
Retirement Intentions: Licensed Clinical Psychologists

Healthcare Workforce Data Center

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INTRODUCTION

The goal of this report is to examine whether licensed clinical psychologists (LCPs) actually retire when they intended to retire. The impetus for the study is the high retirement intentions reported by LCPs in past surveys administered by the Healthcare Workforce Data Center (HWDC) and the high median age of the workforce in those surveys. For instance, the median age for LCPs licensed in Virginia has been at least 50 for the past seven years¹, one of the highest among all healthcare professions that HWDC surveys. The LCP workforce seems to be one of the healthcare workforce professions impacted by the aging of baby boomers, that is those born between 1946 and 1964. For instance, 45% of Virginia's LCP workforce was age 55 and over¹ in 2013. Most of these baby boomers are expected to retire within the next decade. Recently, the proportion of LCPs over age 55 years of age declined to 36% in 2020², prompting the question of whether baby boomer LCPs are exiting the workforce. Aging, coupled with high reported retirement intentions, allows this study to ask whether retirement intentions become reality for LCPs or how closely do retirement intentions and plans correlate with behavior. The three sections in this study address this question for LCPs licensed in Virginia.

METHODS

Data

The data for this study come from the Virginia's Licensed Clinical Psychologist Workforce Survey. The Virginia Department of Health Professions Healthcare Workforce Data Center has been administering the survey to LCPs annually as they renewed their license since 2013. In the first survey in 2013, LCPs were asked at what age they intend to retire. Their current age was subtracted from their intended retirement age to obtain the expected number of years to their retirement. The expected years to retirement was used to create the samples in this study. This study created three samples from the 2013 survey data.

The first sample includes LCPs who intended to retire within two years of the 2013 survey, the base survey. A second question asked LCP survey respondents what they planned to do in the next two years, with options including retire, leave the profession, continue in the profession, decrease practice hours, increase practice hours, pursue additional education, decrease teaching time, and increase teaching time. The first sample included LCPs who intended to retire within two years and who also indicated that they planned to retire in two years. It excluded those who were already retired. This study also restricted the sample to LCPs working in LCP-related positions at their primary work location. Using 2013 as the base survey year and 2014 to 2020 as follow up years, this study examined how many of these LCPs retired by 2020.

As shown in the following table, there were 3,025 licensed LCPs in Virginia in 2013. Of those, 2,254 completed the 2013 survey. However, only 1,838 respondents answered the retirement age question; 416 did not respond to the question. A total of 94 LCPs indicated that they intended to retire within two years of the 2013 survey. Of the 94, 87 also reported that they planned to retire in two years. Further, of the remaining 87, 7 had retired and 5 did not work in a LCP-related position; these 12 were excluded from subsequent analyses. Sample one included the remaining 75 LCPs; these LCPs were followed in subsequent surveys from 2014 to 2020 to see if they indeed retired.

¹ <http://www.dhp.virginia.gov/media/dhpweb/docs/hwdc/behsci/0810CP2019.pdf>

² <http://www.dhp.virginia.gov/media/dhpweb/docs/hwdc/behsci/0810CP2020.pdf>

	LCPs
Total licensees in 2013	3,025
Total respondents in 2013	2,254
Total who responded to retirement age question	1,838
Reported retiring within 2 years	94
Of those how many also reported 2-year retirement plan	87
% agreement between intentions and plan	93%
Number already retired	7
Number not employed as a LCP in 2013	5
Sample 1: Number employed and intending/planning to retire after removing retirees	75
Reported retiring within 5 years	169
Number already retired	12
Number not employed as a LCP in 2013	8
Sample 2: Number employed and intending/planning to retire after removing retirees	149
Reported not retiring within 5 years	1,669
Number already retired	3
Number not employed as a LCP in 2013	63
Sample 3: Number employed and not intending/planning to retire after removing retirees	1,603

Source: Va. Healthcare Workforce Data Center

The second sample started with 169 respondents who intended to retire within 5 years of the 2013 survey. Of these 169 respondents, 12 had retired and 8 did not work in a LCP-related position; these 20 were excluded from subsequent analyses. Sample two included the remaining 149 LCPs who were followed in subsequent surveys from the 2014 to 2020 surveys to see if they indeed retired.

