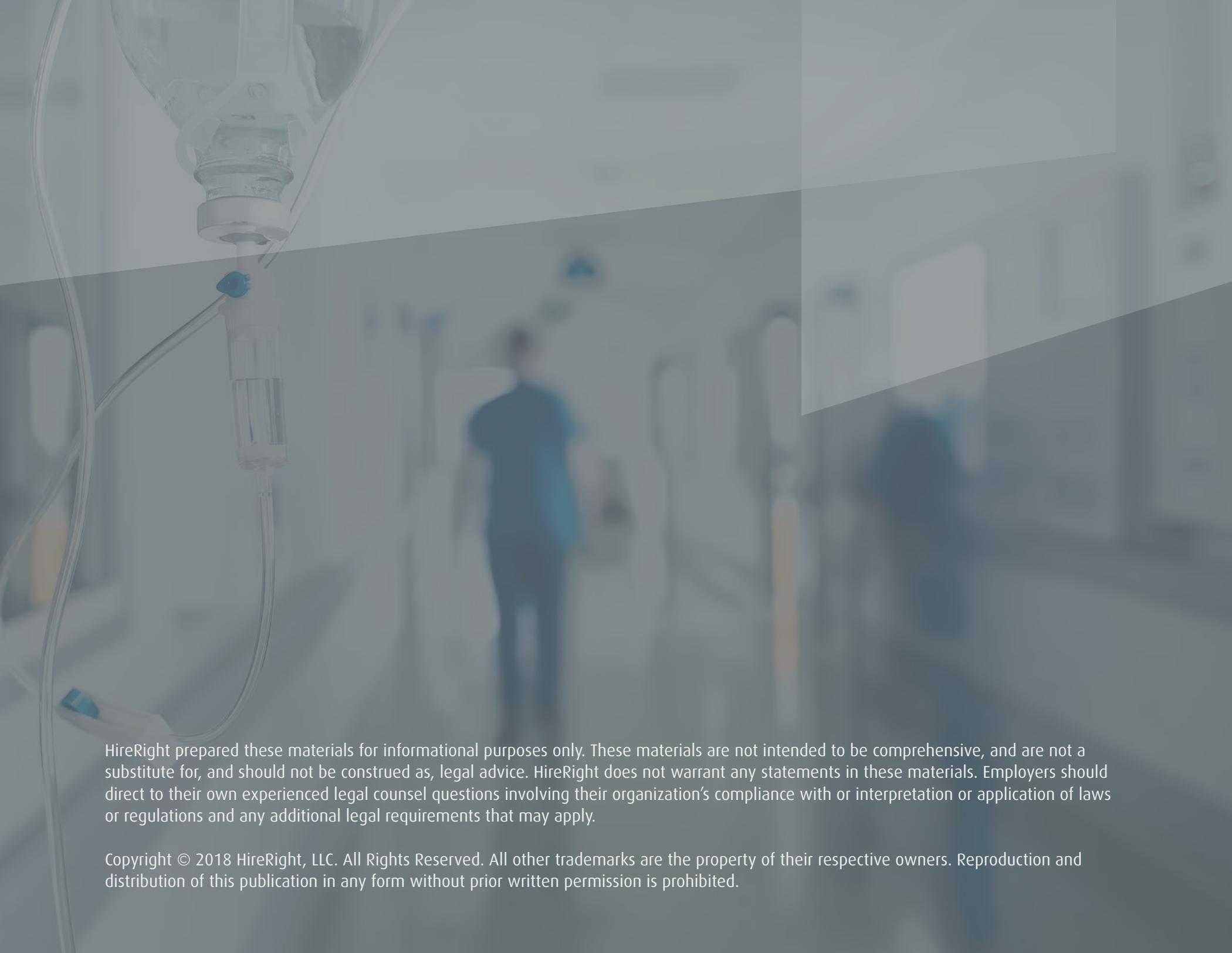




**HireRight Healthcare
Spotlight Report 2018**





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About the report

The HireRight 2018 Healthcare Spotlight provides valuable insights on key industry trends and best practices in hiring, screening and employment from the annual HireRight Employee Background Screening Benchmark Survey. For a complete overview of methodology, please refer to the Overview and Methodology section at the end of this report.

Key themes



Increased competition to attract and retain quality talent



Need for improved efficiency and oversight of hiring practices due to increased labor demands



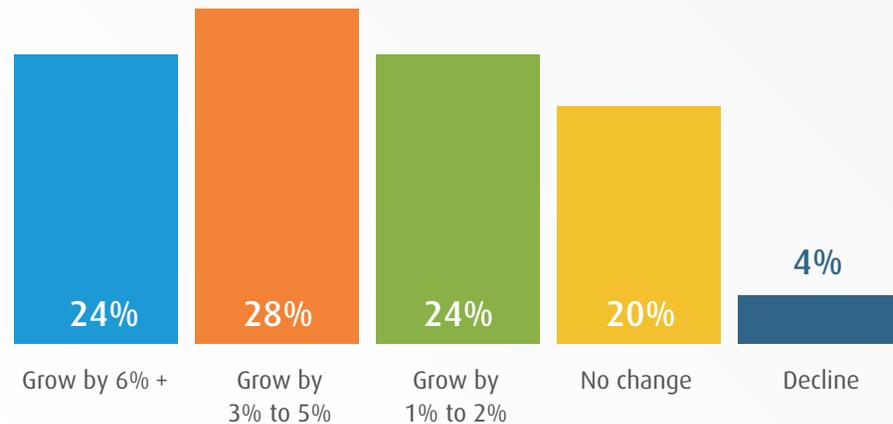
Increased regulation and legislation complexity in healthcare employment

Growth

Healthcare is the fastest growing occupation in the U.S. It is expected to increase 18% from 2016 through 2026, adding an estimated 2.4 million new jobs over the period. Growth from 2013 to 2017 was 9%, with the most significant expansion in ambulatory health services at 13%.

