

A CHANGING, GROWING HEALTH CARE SECTOR

Demand Continues for More Nurses and
Allied Health Care Professionals



2012 Nursing and Allied
Health Care Professionals
Workforce Survey Report

The 2012 Nursing and Allied Health Care Professionals Workforce Survey was conducted by



Healthcare Association
of New York State



in collaboration with



A CHANGING, GROWING HEALTH CARE SECTOR:

Demand Continues for More Nurses and Allied Health Care Professionals

2012 Nursing and Allied Health Care Professionals Workforce Survey Report



With state-led Medicaid redesign and federal health care delivery reform well underway in New York State, the demand for nurses and other health care professionals is anticipated to continue to increase.

The *2012 Nursing and Allied Health Care Professionals Workforce Survey* report shows that the health care sector continues to be among the fastest growing sectors of the economy. The most recent New York State Department of Labor data show that between January 2011 and January 2012, the health care sector added more than 19,000 jobs. Statewide, hospitals and health care systems support more than 686,000 jobs. For 2011, the year this report covers, more than half of the survey respondents said they anticipated growth in demand in 2011 and beyond for registered nurses (RNs), nurse practitioners (NPs), physician assistants (PAs), and patient care coordinators (PCCs).

RN vacancy and turnover rates held steady from last year, suggesting that the economy may be easing out of the recession, enabling RNs to change jobs more freely.

The *2012 Nursing and Allied Health Care Professionals Workforce Survey* report includes responses from 129 New York State hospitals (66% response rate).

Many of the report's findings are presented by regions of the state, as the response rates were 50% or greater in all regions. The report makes distinctions between upstate and downstate results when appropriate. Upstate regions include Western New York, Rochester, Central New York, and Northeastern New York. Downstate includes the Northern Metropolitan region (Hudson Valley), Nassau-Suffolk (Long Island), and New York City.

The Healthcare Association of New York State (HANYs) and Greater New York Hospital Association (GNYHA) conducted the 2012 survey in collaboration with Western New York Healthcare Association (WNYHA), Rochester Regional Healthcare Association (RRHA), Iroquois Healthcare Alliance (IHA), Northern Metropolitan Healthcare Association (NorMet), Nassau-Suffolk Hospital Council (NSHC), and State University of New York (SUNY) Center for Health Workforce Studies (CHWS).

KEY FINDINGS:

Eighty-one percent of respondents indicated that they anticipated growth in their ambulatory care programs over the next few years; 58% anticipate growth in inpatient care.

A majority of respondents anticipate growth in demand for RNs (52%), NPs (57%), and PAs (56%).

Half (51%) of respondents anticipate growth in demand for patient care coordinators.

Sixty-one percent of respondents indicate that nurse managers were “very difficult” to recruit; the responses are consistent across all regions of the state.

Respondents report that more than 4,600 RNs are over the age of 60, representing 8% of total nurses employed.

Only 5% of responding hospitals indicate they have a Bachelor of Science in Nursing (BSN) degree policy in place for hiring new nurses, and all of those respondents are from the downstate region.

NATIONAL RESEARCH ON NURSING SHORTAGES AND HEALTH CARE EMPLOYMENT

According to a March 2012 Bureau of Labor Statistics (BLS) report, the health care sector of the economy is outpacing the growth realized in 2011, accounting for one out of every five jobs created this year. In fact, the health care sector added 296,000 jobs nationally in 2011, 6% of which were in New York State. BLS predicted that more than 712,000 nursing positions will be created by 2020, which would increase the size of the RN workforce by 26%.

A March 2012 report by CHWS using the BLS occupational projections from 2010 through 2020 reported that:

- More than 13% of the U.S. labor force work in the health sector or in a health occupation (19 million jobs out of 143 million jobs in the U.S. labor force).
- The health care sector is projected to add more than 4.2 million jobs between 2010 and 2020, with 63% of those in ambulatory settings.
- Registered nurses, home health aides, and personal care aides are among the occupations nationally projected to have the largest job growth between 2010 and 2020, adding more than two million jobs, with another 700,000 job openings due to vacancies from attrition.
- Health sector employment is projected to grow from more than 14 million jobs in 2010 to nearly 18.3 million jobs in 2020, an increase of 30%, compared to only 13% growth for jobs in all other employment sectors.
- The total number of health care workers across all employment sectors will increase by more than 4.7 million between 2010 and 2020. In addition, another 2.7 million health care workers will be needed to replace individuals expected to leave their jobs (e.g., retirements, attrition from the profession, etc.) over the same period.
- Between 2010 and 2020, more than 1.2 million new RNs will be needed nationwide, including nearly 500,000 to replace RNs leaving the profession.
- Demand for RNs in health care settings is projected to grow between 2010 and 2020, with more than 662,000 RN jobs created in hospitals, ambulatory settings, and home health care. The largest growth in RN jobs will occur in hospitals (389,000).

¹Health Care Employment Projections, an analysis of BLS Occupational Projections 2010-2020, CHWS, March 2012

The BLS projections are national in scope and do not include projections by state or region. State projections by occupation lag by about one year and should be available in late 2013 on the New York State Department of Labor Web site. Factors that

influence demand for health care services nationally, such as an aging population and economic conditions, are likely to have similar effects on demand at the regional, state, and local levels, although geographic variation is possible.

NATIONAL NURSING DATA

While the nursing shortage has lessened in recent years, this appears to be a temporary reprieve. In 2010, the Tri-Council for Nursing released a joint statement on RN supply and demand projections, which cautioned stakeholders about declaring an end to the nursing shortage. While the downturn in the economy led to an easing of the shortage, most analysts believe this is temporary given the projected demand for nurses in light of health care delivery system reform. HANYS and GNYHA have suggested this as well in recent years and have attributed lower than “normal” vacancy and turnover rates to the recession.