The third sample included the 1,669 respondents who were not intending to retire within five years. Of the remaining 1,669 who responded to the retirement age question and who did not intend or plan to retire within five years, 3 indicated that they were already retired, 36 were not employed in a LCP-related position, 3 were employed in unknown capacity, and 23 were voluntarily unemployed. A total of 1,603 were employed in a LCP-related capacity. This third sample was followed to see whether any of them retired between 2014 and 2020.

Analyses

The first analysis in this study examined how many of the respondents who intended and planned to retire within two years of 2013 were retired at the end of the review period in 2020. The work and retirement status of each of the LCPs in sample one was reported. The second analysis examined how many respondents who intended to retire within five years of 2013 were retired by 2020. The study could not conduct logistic regressions to examine which workforce factors were associated with the likelihood of the LCPs in samples one and two to retire because of the small size of both samples. Finally, the third analysis examined how many respondents who did not intend to retire within five years of 2013 were retired by 2020.

Measures

Dependent Variable

Respondents were asked what their working status was in subsequent surveys after 2013. The options included: employed in a LCP-related capacity; employed capacity unknown; employed not in a LCP-related capacity; not working, reasons unknown; voluntarily unemployed (including for medical reasons); involuntarily unemployed; or retired. A binary variable indicating whether a respondent had selected retired or not (1=Yes,

0=No) was created from the response to this question. The frequency of respondents indicating they had retired was obtained from this variable and was used for the analyses.

RESULTS

Using the 2013 survey data, the following table compares the summary statistics of samples one, two, and three. Not surprisingly, sample three had the lowest mean age of the three samples. Females were also most represented in sample three and nearly equally represented in samples one and two. The intended retirees in samples one and two had a higher proportion of Whites than sample three but sample three included the highest percent of all other racial/ethnic groups. LCPs in samples three were more likely to have a doctorate in psychology degree compared to the other two samples.

	Sample One	Sample Two	Sample Three
Mean age	65 yrs.	65 yrs.	50 yrs.
Female	45%	44%	63%
White	93%	94%	85%
Black	4%	2%	6%
Hispanic	0%	1%	2%
Asian	0%	1%	3%
Others	3%	2%	4%
Doctor of psychology	41%	44%	57%
Other Doctorate	59%	56%	43%
Private practice – solo	19%	20%	26%
Private practice - group	13%	13%	20%
Mental health facility – outpatient	13%	10%	8%
Academic institutions	6%	9%	10%
Works one part time position	28%	30%	17%
Works full time/2 part time	64%	58%	62%
Works 2 or more full time	8%	12%	21%
Job length between 3 and 10 years	27%	27%	41%
Job length more than 10 years	64%	63%	34%
Works <30 hrs.	37%	39%	19%
Works 30-49 hrs.	47%	45%	54%
Works 50-59 hrs.	11%	11%	18%
Works 60+ hrs.	5%	5%	9%
% Satisfied with job	92%	94%	96%
Median income	\$80,000-\$85,000	\$70,000-\$75,000	\$80,000-\$85,000
% Licensed outside state	20%	25%	34%
% in VA workforce	85%	83%	81%
% Employer-provided health insurance	41%	36%	44%
% Employer-provided retirement benefits	41%	37%	43%