The overwhelming majority of survey respondents (76%) expect their workforce to grow over the coming year. While 24% foresee moderate growth of 1-2%, almost a quarter of respondents expect a workforce increase in excess of 6%.

Workforce Growth Expectations



Sources: <https://www.bls.gov/ooh/healthcare/home.htm>
<https://www.bls.gov/iag/tgs/iag62.htm>

Number of Healthcare Jobs By Year

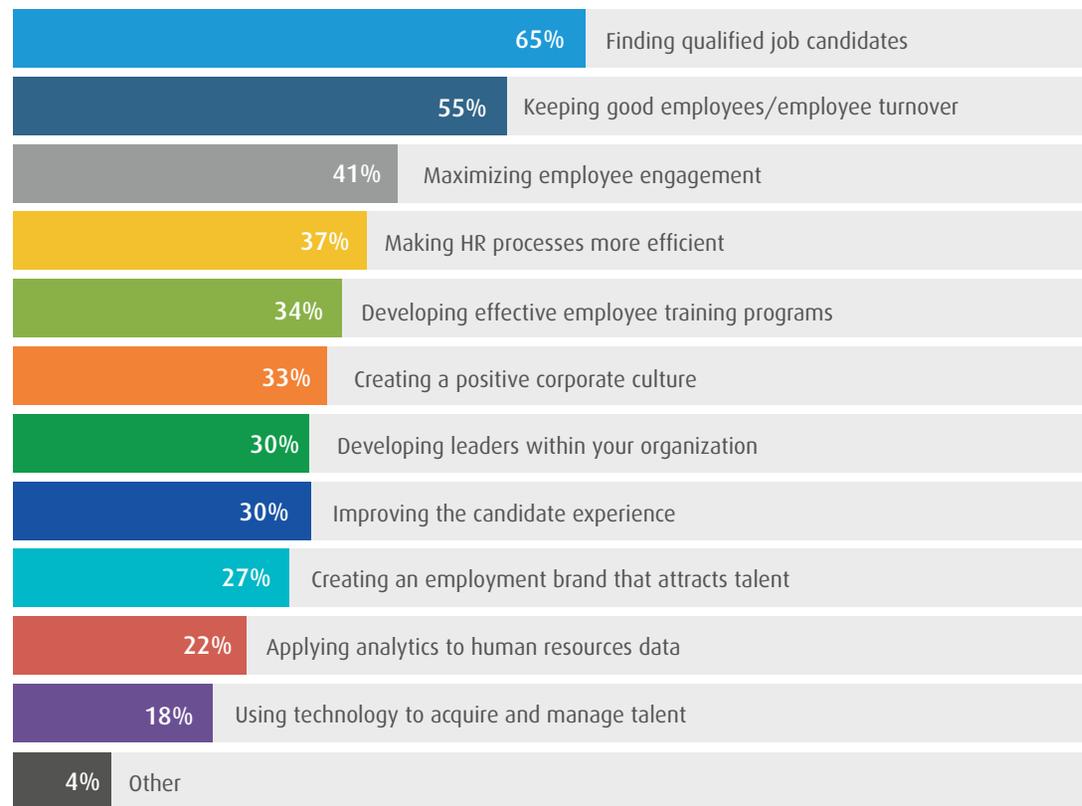
(In thousands)

	Hospitals	Ambulatory Health Services	Nursing and Residential Care
2013	4,774	6,538	3,245
2014	4,820	6,737	3,276
2015	4,955	6,954	3,304
2016	5,054	7,192	3,337
2017	5,124	7,389	3,354

Talent acquisition and management challenges

The increased need for healthcare employees is exacerbated by limited availability. For the second year in a row, the leading talent acquisition challenges for healthcare employers remains finding qualified job candidates and retaining valuable employees.

Most significant talent acquisition and talent management challenges:



90%

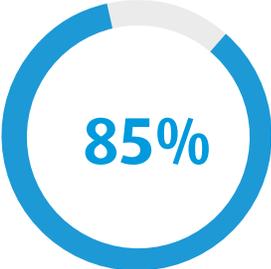
of respondents reported having a centralized background screening process and 68% currently integrate or plan to integrate background screening with their talent management (applicant tracking or human capital management) solution.

Quickly hiring and on-boarding the most qualified talent is key to the success of healthcare organizations.

Sourcing qualified talent

Reliance on the corporate website, job fairs and referrals dropped from the previous year while the use of professional and trade associations

To find and attract candidates, organizations leverage:



Online job boards



Referrals



Corporate website



Social networking
(e.g., LinkedIn,
Twitter, etc.)



