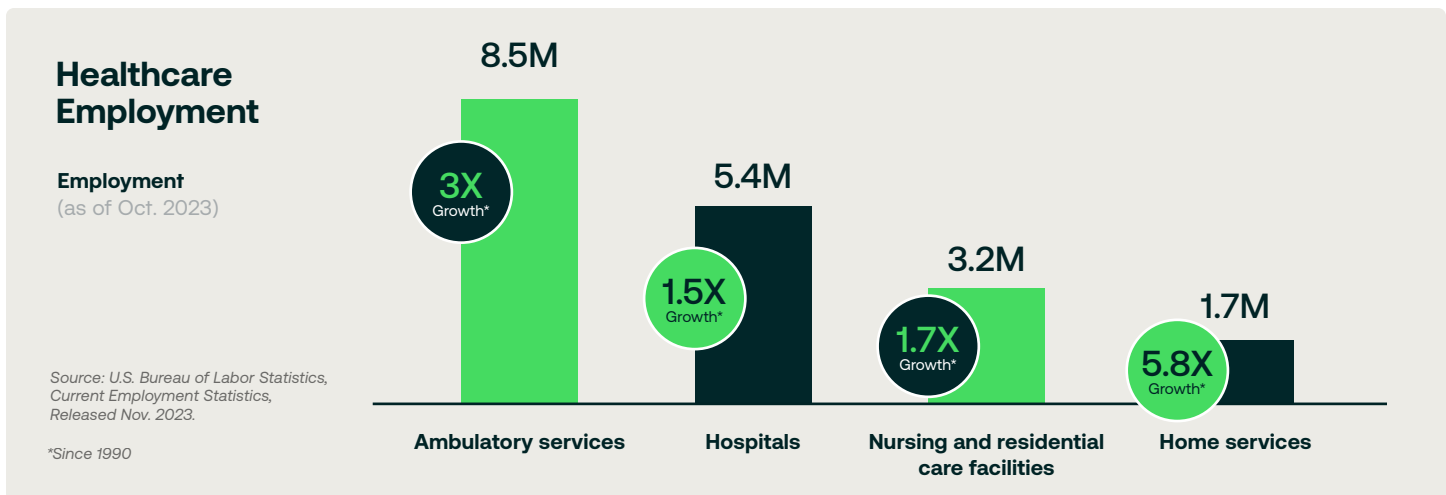
While there is extremely strong demand for medical talent on ZipRecruiter, healthcare is consistently the sector at the greatest risk of labor shortages. Training pipelines are not keeping up with retirement—in part because the onerous and costly education, experience, and licensing requirements scare candidates off; and in part because of the limited

potential for remote work or schedule flexibility to improve job appeal. Many providers cannot easily raise pay to attract and retain more workers since pay is largely constrained by caps on Medicare and Medicaid reimbursement rates, and hospital profit margins are unhealthily low as it is. Another challenge is that healthcare talent tends to be concentrated in the major cities, with few workers prepared to go to more far-flung locations.

Understaffing becomes a self-perpetuating problem as understaffed teams suffer burnout and leave, and their experience deters future generations from entering the field. One study projects that over 6.5 million healthcare professionals will have left the industry by 2026, with only 1.9 million professionals replacing them. That means an industry-wide shortage of more than 4 million workers within the next 2-3 years.⁵ Individual healthcare organizations have limited tools for overcoming what are largely structural labor shortages, but their survival requires doing the best they can under the constraints.

“Healthcare providers and policymakers must urgently confront the organizational problems behind worsening shortages of healthcare professionals, widespread burnout, and job dissatisfaction before they take a larger toll on access and quality of care.”

-Julia Pollak,
ZipRecruiter Chief Economist



1 "Current Employment Statistics," U.S. Bureau of Labor Statistics, Nov. 2023.

2 "Aging," U.S. Department of Health & Human Services.

3 "Experimental Data Map Health Care Estimates in GDP to Centers for Medicare & Medicaid Framework," Bureau of Economic Analysis, Sept. 25, 2023.

4 "Employment Projections: 2022-2032 Summary," U.S. Bureau of Labor Statistics, Sept. 6, 2023.

