

PROVINCIAL MARKET SUPPLEMENT PROGRAM

**Report of the Market Supplement Review
Committee**

**Physical Therapist
Final Report**

August 6, 2002

OBJECTIVE

The objective of the Saskatchewan Market Supplement Program is to ensure that Saskatchewan health care employers can attract and retain the employees required to provide appropriate health care services to the people of Saskatchewan.

This program is designed to address specific skill shortages by use of a temporary market supplement to attract and/or retain qualified employees. The program is designed to ensure that temporary market supplements respond to valid labour market criteria to address recruitment/retention pressures.

A temporary market supplement will be an acceptable option only if:

- a) workplace initiatives have not addressed the skill shortage;
- b) labour market data supports a supplement; and,
- c) recruitment/retention is a problem, is affecting service delivery and is well documented.

This report deals with the Market Supplement Review Committee's analysis of the recruitment/retention pressures facing employers with respect to Physical Therapists.

OVERVIEW

The Market Supplement Review Committee reviewed documentation included in the request for consideration of a market supplement for Physical Therapists. Twenty-seven (27) employers (see Appendix A) were identified as employing Physical Therapists, all of which contributed information to the analysis. In addition, the Health Sciences Association of Saskatchewan (HSAS) has contributed information for this report.

Role of a Physical Therapist:

Physical Therapists (PT) work collaboratively to enhance clients/patients abilities within environments and communities in which they live and work. They provide preventative, diagnostic and therapeutic services aimed at maximizing function and helping people achieve their highest quality of life through physical movement. Also, individualized treatment of an injury or disability based on scientific knowledge, a thorough assessment of the condition, environmental factors and lifestyle is provided.

The major areas of client/patient programs which are supported by physical therapists may include neurological, musculo-skeletal and cardio-respiratory. Physical Therapists assess and treat patients in a number of in-patient and out-patient settings. There are both generalist skills required as well as highly specialized skills dependent upon the setting and the patient group. For instance, Physical Therapists are consulted on the procedures to mobilize patients whose size, injuries, illness or weakness create risks of injury to the patient or staff.

Therapists in all areas are expected to function as part of a multidisciplinary team. They are expected to provide teaching in-services to their colleagues including other therapists and professionals from other disciplines particularly nursing. Many Physical Therapists supervise students who may be at different stages of their training programs.

Private Clinics

An employer provided information regarding private clinics in their respective data submission. In recent years, there has been significant growth in PT private practice. This has come about as a result of:

1. **The implementation of “no fault insurance” in the province.** It has provided financial support for clients who have been injured and who require PT services as a result of their injury. An individual no longer needs to have a doctor send them to physical therapy hence, making the service more in-demand by the public.
2. **Personal choice.** Some PT's move out of the public sector to either contract their services to private clinics who seek their PT expertise, or work as consultants with their own home based businesses. In addition, many new grads choose to work in private practice (about 40% according to one employer).

Private practice is very lucrative work for those who develop specific expertise and a reputation in the community.

Employers indicated that there is a national shortage and an increasing demand for Physical Therapists (PT) in both the private and public sectors. This has created a very competitive market for this profession. Many employers are competing for the same limited number of people across the country.

The University of Saskatchewan graduates 30 Physical Therapists per year and has each year for the past 12 years. However, the demand still exceeds the supply. The University has considered expanding the program. An issue is that each student requires about 1200 hours of clinical supervised experience or about 32 weeks. Although this is very important, it represents a large training investment and commitment for both preceptor and students for which compensation is not received.

Saskatchewan Health has included Physical Therapy students as eligible for its bursary program.

For the purpose of this report and as noted in **Table 1** (which follows), 25 health care districts and two affiliates employ PT's. Employers reported having 164 full-time and 80 part-time positions, totaling 244 positions. 67% are full-time and 33% are part-time.

Information regarding budgeted positions and vacancies is provided in the following table:

