

Is human capital healthcare's biggest asset?

January 30 2017, by Jason Kornwitz



Credit: Northeastern University

National healthcare spending increased 5.8 percent in 2015, reaching a total of 3.2 trillion, according to the U.S. Department of Health and Human Services. If you're doing the math, that's an average of \$9,990 per person. And while the exact numbers haven't been released yet, the nation's 2016 healthcare tab is expected to hit \$3.35 trillion, surpassing

\$10,000 for every man, woman, and child for the first time in history.

"Healthcare costs are too high," says Timothy Hoff, professor of management, [healthcare](#) systems, and [health policy](#) at Northeastern University. "Employers want to pay less and individuals want to pay less, but the only way that will ever happen is if we can figure out a way to deliver healthcare to patients at a lower cost."

Some cost-reduction strategies are focused squarely on the evolution of the healthcare workforce. Hoff—who recently co-edited [The Healthcare Professional Workforce: Understanding Human Capital in a Changing Industry](#)—says that doctors, nurses, pharmacists and other healthcare workers have begun collaborating to provide better, more affordable care to patients nationwide. For example, a [primary care physician](#) might work with the same group of nurses and medical assistants on a day-to-day basis, communicating regularly and sharing the same caseload.

"This team-based approach is still a work in progress," says Hoff, "but the goal is to increase efficiency and deliver higher quality care within a compressed time frame."

In this new system of care, physician assistants, nurse practitioners, and other healthcare professionals have been asked to take on more responsibility than ever before. Medical assistants, for example, now perform some of the duties of nurses, while nurses, in turn, now perform some of the duties of doctors.

"There simply aren't enough physicians to provide all the care," Hoff explains. "To make up for that, other healthcare professionals are being exposed to better training in school and then being given a chance to do more complex work."

This healthcare trend has direct implications for Northeastern students

who are looking to break into the industry, especially those in the university's nursing, pharmacy, physician assistant, and physical therapy programs. According to Hoff, these healthcare-professionals-in-training will soon have more complex jobs, more career options, and more opportunities to make an impact on the nation's overall health and wellness.

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"If you want to get into healthcare as a care provider," he advises, "then you need to talk to people in your field and use your co-ops to get insight into how changes in the industry will impact your particular profession."

A snapshot of the healthcare industry looks like this: The nation's population is getting older and living longer than ever before, due in part to improvements in medicine, vaccines, and antibiotics. According to a report published by the Centers for Disease Control and Prevention in 2016, the numbers of Americans aged 100 and over increased by more than 43 percent from 2000 to 2014, rising from 50,281 to 72,197. Despite the deep uncertainty surrounding the future of healthcare reform, cutting costs will continue to be a top priority, particularly as it relates to an aging and increasingly sicker patient population.

"For the moment, we've bought into a market-driven model of healthcare delivery," says Hoff, "but there's plenty of evidence to show that it can't on its own solve the system's cost and access issues." And that, he adds, is "where turning out big numbers of competent [healthcare professionals](#) who can work together will play an important role."

Provided by Northeastern University

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