Source: Va. Healthcare Workforce Data Center

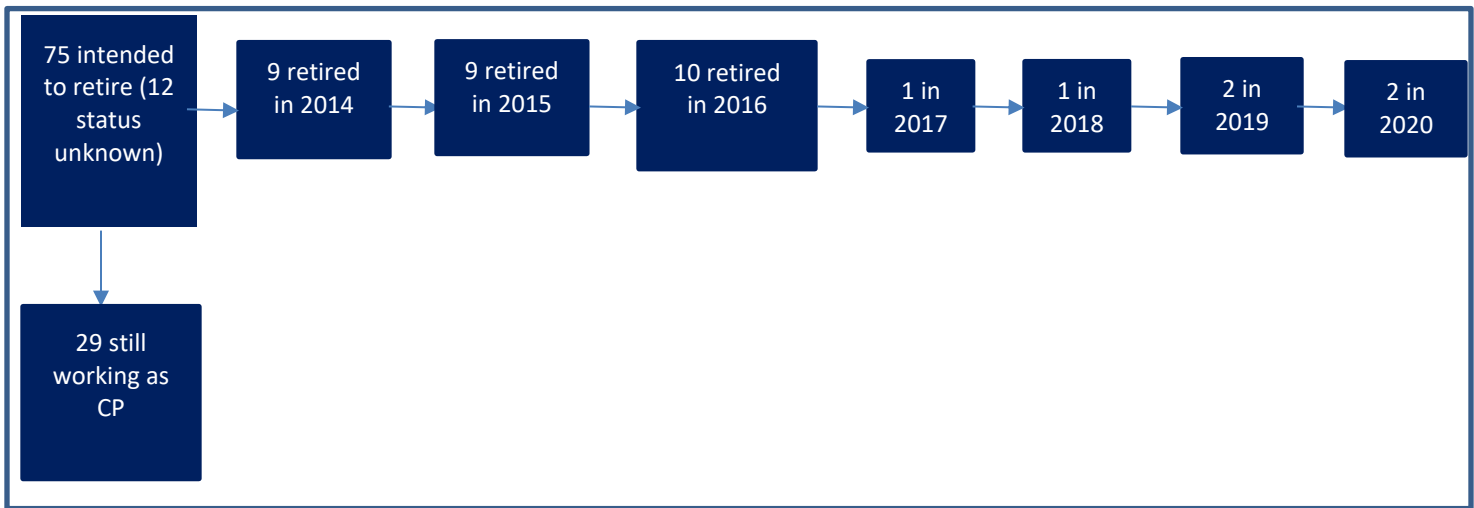
Compared to samples two and three, LCPs in sample one were more likely to be working in solo and group private practices in 2013; nearly half of sample three were working in such establishments compared to about a third of samples one and two. Sample one had the highest proportion of LCPs who worked at more than one full time or two part time positions and the least percent working at two or more positions. Sample three had

the highest percent working more than one full time position. Over 60% of samples one and two had been at their position for more than a decade compared to only 34% of sample three. LCPs in sample three were least likely to be working less than 30 hours per week in 2013 and most likely to be working more than 50 hours. Median income was lower for sample two but the same for the other two groups. LCPs in samples one were most likely to be in Virginia’s workforce and least likely to have held a license outside Virginia; the inverse was the case for sample three. Report of employer-provided health insurance and retirement benefits was highest among sample three LCPs.

Analysis One

The following figure presents the retirement status of the 75 LCPs in sample one from 2013 to 2020. It also demonstrates some attrition, as twelve of the LCPs followed were lost to follow up either because their licenses expired or they became inactive. Some licensees may have requested for their license to be made inactive because they are working out of state or they have stopped working, among other reasons.

Of the 75 LCPs, the retirement status of 63 was known. Thirty-four (54%) of the 63 had retired by 2020. However, six of the 34 LCPs went back to work in a LCP-related capacity by 2020.