Physical Therapist – Table 1

Districts	Number of Budgeted Positions (As of March 1, 2002)		Number of Vacant Positions (As of March 1, 2002)		% Vacancy	
	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time
Moose Jaw Thunder Creek	7	2	1 2*	0	14.3%	
Lloydminster Health District	3	2	0	0		
South East Health District	2	0	0	0		
East Central Health District	9	1	3	1	33%	100%
Saskatoon District Health	Senior - 19 Staff - 35 Research - 2 Total = 56	Senior - 1 Staff - 32 Total = 33	Senior - 1 Staff - 10 Total = 11	Staff - 2 Staff - 2*	20%	6%
North Central Health District	5	2	3	0	60%	
Prince Albert Health District	15	1	6	0	40%	
South Central Health District	3	0	0	0		
Gabriel Springs Health District		2	0	2		100%
Keewatin Yatthe Health District	1	0	1	0	100%	
North East Health District	1	2	0	2		100%
North West Health District		2	0	1		50%
Greenhead Health District	1	0	1*	0		
Swift Current Health District	4	2	1	0	25%	
Rolling Hills Health District	1	0	0	0		
Central Plains Health District	4	0	3	0	75%	
Regina Health District	Senior - 25 Staff - 11 Total = 36	26	Senior - 1 Staff - 5 Total = 6	1	16.6%	3.8%
Living Sky Health District		2	0	0		
Moose Mountain Health District	2	1	0	0		
Midwest Health District	3	0	1	0	33%	
Touchwood Qu'Appelle Health District	2			0		
Pipestone Health District	0	1	0	0		
William Booth (affiliate)	1	0	0	0		
Twin Rivers Health District	1	0	1	0	100%	
South West Health District	1	0	1	0	100%	
Battlefords Health District	6	0	1	0	16.6%	
Sunnyside Nursing Home (Affiliate)	0	1	0	0		
TOTAL	164	80	39 perm + 3 temp	9 perm + 2 temp	24% (25.6% incl temp)	11% (14% incl temp)

Note* - Temporary Vacancies

ANALYSIS

The MSRC discussed the Labour Market Criteria as required by the Provincial Market Supplement Program framework.

SERVICE DELIVERY IMPACTS: *(Employers were asked to provide information that addresses current service delivery impacts resulting from staff shortages, potential staff short term service delivery impacts, potential long term service delivery impacts and options for alternative service delivery models).*

Four employers had no comment regarding service delivery.

Several employers indicate that they may not provide direct PT service. For instance, three employers reported that they refer clients to other districts for service. Three other employers reported that they currently have service contracts with private practitioners and one other indicated frequent referral to private clinics (such as for SGI claims). One other employer indicates that without local service, their residents go either to private clinics or to Alberta for treatment.

16 of the 27 employers report that waiting lists are long and, in most cases, employers state that the list is growing. Two employers indicate that Physicians have stopped referring to Physical Therapists because of long waiting lists.

Three employers stated that they have had to cancel existing programs because of staff shortages. Some of these programs include outpatient support programs for long term care residents and treatment for chronic problems.

One large urban employer has reduced services such as outpatient services. As a result, waiting lists are even longer. Also, therapy support services to their Mental Health program has been cancelled. The employer also notes that service to patients in acute care would be reduced if any further staff losses were experienced. Also, overtime costs will continue to rise and, staff morale will continue to deteriorate. This compounds the recruitment and retention strategies as staff will leave their employ or transfer where workload is less.

In some instances, employers have purposely reduced therapy service for periods of time to prevent "burn out" of staff. When professionals feel that the quality of their work is sub-standard, it was felt that as a consequence, therapists might resign.

Contracting out for Service:

Nineteen (19) employers responded to a separate SAHO email survey seeking information with respect to contracting out of Physical Therapy service. Of the 19 employers who responded, three indicated that they utilize contract service in the following manner:

- One employer has contracted out for approximately one FTE for several years. Currently, the annual cost is approximately \$89,000 which includes travel costs. The employer has had stable service and reports that it has no costs associated with employee benefit, education or recruitment.
- Another employer has contracted with a private PT. The contract replaces one FTE because they have been unable to recruit. The employer's cost is \$3,500 per month for 10 months per year.
- The third employer contracts with a private clinic (cost of 2 FTE's) due to lack of adequate space and inability to recruit staff. The employer's cost is \$70,000 per year with specific performance criteria identified.

VACANCY RATE ANALYSIS: *(Employers were requested to provide information about the frequency and timing of vacancy occurrences {i.e., seasonal vacancies; do the vacancies always follow an event; etc.} and to identify trends that may affect recruitment/retention efforts).*

Currently, 17 of 27 (or 63%) employers report vacancies whether vacancies are for permanent, part-time or temporary positions.

Employers report that the duration of vacancies is an issue. Four employers indicated they had vacancies that took at least 1 year to fill; two employers indicated it took over 2 years to fill; and, three employers indicated that they have not been able to fill a vacancy. One of these employers reports a vacancy existed for 6 years for a part-time position. One large employer reported that the average length of vacancy in their organization was approximately 8 months.

A large employer reports that the annual vacancy rate has increased over the past three years. They reported the vacancy rates were 1.6% in 1999/2000, 6.3% in 2000/2001, and 6.4% in 2001/2002.