University or
college internships/
development programs



Job fairs



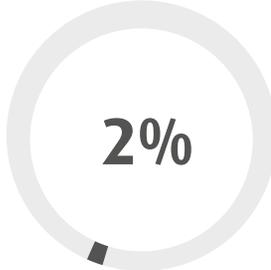
Outside recruiters/
temp agencies



Professional/trade
associations



Print media

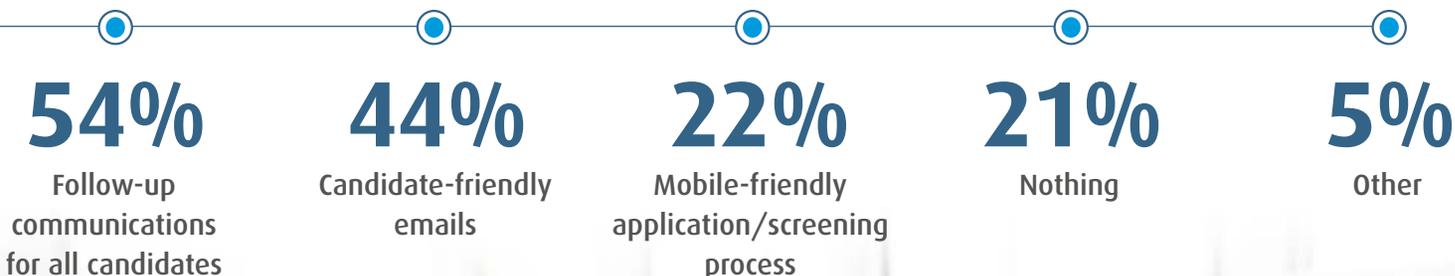


Other

Finding the best talent is only part of the battle

For 30% of respondents, improving the candidate experience is a significant challenge.

Tactics employers use to help ensure a good candidate experience include:



25% of those not currently utilizing a mobile-friendly candidate experience are somewhat or very likely to move in that direction within the next 12 months. However, not everyone is focused on the candidate experience. The percentage of respondents that have no specific tactics to deliver a positive candidate experience nearly doubled over 2017 survey results.

Talent acquisition techniques

Based on the shortage of available talent, organizations are finding ways to appeal to millennials entering the workforce.

Large organizations (>500 employees) are twice as likely to offer referral bonuses, and three times more likely to offer signing bonuses and utilize targeted emailing.

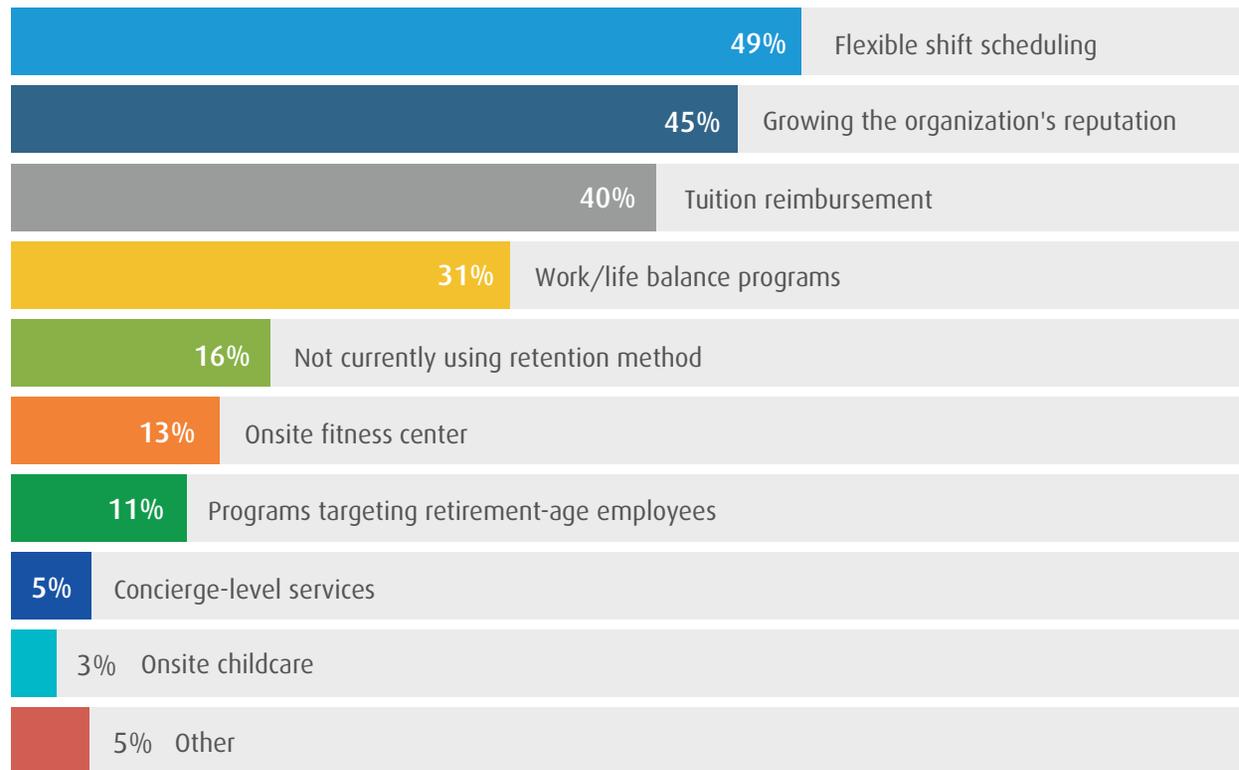
Techniques being used to recruit healthcare professionals have shifted:

	2018	2017
Networking through current employees	71%	85%
Referral bonuses	49%	47%
Part-time schedules	39%	34%
Promoting brand or reputation	47%	46%
Signing bonuses	39%	30%
Targeted emailing	23%	21%
Student-loan payback	13%	11%
Overseas recruiting	5%	3%
Other	7%	8%

Retention techniques

Organizations are finding ways to extend the careers of those nearing or considering retirement.

