

Human Resources in Health Care: More than Paper Pushers

Kevin V. Rider

Argosy University

Abstract

Human resource professionals, once part of a stagnant paper pushing business, evolved to become an integral part of today's health management team. Often working closely with management, the HR professionals are important enablers, or even designers of corporate vision. This paper explored the obstacles health care HR professionals face during employee recruitment and retention. HR professionals have constructed creative recruitment and retention incentives, yet adhered to a wide array of legal requirements, under the threat of hefty fines and loss of organizational Medicare/Medicaid funding.

### Human Resources in Healthcare: More than Paper Pushers

The health industry has long bemoaned the shortage of health care providers. With proposed changes, many speculate a greater need for physicians and other providers. Modern Health Care Human Resources (HR) departments are evolving to meet the demand. HR faces many hurdles, legal, logistic and supply, to mention a few. This paper will address some of the legal hurdles HR faces in the current climate, and briefly outline how HR evolved to meet the demands.

In the face of worker shortages, an HR manager may wish to import some of the workforce. Specific hurdles face the HR manager. S/he must comply with several government agencies to make the employee eligible to work in the United States. The HR manager will start with the Department of Labor to obtain a foreign labor certificate. Upon receipt of a labor certificate, HR will petition the U.S. citizenship and Immigration Services for a visa. Receipt of a labor certificate is no guarantee of a visa. Each step is laden with paper work.

Some of the laws were designed to protect the U.S. workforce, so the HR manager must demonstrate the foreign worker has a skill set that is not currently available in the U.S. workforce ("United States Department of Labor," 2010) This process is cumbersome, yet may be necessary to fill a unique temporary or long-term health care need.

Even when hiring among the local job market, HR managers face many, complicated legal rules and regulations. The next few paragraphs will briefly discuss some of the considerations made when entering physician recruitment and retention agreements.

Physician recruitment and retention agreements are methods which HR offers physicians financial inducements to relocate within the hospital's service area. The agreement may involve

the physician working for the hospital, or working independently as members of the medical staff.

Two laws HR must be aware are the federal anti-kickback statute ("The Medicare and Medicaid Patient Protection Act of 1987,") and the Stark Act. ("Stark Act,") These laws govern the rules related to physician referrals. Hospitals can face hefty penalties and fines if they make leasing agreements with the physician and base the lease on the amount of income the doctor receives. If the hospital refers work to the doctor, they have a financial incentive in collecting more rent, which, if not done correctly, will violate the law and incur penalties.

Likewise, if a physician has a financial interest in the hospital, clinic, lab, etc., s/he must carefully disclose this to the patient before referring. Violation of the anti-kickback statute is a crime, and could involve jail time, along with suspension from government funded programs, and possibly penalties.

HR must be innovative, and work closely with legal counsel to prevent incurring penalties, and loss of government funds. As shown above, modern healthcare HR departments must be much more than agents who advise on administrative matters such as employee benefits and wages.

As employee demographics change, modern HR managers adapt. Should a day care be added? Will the benefits exceed the costs? What alternate work hours and arrangements can be made? Can some employees work from home? (DeCicco, 1992)

HR managers face even more challenges. Hospitals are under more pressure for improved safety ratings and health care delivery models. The HR manager must recruit and retain employees who will perform and adapt to the changes. Disagreements between clinicians

and management costs time and slow production. ("The Evolution of HR Transformation In Healthcare,")

Some hospital leadership includes HR at the strategic planning stages, making HR a vital part of the management process. HR professionals are becoming strategic partners with management. From 1989 through 1991, the HR emphasis was more on auditing legal and union requirements and maintaining records. Afterwards, a shift in duties moved toward practice development and strategic business partnerships with management. HR has increasingly become a member of the management team, planning and organizing change. (*Looking to the Future: Human Resources Competencies*, 1999)

The impact of the evolution of the human resources department into a strategic unit should provide health care management with yet another method to improve performance and facilitate change, when needed. Health care managers must work closely with HR to assure it is dynamic with the latest legal and business changes. In this way, HR departments are no longer immune from productivity requirements, rather they are essential to build the workforce, retain it, and implement management strategies.

## References

42 U.S.C. §1320a-7b.

42 U.S.C.S. §1395nn.

DeCicco, A. L. (1992). *Human Resources Evolution*. The Free Library Retrieved January 20, 2010, from <http://www.thefreelibrary.com/Human>

*The Evolution of HR Transformation In Healthcare*. Capgemini Retrieved January 20, 2010, from [www.es.capgemini.com/sectores/sanidad/nuestras\\_soluciones?d...CF00](http://www.es.capgemini.com/sectores/sanidad/nuestras_soluciones?d...CF00)

*Looking to the Future: Human Resources Competencies*. (1999). Retrieved from <http://www.opm.gov/studies/Trans2.pdf>.

United States Department of Labor. (2010). *Foreign Workers*, from [http://www.dol.gov/compliance/audience/foreign\\_workers.htm](http://www.dol.gov/compliance/audience/foreign_workers.htm)