The duration of a vacancy can be impacted by factors such as:

- the time of year that a vacancy occurs. It is much easier to fill vacancies in May/June when the new graduates are applying for positions.
- the area of practice.
- positions in the smaller acute care sites as low staffing level makes the job extremely stressful and unattractive for any length of time.

1 employer reports that permanent positions are easier to fill while short-term temporary positions are difficult to recruit into.

TURNOVER RATES: *(Employers were asked to provide local analysis of reasons for leaving and trends that may be emerging. They were also asked to provide annual turnover {loss of employees to other competitor employers} ratio to the existing staff complement {budgeted positions} in the given occupation.).*

Employees resign for a variety of reasons. Other than for maternity leave, the most common reasons cited by employers for current turnover included either the lure to private practice, or to another province (usually Alberta and British Columbia). Other reasons cited included relocation to other Saskatchewan health care districts, return to school, retirement(s), a change in career and spouses relocating to obtain employment in other locations.

One large employer reported that 27 Physical Therapists (staff and senior level) resigned from November 2000 to November 2001 for the following reasons:

- 11 (or 41%) left for private practice
- 9 (or 33%) left to other provinces
- 2 (or 7.5%) left to the USA
- 1 (or 3.7%) left to another Saskatchewan health district
- 4 (or 14.8%) retired or changed careers

For this employer, the overall turnover rate during this time frame was 37% (staff and senior positions). For staff positions, the turnover rate was 50%.

WORKPLACE INITIATIVES: *(Employers were asked to identify workplace initiatives undertaken to address staff shortages, i.e., workload, job redesign, local joint union/management processes, health & safety, etc.).*

Nine (9) employers did not provide data regarding workplace initiatives.

Eight (8) employers reported that they have prioritized the work of PT position(s) and as a result, they have created Physical Therapy Assistant positions. The Assistant classification provides administrative support, thereby enabling the PT to focus on applying their clinical skills.

Employers reported that they have initiated workplace changes to alter routines such as:

- establishing flex hours (3 employers);
- split full-time positions into part-time positions to accommodate preferences (2 employers);
- rotate PTs through various areas to provide job variety (2 employers); and,
- provide extended shift arrangements (1 employer).

Six employers provide education leaves including continuing education networking opportunities and conferences. Two employers provide student placement opportunities.

Four employers report paying staff PT positions at the senior rate of pay. One employer reported that they may offer a new grad a higher wage rate than the 1st step.

Two employers report that they do not provide PT service in their District and contract the service with other Districts. One District who contracts-in PT service indicates that contracting-in allows them to expand guaranteed hours of a part-time position to full-time, thus assisting in recruitment efforts.

One employer reported that it has a letter of understanding defining incentives.

RECRUITMENT ISSUE ANALYSIS: *(Employers were asked to provide information such as length of recruitment times, training investments, licensing issues, supply and demand issues, etc., as well as information that would identify trends that may affect recruitment and/or retention efforts).*

On a consistent basis, employers have reported vacancies for Physical Therapist positions. As indicated previously, 17 of 27 (or 63%) employers reported having vacancies.

Fifteen (15) employers report initiating the most common recruitment practices that include attending recruiting fairs (in Saskatchewan, Alberta and Manitoba), and placing advertisements on the Internet, in PT Association newsletters, and in newspapers (commonly the Regina Leader Post and the Saskatoon Star Phoenix). Two of these employers indicated that they use professional recruitment services.

Most new hires are new grads. The main recruiting sources have been the University of Saskatchewan, the University of Manitoba, and the University of Alberta. Also, recruiting efforts have had some success in the Maritimes. However, as described in the Overview section, the demand is greater each year and the U of S has considered expanding the program to graduate more than 30 Physical Therapists.

In order to recruit Physical Therapists, employers have utilized forms of financial incentives that include (and may be a combination of) bursaries, relocation expenses, signing bonuses.

- Six employers reported offering bursaries or scholarships. Bursaries may be to students in their final year and/or to new grads. The amount varies from \$2,500 to \$5,000 per student and the return service commitment is typically 2 years. Only 2 employers mentioned that they offer a practicum to students.
- Four employers offer a relocation allowance as part of their recruiting efforts. The amount varies from \$2,000 to \$3,000/candidate.

- Five employers provide signing bonuses. Typically, the amount varies up to \$5,000. One employer reports offering a \$15,000 signing bonus for a three-year return-of-service commitment.

One northern employer offers subsidized rent and utilities, and an initial vacation provision of 4 weeks, and ensuring an annual education allotment for training and development opportunities.