Techniques being used to retain employees:



7%

more organizations have proactive retention methods in place than in 2017 and 21% more include a focus on the company's reputation in order to retain employees.

Screening international candidates

Healthcare has the highest percentage of foreign-born, foreign-educated and foreign-trained workers of any industry in the U.S.*

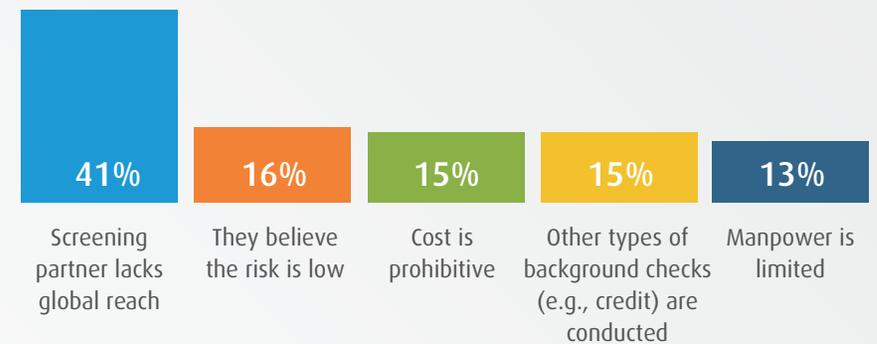
*Source: <https://cew.georgetown.edu/wp-content/uploads/2014/11/Healthcare.ExecutiveSummary.090712.pdf>

Despite this, only 12% of survey respondents stated that they screen international backgrounds of U.S.-based employees, down 5% from 2017. Similarly, only 12% stated that employees based outside of the U.S. are screened, down 4% from 2017. Of the respondents that hire candidates with global work experience or education:

The majority conduct some level of global screening:



43% do not conduct global screening because:



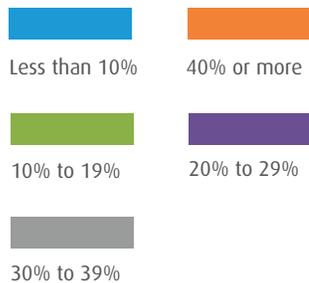
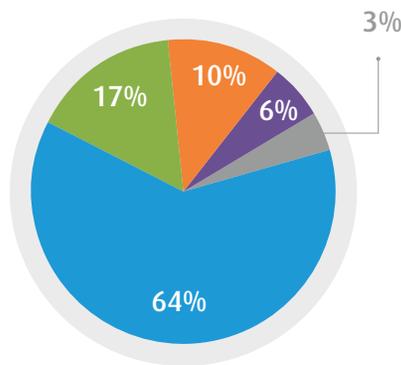
Screening candidates outside of the U.S. poses several challenges. The most significant challenges stated by respondents are:



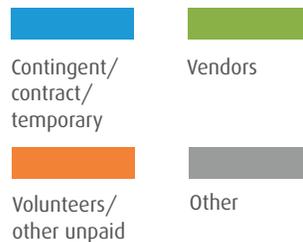
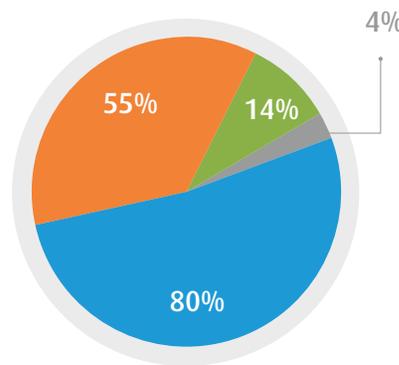
The extended workforce

Organizations must balance talent acquisitions and decide whether to buy, borrow or build talent, and are increasingly turning to extended workforce solutions including contractors, temporary workers and volunteers to fill open positions. Healthcare organizations are potentially liable for anyone entering the facility—employees, contingent staff and vendors—yet only 33% of respondents are currently screening non-employees.

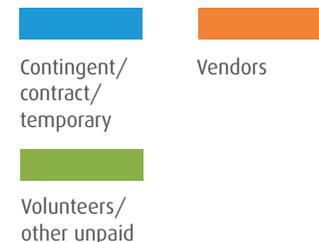
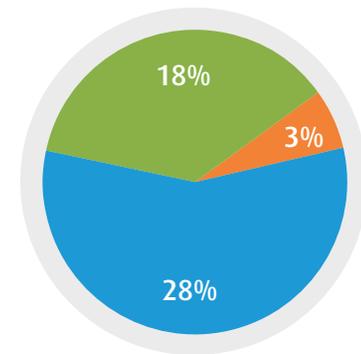
What percent of your organization's workforce is comprised of non-employee workers?



