



NURSES NEEDED

SHORT-TERM RELIEF,
ONGOING SHORTAGE

Results from the 2010
Nursing Workforce Survey

JUNE 2010



Healthcare Association
of New York State



Healthcare Association
of New York State

IN COLLABORATION WITH



Demand for nurses will continue to increase dramatically within the next few years.

INTRODUCTION

Nursing is the nation's largest health care profession, with more than 3.1 million registered nurses (RNs) licensed to practice across the country. According to U.S. Bureau of Labor Statistics projections for 2008-2018, RNs are the fastest growing segment of the profession, with more than 274,000 new RNs expected to be employed in hospitals nationwide over the next eight years.

Nurses Needed: Short-Term Relief, Ongoing Shortage is based on a 2010 survey of hospitals to assess the current status of New York's RNs in hospitals. The survey asked questions related to vacancy and turnover, ability to recruit and retain RNs, nurses' educational attainment, and commitment to training for the future. The findings represent 118 hospitals/health systems, with a 62% response rate.

HANYS conducted this survey in collaboration with the Center for Health Workforce Studies (CHWS) of the State University of New York (SUNY), and the Greater New York Hospital Association (GNYHA), with

support from the Iroquois Healthcare Alliance (IHA), Nassau-Suffolk Hospital Council (NSHC), Northern Metropolitan Hospital Association (NorMet), Rochester Regional Healthcare Association (RRHA), and Western New York Healthcare Association (WNYHA).

The survey found that the economic climate and state budget reductions to hospitals and health systems over the past two years have offered a temporary reprieve from the impact of the nursing shortage. While the uncertainty of the current recession makes economic and employment predictions difficult, one thing is certain: demand for nurses will continue to increase dramatically within the next few years.

This report demonstrates that despite a short-term reprieve from the nursing shortage driven by the economy, the average age of a nurse is growing, retirements will increase in the next five to ten years, and, due to educational limitations, the number of new nurses is not keeping pace with demand.

IMPACT OF THE RECESSION

Over the past year, the national recession has adversely affected hospitals and health systems. In response to a separate HANYS/GNYHA 2009 financial and economic survey, hospitals reported that:

- forty percent had to freeze wages or cut staff;
- thirty-two percent implemented hiring freezes;
- more than 25% implemented layoffs or eliminated positions; and
- nine percent were forced to reduce services.

In addition, many capital projects for expansion and revitalization of facilities have been delayed.

Seventeen percent of respondents to the *Nursing Workforce Advocacy Survey* indicated that the economic downturn had resulted in professional health care staff layoffs at their facilities. Further:

- seventy-three percent said they have experienced a decrease in turnover rates;
- forty-three percent reported that the overall supply of health workers increased since the economic downturn;
- fifty-one percent indicated that there were fewer retirements; and
- about one-third (31%) indicated that the demand for services

increased, while another 49% indicated that the demand for services has remained the same.

A short-term impact of the recession has been lower vacancy and turnover rates for RNs. The 2009 survey collected data on the number of full-time equivalents (FTEs), excluding per diems, related to budgeted positions, staffed positions, and permanent separations as of December 31, 2009.

The 2009 data show much lower vacancy and turnover rates for nurses compared to last year. Using a weighted average, registered nurses in 2009 had a 3.6% vacancy rate and a 7.1% turnover rate. This compared to a 7.1% vacancy rate and 10.1% turnover rate in 2008.

However, even with low vacancy and turnover rates, 54% of hospitals still report difficulty in recruiting experienced nurses, citing competition for workers (77%), a shortage of experienced nurses (41%), and salary requirements (42%) as the primary reasons. Only 5% of respondents indicated that newly graduated nurses were difficult to recruit.

Turnover and vacancy rates for overall hospital staff are similar: the staff hospital vacancy rate for 2009 was 3.6% and the turnover rate was 9.6%.