5 Preston, Rob, "The Shortage of US Healthcare Workers in 2023," Oracle, Jan. 2023.

Three Trends to Watch

1. Telehealth

Telehealth utilization spiked in 2020, then stabilized at a level about 38x higher than before the pandemic.⁶ In the coming years, telehealth is expected to become ever more important for chronic patient care, diagnostic consultations, and mental health—potentially reducing attrition among older physicians and those at risk of burnout who seek greater flexibility and work-life balance.

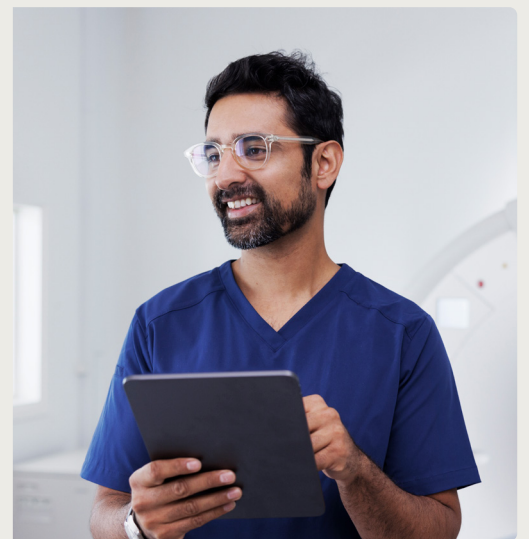


2. Retail health

Retailers like Walmart, Amazon, CVS, and Walgreens have accelerated investments in healthcare and are increasingly competing with traditional providers for health talent. They have a considerable advantage: The median operating profit margin at U.S. hospitals was 1.1% in August '23.⁷ By contrast, the profit margin of healthcare firms on the S&P 500 competing for the same talent was 9.1% in Q3 '23.⁸ As retailers roll out omnichannel care offerings, from prescription delivery to primary care, they will increase the availability of jobs for health workers outside of more traditional settings, putting additional pressure on hospitals.

3. Data-driven care

For the past decade, health organizations have been required to store medical records electronically. According to healthcare IT experts, as much as 95% of hospital data goes unused,⁹ and only 39% of organizations overall make data training available to employees.¹⁰ But gradually, healthcare providers are extracting insights from that data using advanced analytics and artificial intelligence. Over the coming years, healthcare organizations will demand more tech talent and increasingly seek candidates with skills such as data science, programming and database management, data governance and security, population health, and user experience design.



⁶ Bestsenyy, Oleg, et al. "Telehealth: A quarter-trillion-dollar post-COVID-19 reality?" McKinsey & Company, July 9, 2021.

⁷ Swanson, Erik, "National Hospital Flash Report: Sept. 2023," Kaufmann Hall, Oct. 2, 2023.

⁸ Yardeni, Dr. Edward, et al., "S&P 500 Sectors & Industries Forward Profit Margins (weekly)," Yardeni Research, Inc., Dec. 6, 2023.

⁹ Morse, Susan, "Most data generated is not used to its fullest potential," Healthcare Finance, Apr. 17, 2023.

¹⁰ Moody, Kathryn, "Employers want data literacy — but aren't training for it," HR Dive, Mar. 23, 2022.

Industry Snapshot

Fastest-growing job titles

Based on change in job postings, 2022 to 2023

Demand for these roles rose between 2022 and 2023:



Travel CT Tech



Travel Radiology Tech



Physical Therapist



Licensed Practical Nurse



Travel Registered Respiratory Therapist

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023; roles with over 100 postings.

Top-performing job titles

Based on average # of clicks per posting

Job seekers on ZipRecruiter express the highest interest in these roles:



Access Services Representative



Remote Inpatient Coder



Medical Claims Processor



Operating Room Scheduler



Medical Receptionist Assistant

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; roles with over 100 postings.

Hardest-to-fill job postings

Based on average # of clicks per posting

The supply of candidates is lowest for these roles:



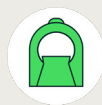
Speech Language Pathologist



Catheterization Laboratory Registered Nurse



Occupational Therapist



CT Technician



ICU Registered Nurse

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; roles with over 100 postings.