Which non-employees are subject to background checks?



Which non-employees are subject to drug/alcohol testing?



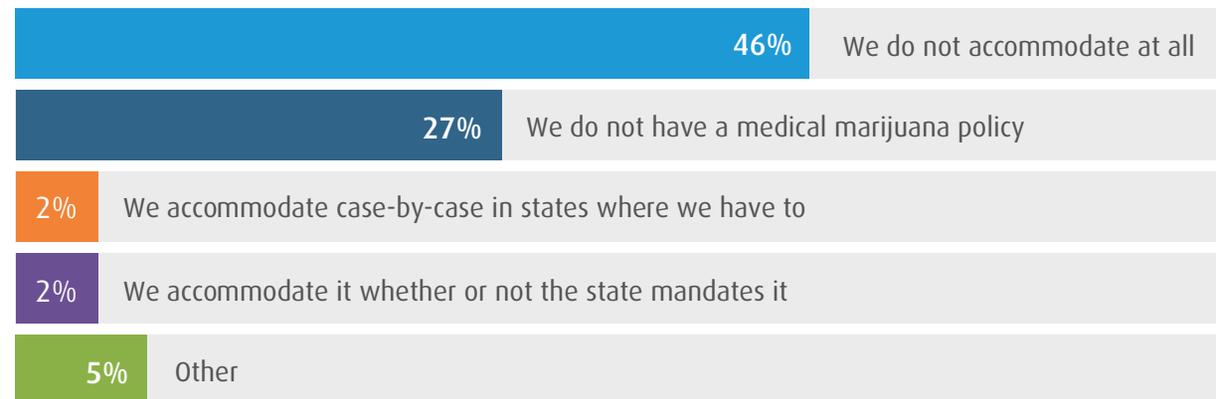
Drug & health testing

68% of organizations are conducting some level of drug and/or health testing. Of these, 54% utilize eCOC forms – up slightly from 2017.

Which workers are subject to drug/alcohol testing?



What is your company policy when a donor is a medical marijuana user and tests positive on a drug test?



7%

increase in healthcare organizations that conduct drug/alcohol testing on job candidates since 2017.

72% of organizations require ancillary medical testing post-offer:



67%

TB screen



41%

Vaccines
and titers



27%

Physical
ability



23%

Chest x-ray



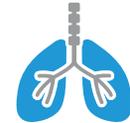
12%

Respirator
fit test



4%

Audiogram



4%

Pulmonary
function

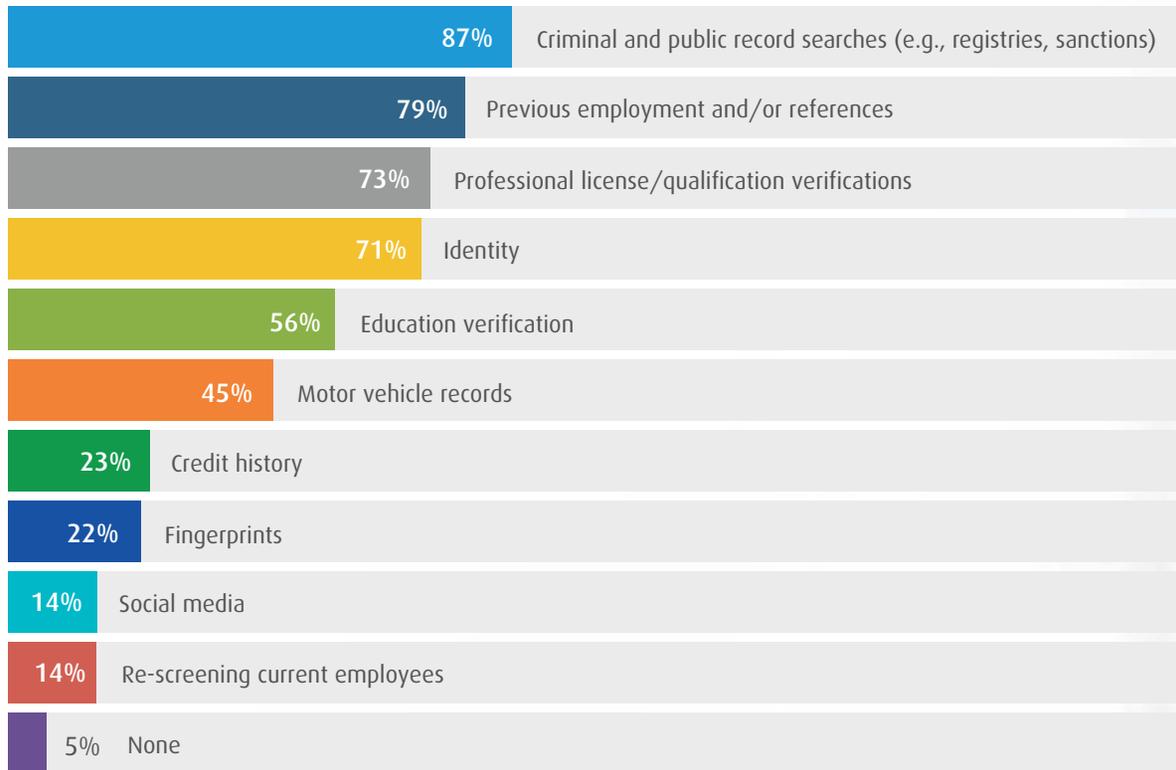
There has been a shift in where organizations are now bringing these tests in-house:

	2018	2017
Contract with local clinics	47%	54%
Organization performs the services	45%	38%
Contract with a national vendor	8%	7%

Types of background checks performed

Healthcare organizations face more stringent and complex screening requirements than most other industries.