Low vacancy and turnover have made it more difficult for recently graduated nurses to find jobs. While

Statewide RN Vacancy and Turnover Rates

Vacancy
3.6%

Turnover
7.1%

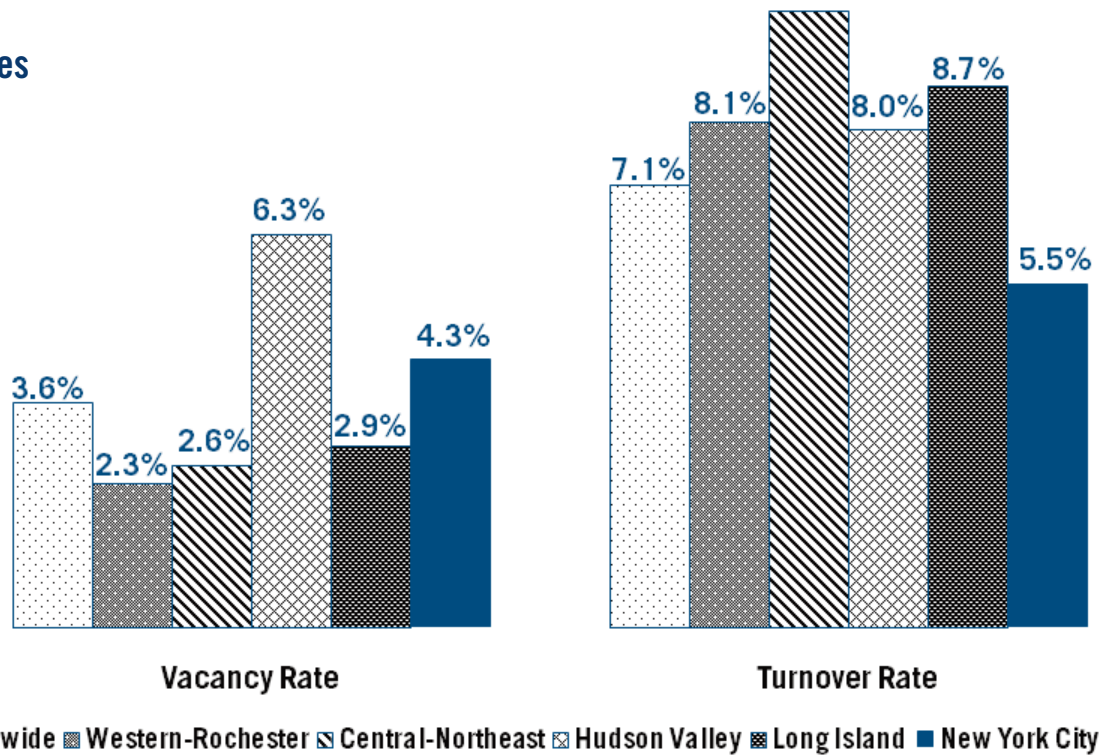
RN Vacancy and Turnover Rates Upstate vs. Downstate

	Vacancy	Turnover
Downstate	4.0%	6.5%
Upstate	2.5%	9.0%

due, in part, to the recession, lifestyle preferences for younger nurses and other factors also have played a role. Many younger nurses are not interested in late night and weekend work or working in a nursing home—which is where many of the jobs are.

Vacancy rates vary by region across the state. HANYS combined the Western New York and Rochester regions, and the Central New York and Northeast regions because sample sizes in individual regions were too small to analyze.

RN 2009 Vacancy and Turnover Rates



THE AGING OF THE RN WORKFORCE

The nursing workforce in New York State is aging. The mean age of a nurse in the state is 47.3 years old. In New York, 75.5% of nurses are over the age of 40 and nearly 31% are over age 55.

Data from a Health Resources and Services Administration survey of RNs in 2008 reveal that, nationally, 70% of nurses are over age 40 and nearly 45% of nurses are over age 50. Using the same database, another recent study from the University of Central Florida Center for Nursing found that the rate of separation from service is highest after age 60. The study also found a significant number of separations after age 50.

Researchers across the country and in New York State have forecasted a severe nursing shortage for the next 15 years. The cause of the shortage is multifaceted:

- an aging population requires more care, not less;
- passage of national health care reform will create an environment where more people access health care services; and
- nurses are aging and retiring.