Top-performing markets

Based on average # of applies per posting

Job seekers in healthcare on ZipRecruiter express greatest interest in these markets:



Dallas, TX



Houston, TX



New York, NY



Los Angeles, CA



Lebanon, TN



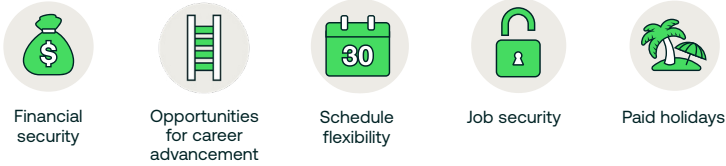
Greater Jackson Area, MS

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023; markets and roles with over 100 postings.

Attracting the Workforce of Tomorrow

What workers want

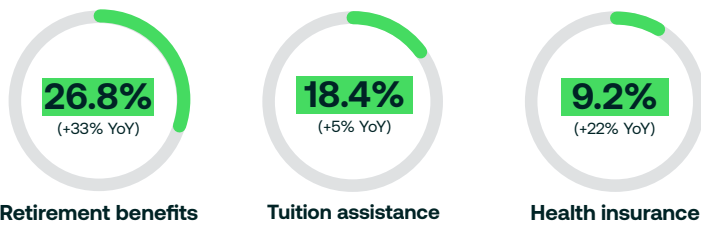
Job seekers like the financial security of healthcare jobs, but wish they had more flexible schedules.



Source: ZipRecruiter Q3 2023 Job Seeker Confidence Survey.

Trending benefits

Mentions of benefits in job postings on ZipRecruiter



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2022 - Oct. 24, 2023.

4.8%

of healthcare postings on ZipRecruiter offer remote positions.

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023.

40.4%

of healthcare postings on ZipRecruiter are hourly.

Source: ZipRecruiter, Inc., internal data, Jan. 1, 2023 - Oct. 24, 2023.



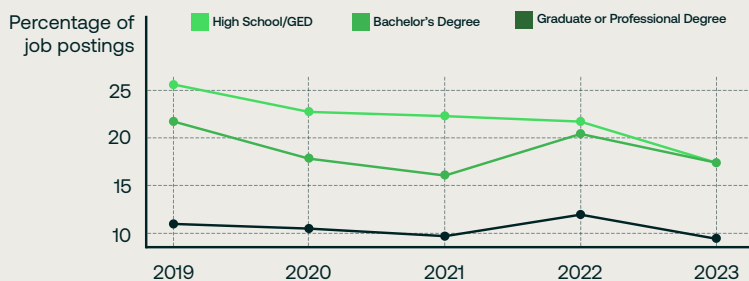
78.9%

of employees in the healthcare sector are women.

Source: U.S. Bureau of Labor Statistics, Current Employment Statistics, Dec. 8, 2023.

Evolving job requirements

Healthcare employers have widely adopted skills-based hiring practices to expand their talent pools.



Source: ZipRecruiter, Inc., internal data, Jan. 1, 2019 - Oct. 24, 2023.



ZipTips

Staring down worsening labor shortages, healthcare organizations will need to improve their recruitment and development of new talent, and increase their retention of experienced employees.

1. Improve work-life balance

Develop phased retirement programs so employees can reduce their work hours gradually while organizations can retain their knowledge and skills. Introduce returnship programs that allow employees to increase their work hours gradually, e.g. following parental leave. Design roles with part-time hours and more flexible schedules to prevent the loss of skilled employees who would otherwise simply leave.

2. Provide more schedule autonomy

Use advanced scheduling software that makes scheduling hassle-free and gives employees maximum autonomy and flexibility while ensuring that necessary shifts are covered.

3. Highlight workplace wellness tools

Give employees access to tools, such as counseling to help them deal with the emotional strain of losing patients.

4. Offer career advancement opportunities

Provide mentorship programs, new-graduate residency programs, and transition-to-practice programs to attract new graduates and retain ambitious, high-quality staff. Such programs should be designed to help employees move into hard-to-fill specialties, acquire in-demand skills and experience, and advance in their careers.