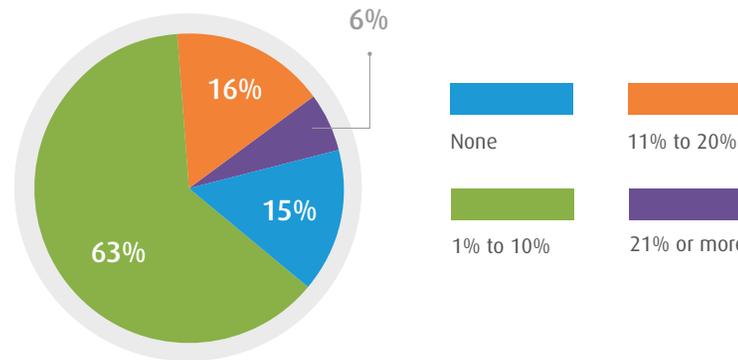
The types of pre-employment background checks being performed in healthcare is consistent with 2017 results, with criminal and public record searches again being cited most often.



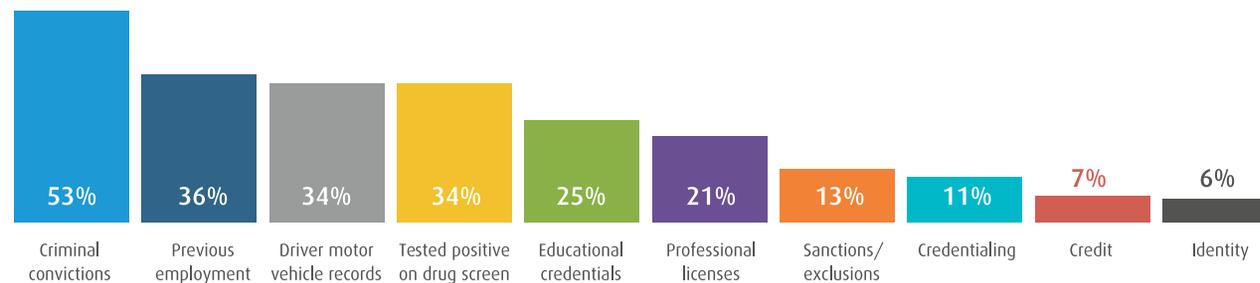
Value and benefits of background checks

Thorough background screenings help organizations uncover inconsistencies and issues with job candidates' information that otherwise would not have been caught.

Percentage of candidates who misrepresent information on resumes and/or applications:



Screening areas in which employers uncovered candidate issues:



Survey respondents see multiple benefits from background screening:

51%
Better quality of hires

47%
More consistent safety & security

46%
Improved regulatory compliance

23%
Better company reputation

15%
Greater employee retention

I-9 and E-Verify

Verifying the identity and employment eligibility of candidates and maintaining appropriate documentation proving status is critical for U.S. companies.

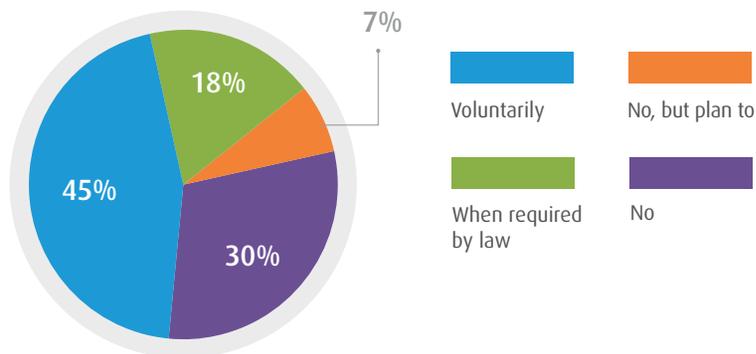
While a significant percentage of organizations still rely on paper I-9 forms, a larger number are incorporating electronic files:

	2018	2017
Paper only	37%	47%
Paper and electronic	42%	32%
Electronic only	21%	21%

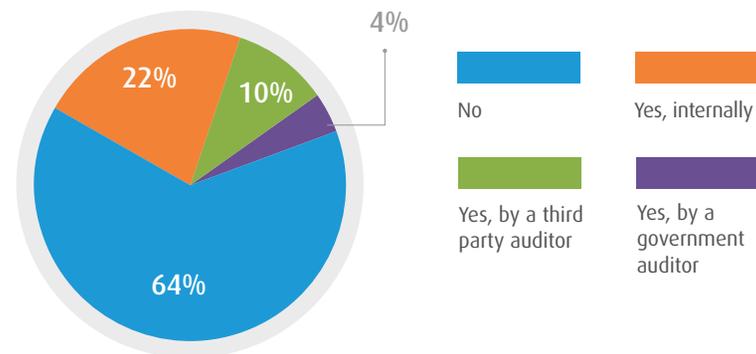
Only half of respondents feel they are very prepared to respond to an ICE Notice of Inspection within 3 days – down 10% from a year ago:

	2018	2017
Very prepared	50%	60%
Somewhat prepared	39%	33%
Not prepared	11%	6%

Nearly two thirds of respondents make use of E-Verify:



The majority of respondents have not been through an audit for I-9:



Reviewing healthcare sanctions

Effectively and consistently monitoring sanctions is key to reducing risk for healthcare organizations.