While the recession has temporarily slowed retirements, hospitals reported that 12% of the nurses who left facilities did so to retire. This number will only increase over time. Although more than half (51%) of the survey respondents reported fewer retirements in 2009, respondents said they expected 4.5% of RNs to retire in 2010, and the projections for the next five years show that more than 14.2% of RNs are expected to retire.

If these numbers are extrapolated to the current hospital nursing workforce in New York State, which is approximately 78,000 FTEs, in 2010, more than 3,500 RNs would retire; over the next five years this would mean more than 11,000 RN retirements.

Projecting the actual percentage of retirements for hospitals is difficult because much depends on the direction of the economy. A recovery within the next year or two could push more nurses into retirement, further exacerbating the nurse shortage.

The Aging of Nurses in New York State

Mean Age
47.3

Percent >40
75.5%

LIMITATIONS ON EDUCATIONAL CAPACITY

The impact of the recession will have long-term consequences if we are not vigilant about increasing the nursing supply. With respect to the RN pipeline, a recent CHWS report indicated that RN graduations increased 9% in 2009 and are expected to continue to rise in 2010; nevertheless, more than 2,000 qualified applicants were still turned away from nursing programs because of a lack of faculty. Further, many of the newly graduating nurses are unable to find work because of strong competition for fewer available jobs, hospitals' preference for experienced nurses, and lack of desirable positions.

If new nurses are unable to secure employment, nursing school admissions could decrease because of a perception that there are no jobs.

Older nurses will retire when the economy recovers or when they reach an age where they can no longer work. There will not be a sufficient workforce to replace them without continued nursing school growth. Any loss of current nursing school capacity will make it impossible to meet the projected demand for nursing in the future. However, there cannot be continued growth in nursing schools without qualified faculty.

The demand for health care services will increase in the next few years as a result of an aging population and the implementation of federal health

care reform. If state budget actions continue to reduce workforce funding and efforts to increase the number of nursing graduates wane, the nursing shortage will once again become a serious problem.

It is essential to increase the number of faculty in nursing schools so that greater numbers of qualified applicants can be admitted.

Clinical Placement Slots

Another major impediment to efforts to increase the supply of nurses is the availability of clinical training positions. The survey asked respondents about the number of clinical placement slots that were available by specialty and how many were actually being filled by student nurses. Many respondents indicated that they provide training programs for nursing school students; however, capacity is fully utilized in many areas and/or specialties.

Statewide, the percentages of respondents who provide clinical placement slots for nursing students in the following specialty areas are:

Obstetrics	64%
Pediatrics	51%
Medical/Surgical	89%
Operating Room	53%
Critical Care	58%
Rehabilitation	45%
Psychiatry	49%

The table below represents the percentage of clinical placement slots

that are being used, by region.

Clinical Placement Slots Being Used

Specialty	Statewide	Western	Rochester	Central	Northeast	Hudson Valley	Long Island	New York City
Obstetrics	78%	68%	99%	86%	102%	100%	98%	85%
Pediatrics	83%	67%	NA	82%	115%	99%	100%	85%
Medical/Surgical	77%	67%	80%	41%	77%	96%	100%	95%
Operating Room	94%	100%	100%	72%	100%	100%	100%	76%
Critical Care	95%	100%	100%	83%	100%	100%	100%	85%
Rehabilitation	69%	67%	73%	52%	NA	97%	100%	95%
Psychiatry	78%	67%	86%	97%	91%	95%	95%	92%

The survey also asked about the availability of simulation technology to train nurses. The majority of respondents (58%) indicated that they did

not have access to simulation technology, citing a lack of funding (54%) or a lack of space (49%) as reasons.