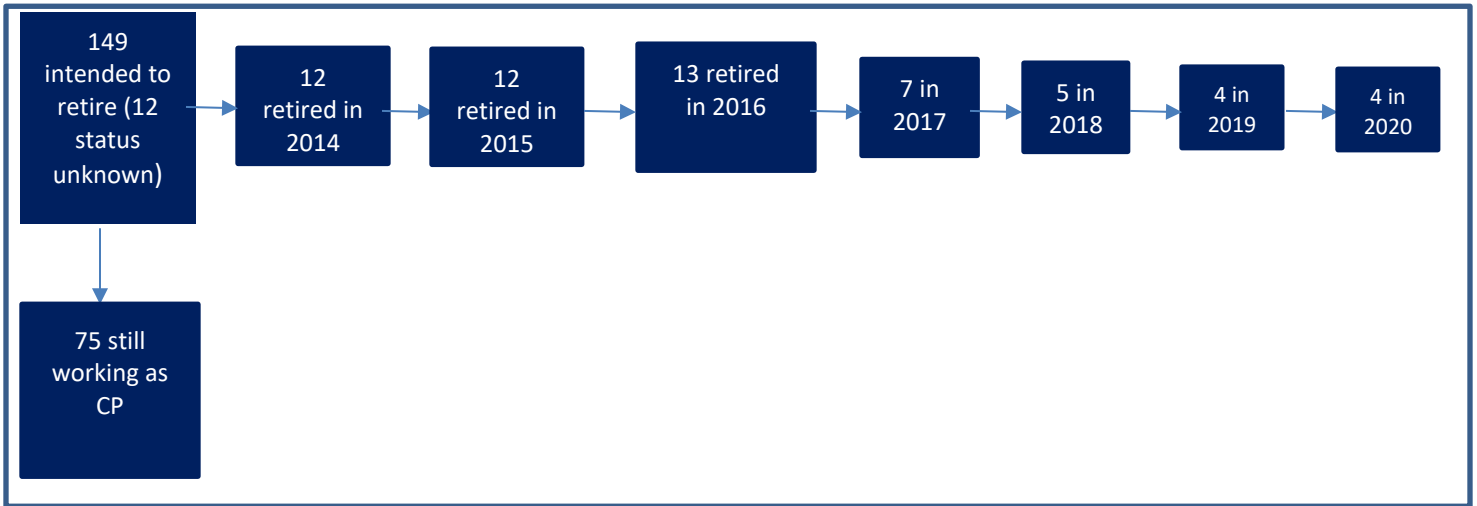


*Boxes are proportional to group size
 Source: Va. Healthcare Workforce Data Center

Analysis Two

The following figure presents the retirement status of the 149 LCPs in sample two from 2013 to 2020. It also demonstrates some attrition, as 17 of the LCPs followed were lost to follow up either because their licenses expired or they became inactive. Further, some licensees had active licenses but did not respond to the retirement status question in subsequent surveys.

Of the 149 LCPs, the retirement status of 132 was known. Fifty-seven (43%) of the 132 had retired by 2020. However, ten of the 132 LCPs had gone back to work in a LCP-related capacity by 2020.