Conducting effective sanctions screening can uncover problems and reduce the risk of incurring civil monetary penalties. 72% of large organizations and 46% of small organizations reported finding sanctioned individuals.

How frequently healthcare sanctions lists are checked varied based on the size of the organization:

	Small (<500 employees)	Large
Never	21%	5%
New hires only	26%	37%
Less than once/year	1%	0%
Annually	23%	18%
Quarterly	7%	2%
Monthly	20%	33%
Other	2%	5%

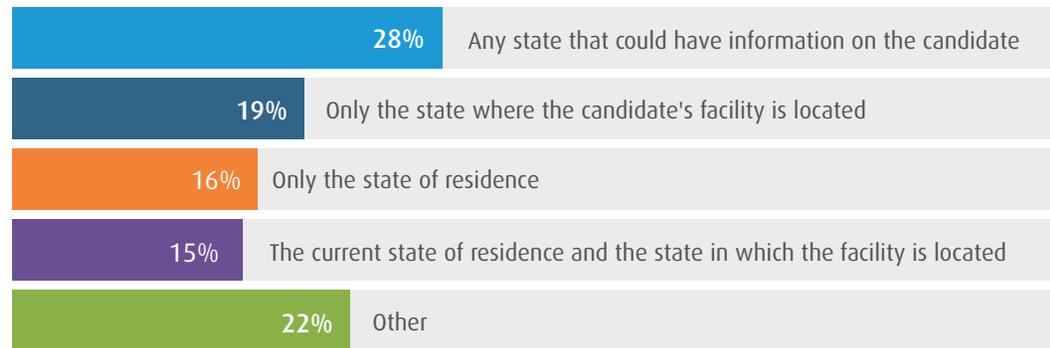
The depth of sanctions screening also varied significantly based on the size of the organization:

	Small (<500 employees)	Large
OIG only	31%	23%
OIG, SAM	25%	45%
Federal	13%	28%
State	11%	18%
State/Med	9%	19%
HC Sanctions All	16%	46%
None	32%	10%
Other	4%	3%

Reviewing licensure

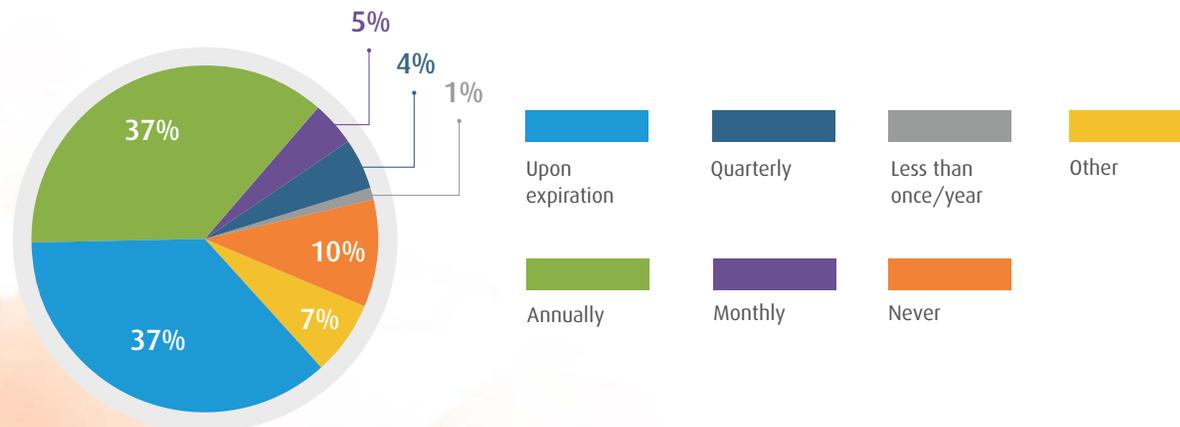
Healthcare workers in contact with patients require additional pre-employment and on-going vetting, yet 10% of healthcare organizations don't re-verify professional licenses or certifications.

In 2016 there were over 1.5 million nurse aides in the U.S.* Before hiring candidates, organizations checked Nurse Aide Registries in:



*Source: <https://www.bls.gov/ooh/healthcare/nursing-assistants.htm>

Frequency for re-verifying professional licenses or certifications:



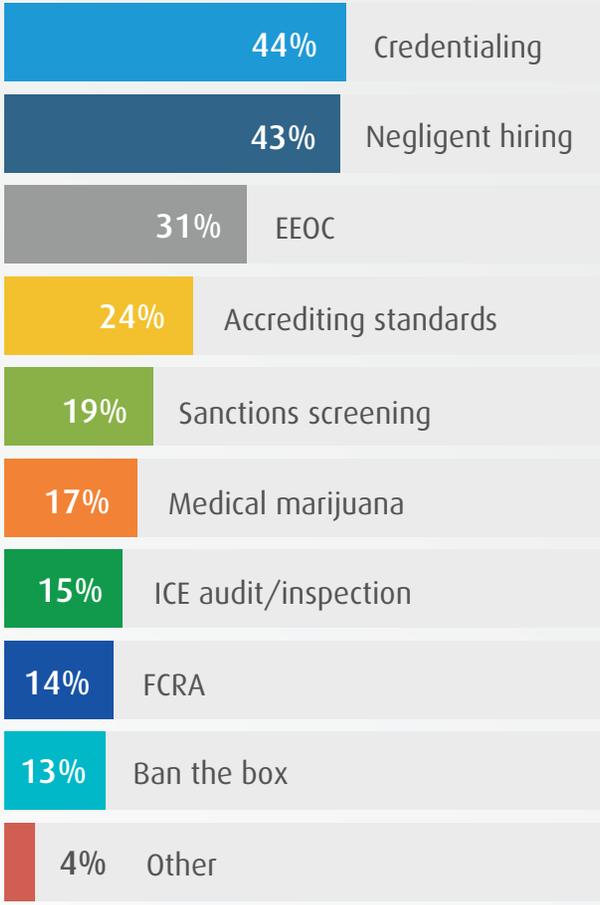
Most significant background check challenges

Healthcare background screening is complex and poses a variety of challenges.

Challenges related to employment screening are:

	2018	2017
Reducing time-to-hire	46%	49%
Improving screening process efficiency	37%	33%
Verifying information	32%	25%
Getting quality information	26%	20%
Not experiencing challenges at this time	21%	25%
Managing screening costs	24%	18%
Ensuring a positive candidate experience	25%	23%
Meeting regulatory requirements	22%	11%
Applying screening policies consistently	15%	8%
Other	1%	3%

Compliance issues of primary concern this year are:



Planned investments for 2018

Retaining good employees and finding qualified job candidates top the list of planned investments again this year. Creating a positive corporate culture, however, moved up to the number three spot from the sixth in 2017.

Healthcare organizations plan to improve or invest in a wide variety of programs and initiatives in 2018:



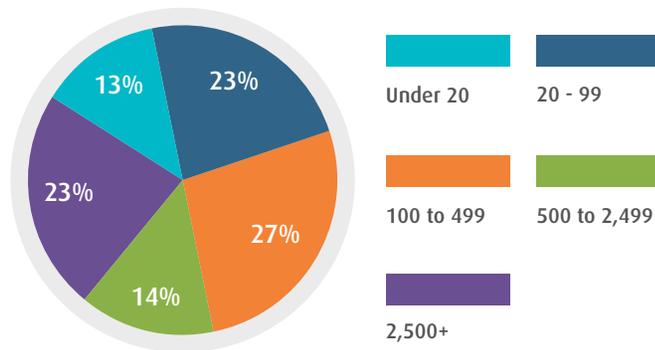
Survey overview and methodology

The 2018 HireRight Employment Screening Benchmark Survey, conducted between August 14 and September 9, 2017, is the largest of its kind, and includes responses from nearly 6,000 human resource professionals (from small-, medium- and large-sized firms worldwide) knowledgeable about employment screening and recruiting. Of the total survey respondents, 9% indicated that their primary industry was healthcare. The results in this report were compiled from those respondents. This report provides valuable insights into best practices and industry trends that may help human resources professionals create more comprehensive and effective hiring policies and procedures. The information included in this report reflects information provided by U.S.-based organizations only. Survey questions included multiple choice, multiple selections, and open text. Figures may not add up to 100 percent due to rounding or multiple-selection questions.

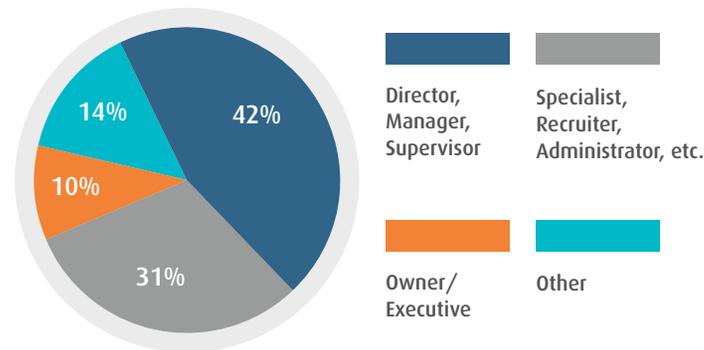
Types of Healthcare Organizations:

Hospital or acute care	17%
Long-term care or assisted living	14%
Home health	10%
Pharmaceuticals	9%
Primary care	7%
Ambulatory care	6%
Medical staffing	5%
Behavioral health	4%
Hospice	2%
Insurance	2%
Medical device manufacturing	1%
Other	22%

Organization Size (number of employees)



Respondent Role



Function



Confidence Level



About HireRight

HireRight delivers global background checks, drug testing, education verification services, and electronic Form I-9 and E-Verify solutions through an innovative platform to help companies hire the right candidates, so they can grow successfully, and efficiently — no matter their size or where they operate.

HireRight offers extensive screening solutions that can be tailored to the unique needs of organizations, giving employers additional peace of mind about their people and vetting processes. HireRight’s platform can be integrated with existing HR platforms, making it easy to use and giving candidates the best possible experience.



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