NURSING EDUCATION

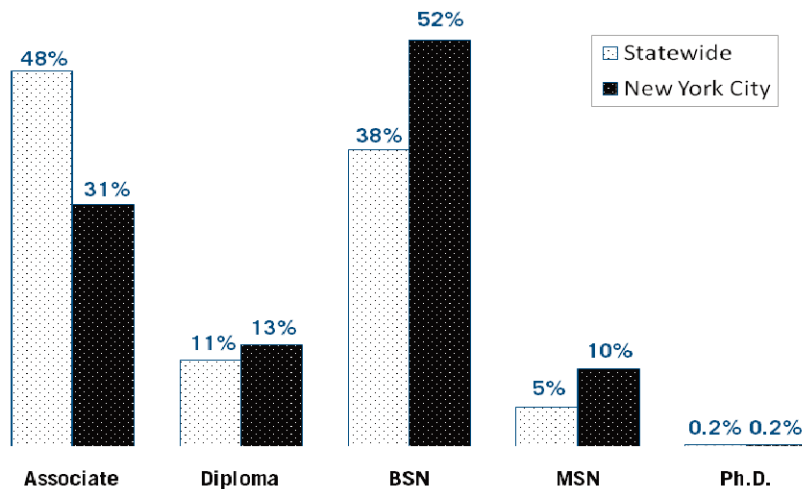
While the depth and breadth of nurse education can vary from basic requirements to advanced educational and clinical skills, all nurses stand ready to meet the needs of today's aging and ever-changing population.

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The following chart shows the distribution of nursing education by degree type. Areas in upstate New York

have historically had a higher percentage of associate degree nurses due to the limited availability of baccalaureate programs. In New York City, where access to baccalaureate programs is more widespread, more than 50% of nurses have a Bachelor of Science in Nursing (BSN) degree.

Nursing Education by Degree Type



Many hospitals offer incentives to encourage their RNs to pursue continuing education. Nearly 100% offer tuition reimbursement, 84% offer scheduling change opportunities, 53% offer scholarships, and 49% offer RN-to-BSN programs. These strategies have proven helpful.

Respondents reported that more than 4,000 nurses are pursuing higher education:

- 11% of staffed licensed practical nurses are pursuing an RN;
- 4% of staffed RNs are pursuing a BSN;

- 3% of staffed RNs are pursuing a Master of Science degree in Nursing (MSN); and
- less than 1% of staffed RNs are pursuing a doctorate.

Those who are not pursuing continuing education cite many barriers, including family responsibilities (86%), need for financial assistance (70%), course conflict with work schedule (67%), and lack of reasonable proximity to nursing programs (28%).

CONCLUSION

While it appears that the economy is mitigating the shortages by delaying retirements and forcing more nurses back into the workforce, this is a short-term situation. Consequently, HANYS, GNYHA, IHA, NSHC, NorMet, RRHA, and WNYHA continue to aggressively advocate on behalf of providers on nursing issues and continue to educate lawmakers about the declining supply and the increasing demand of the nursing workforce and the nurse faculty workforce.

In early 2009, HANYS initiated a New York State Nursing Coalition in collaboration with several other organizations including the Center for Health Workforce Studies, the New York State Nurses Association, and the New York Organization of Nurse Executives, to begin defining short- and long-term goals and strategies

related to the growing clinical nursing staff and nursing faculty shortages. This Coalition is a unique partnership of health care, education, business, unions, government, and professional associations that provides an opportunity to share specific solution agendas and learn from each other, learn from others nationally, and unite around common principles and themes.

The Coalition is working toward four areas of focus to address many of the issues raised in this report.

These include:

- develop a formal articulation agreement among all associate and baccalaureate programs to encourage continued, life-long learning for registered nurses and further develop the pipeline;

- study graduate education nursing programs and identify opportunities to expand capacity to develop faculty—one of the biggest barriers to educational capacity;
- establish additional and expand current scholarships and loan forgiveness programs to reduce financial barriers to individuals pursuing further education; and
- evaluate the statewide and/or regional need and interest to better match and further expand capacity for clinical training.

HANYS, GNYHA, IHA, NSHC, NorMet, RRHA, WNYHA, and the New York State Nursing Coalition will continue to identify priorities for the State of New York to ensure that there are enough nurses to meet the growing demand for health care services in the future. We stand committed to assist our members in what lies ahead.