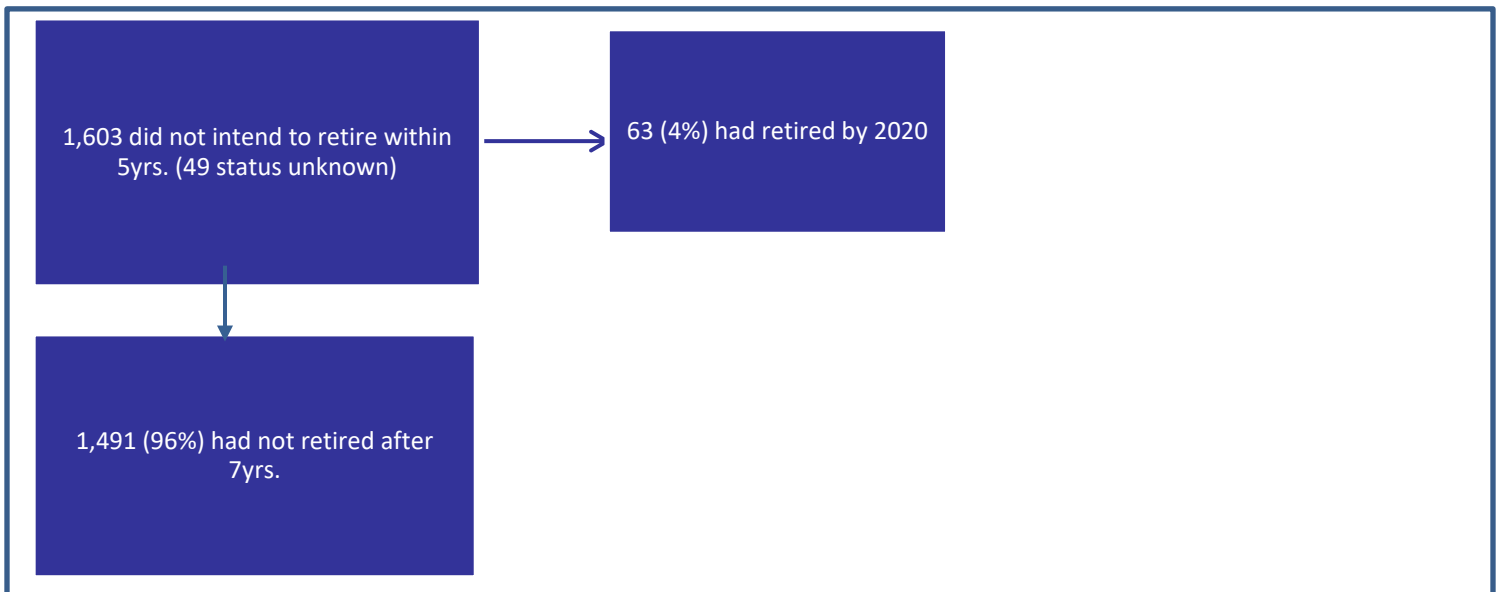


*Boxes are proportional to group size

Source: Va. Healthcare Workforce Data Center

Analysis Three

Of the 1,603 licensees who did not intend to retire within five years of the 2013 survey, the retirement status of 1,554 (97%) was known in 2020. The 49 licensees with unknown retirement status mostly had let their licenses expire as they were no longer active in the LCP licensing system. Of the 1,554 with known retirement status, only 63 (4%) had retired by 2020. Further, 1,111 of the remaining 1,491 non-retirees responded to the working status question in 2020. Of these 1,111, 1,082 were working in a LCP-related capacity in 2020; 14 were working in other fields, 11 were voluntarily unemployed, 3 were involuntarily unemployed, and one was employed in an unknown capacity.



*Boxes are proportional to group size

Source: Va. Healthcare Workforce Data Center

CONCLUSION

The findings from this study are very informative; LCPs who intend and plan to retire within two years were most likely to retire compared to the other two groups. Reporting both an intention and plan for retirement may indicate its salience in the thoughts and preparation of those respondents. Further, the shorter the number

of expected years to retirement the higher the likelihood of retirement. Those who intended to retire within two years of 2013 were more likely to retire within the 7-year period of observation than those who intended to retire within 5 years who were also more likely to retire compared to those who did not. Thus, intentions and plans of retirement do function as an indicator of retirement even though they are not perfect. In sample one, 54% of those with known retirement status had retired within seven years. In sample two, 43% of those with known retirement status had retired. These two statistics can be compared to sample three in which only 4% of those with known status had retired.

Further investigation into the LCPs lost to follow up may help inform the quest to understand retirement intentions among LCPs. In this study, a number of LCPs leave Virginia's workforce by letting their licenses expire. For example, 16% of sample one respondents had unknown status and many of these were due to expired licenses. It is unknown whether these LCPs leave for another state's LCP workforce, work in another capacity in Virginia, or let their license expire because they have retired. These unknowns need further investigation and finding ways to keep non-retirees among the unknowns licensed and working in Virginia is important.

However, based on the known working status of the LCPs followed, there are some encouraging findings that suggest that any impact of the aging LCP workforce may not be as severe as anticipated in Virginia. Of those with known status, only about half had retired in 2020 even among sample one which is made up of respondents who intended and planned to retire within two years of 2013. Thus, it is reassuring that, even though a lot of baby boomer LCPs will be exiting the workforce, a significant number remain past their intended and planned exit. Further, individuals often retire in stages. As reflected in the findings from this study, some of the retired LCPs return to work, even if for fewer hours, which still helps respond to LCPs demand. A more pressing concern might be recruiting younger workforce so there is transfer of knowledge before the older workforce leaves due to retirement or mortality. This is likely taking place as the number of licensed LCPs has increased by 862 (30%) since 2013 and the median age of the workforce has declined. The condition of the economy will likely also play a critical role in how closely LCPs retirement intentions and plans match their behavior.