Two Districts report that they offer an education allowance to attract and retain PT staff. One of these Districts has offered \$1,500 annually to candidates.

Many employers send recruiting letters to the various physical therapy schools and to the students, as well as contacting them directly.

One employer reports that it has negotiated to share a full-time position with a private clinic to better able to recruit PT for the community.

Four employers indicated that it is particularly difficult to attract Physical Therapists to rural areas or smaller facilities.

In an attempt to promote rural centres as places to work and live, Saskatchewan Health offers bursaries to PT students. The bursary program has been recently changed such that return for service commitments are two years for Regina and Saskatoon and one year for other communities.

SALARY MARKET CONDITIONS: *(Employers were asked to identify situations where their salary levels are lower than other employers that they would expect to recruit employees from or other employers that recruit their employees. This may be local, provincial, regional, national or international depending on the occupation group and traditional recruitment relationships. Cost of living considerations may or may not be appropriate to factor into market salary comparisons).*

The market for Physical Therapists is very competitive.

Eight (8) employers reported that wage rates are higher in Alberta and 4 employers reported that wage rates were higher in British Columbia. Comparative market data shows that top rates in Alberta are 14% higher, and British Columbia is 21% higher for *staff* positions requiring a degree. Starting wage rates are also lower in Saskatchewan.

Eight (8) employers reported that private practice in Saskatchewan pays higher than the public health care employers. They reported that within private practice the rates vary, as new grads can earn 5% more while experienced Physical Therapist can earn up to 26% more.

Two employers cited that other public health care employers (Districts) are also a source of competition for Physical Therapists.

AVAILABILITY OF RESOURCES: *(The magnitude and timing of any market adjustment will be subject to the availability of existing resources. Please make any comments as to the impact of addressing this staff shortage if resources are not available in the short term).*

Saskatchewan's health care employers are having great difficulty in filling current vacancies. Also, there is concern regarding the retention of current staff. One district describes their own situation as "in trouble" while another District is concerned about a possible "snow ball effect" whereby if more staff leave and are not replaced, this will only hasten others to leave because of the increased workload.

Employers stated that a short term solution is to contract out for service but that this approach is costly. They indicate that additional costs may lead to a reduced level of service.

CONCLUSIONS & RECOMMENDATIONS:

Considering all the labour market criteria under the provincial framework, the Market Supplement Review Committee makes the following conclusions:

1. The majority of employers indicated that they have service delivery issues. These issues include long waiting lists (and getting longer) to the reduction and cancellation of existing services.
2. The vacancy rate for full-time permanent and temporary PT positions is 25.6% and 14% for part-time permanent and temporary PT. Cumulatively, the vacancy rate for permanent positions, excluding temporary positions, is calculated at 19.7%. Of special note is the duration of vacancies, often lasting for many months, and sometimes years, to successfully recruit incumbents.
3. Employers have used a variety of initiatives to ensure services are provided. Initiatives include the prioritization of work responsibilities, initiating worker-friendly terms (eg. extended shifts, flex hours, rotating), contracting out, and providing various forms of financial incentives. Despite this, waiting lists are long with the threat of becoming longer, current levels services are being reduced, and new programs are not being initiated.
4. Private practice is growing. It has become an option for Therapists, and has also become a service-delivery alternative for some employers. It is recognized as a costly option.

Having reviewed the information as provided by employers and the union, and considering all the labour market criteria, the Market Supplement Review Committee recommends:

1. That a temporary market supplement be implemented for the Physical Therapist position.
2. SAHO Labour Relations assess the current practices with respect to financial incentives and wage rates, and work to correct and/or standardize those practices.

Market Supplement Consideration Request – Physical Therapists

Employer Respondents

1. Moose Jaw Thunder Creek Health District
2. Lloydminster Health District
3. South East Health District
4. East Central Health District
5. Saskatoon District Health
6. North Central Health District
7. Prince Albert Health District
8. South Central Health District
9. Gabriel Springs Health District
10. Keewatin Yatthe Health District
11. North East Health District
12. North West Health District
13. Greenhead Health District
14. Swift Current Health District
15. Rolling Hills Health District
16. Central Plains Health District
17. Regina Health District
18. Living Sky Health District
19. Moose Mountain Health District
20. Midwest Health District
21. Touchwood Qu'Appelle Health District
22. Pipestone Health District
23. William Booth (affiliate)
24. Twin Rivers Health District
25. South West Health District
26. Battlefords Health District
27. Sunny Side Nursing Home (affiliate)