Interest in pursuing a nursing career remains high as the American Association of Colleges of Nursing (AACN) reported a 5.1% increase in nursing enrollment in 2011 compared to 3.9% in 2010, especially given the BLS finding that nursing will be one of the leading growth occupations through 2020. AACN's survey also found that nurses enrolled in BSN “completion” programs increased by 15.8%, the ninth consecutive year of increase. BSN completion

programs are for RN diploma or Associate's-degreed RNs who continue their education to complete a Bachelor's degree in nursing.

However, while interest remains high, AACN reported that in 2010-2011, U.S. nursing schools also reported turning away more than 75,000 qualified applicants due to an insufficient number of faculty, clinical sites, classroom space, and clinical preceptors. This poses a conundrum, as the nursing shortage appears to have eased somewhat, at least in New York State, and interest in nursing careers could wane if applicants continue to be turned away.

Another AACN study in September 2011 showed nearly 110 faculty vacancies among 603 nursing schools across the country. More than 10,000 qualified applicants were turned away in 2010 for Master's degree in nursing (MSN) programs and more than 1,200 were turned away from PhD in nursing programs. The primary reason was lack of faculty.

THE AGING RN WORKFORCE

A national nursing management survey conducted and released in 2006 by Bernard Hodes Group² found that 55% of current nurses plan to retire between 2011 and 2020. The majority of those surveyed were nurse managers.

According to Bernard Hodes Group survey respondents, 8% of these nurses are over the age of 60, which represents more than 4,600 RNs. According to the *2012 Nursing and Allied Health Care Professionals Workforce Survey* responses, more than 600 RNs retired in 2011 and an additional 1% (821) will retire in 2012.

The *2012 Nursing and Allied Health Care Professionals Workforce Survey* shows the average age for nurses is 44 in New York, consistent with the national average of 44.5. CHWS data show the median age for nurses to be 53.

As “baby boomers” reach their 60s, the future demand for nurses is expected to increase dramatically.

NEW YORK STATE RESEARCH

A CHWS survey³ conducted in 2010-2011 showed that RN graduations increased slightly, by about 3% between 2009 and 2010. The research also projects that RN graduations will increase by 8% during 2010-2011. With the increasing number of nurses in the job market, newly graduating RNs are having difficulty finding jobs.

The CHWS study found that graduations from both Associate’s and BSN programs increased between 2002 and 2010. There has also been a steady increase in the number of RNs enrolled in BSN completion programs. In fact, in 2010, BSN completers accounted for 32% of all BSN graduations in New York State and 15% of all RN graduations.

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Highlights of the most recent CHWS report⁴ of active nurses in New York State include:

- Forty-six percent of active RNs work in hospitals.
- Nearly 36% report BSN as their highest degree; 50% have Associate’s degrees or diplomas.
- New York City has the State’s highest percentage (45%) of BSNs; the Northeastern region had the lowest, at 18%.
- Nine percent of active RNs with a Diploma or an Associate’s degree are pursuing a BSN degree.
- There were more than 9,500 graduates from RN programs in 2010, but less than half of those were from BSN programs.
- More than 60% of RNs are over age 50, nearly 25% are over 60, and only 16% are under 40.
- Nurse educators are older than the general nursing workforce, with two-thirds over the age of 55.
- About 11% of RNs plan to leave their current position within the next year, and 23% of those are planning to retire (4,570 nurses). Of those planning to leave their job within a year, 44% work in hospitals.

²AACN, *Nursing Shortage Fact Sheet*, April 2, 2012

³Trends in New York Registered Nursing Graduations 1996-2011, CHWS, July 2011

⁴A Profile of Active Registered Nurses in New York, CHWS, March 2012

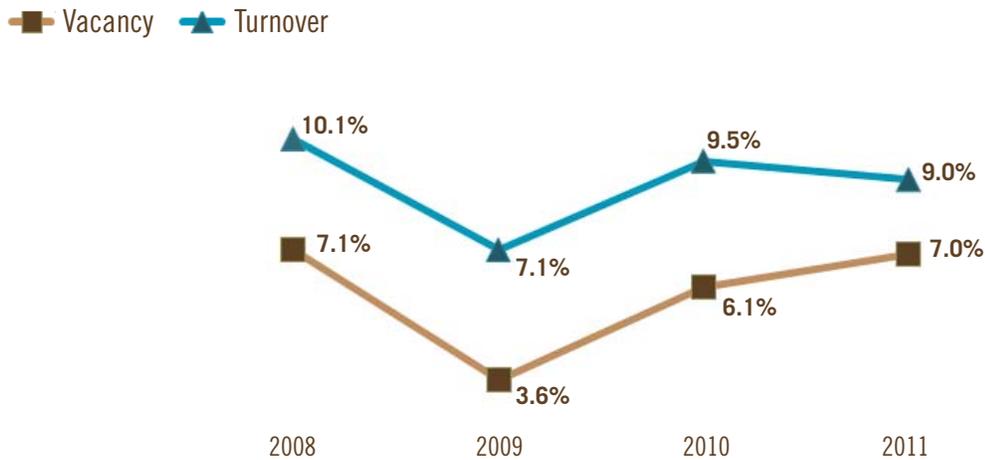
SURVEY RESULTS FOR THE NURSING WORKFORCE

RN VACANCY AND TURNOVER

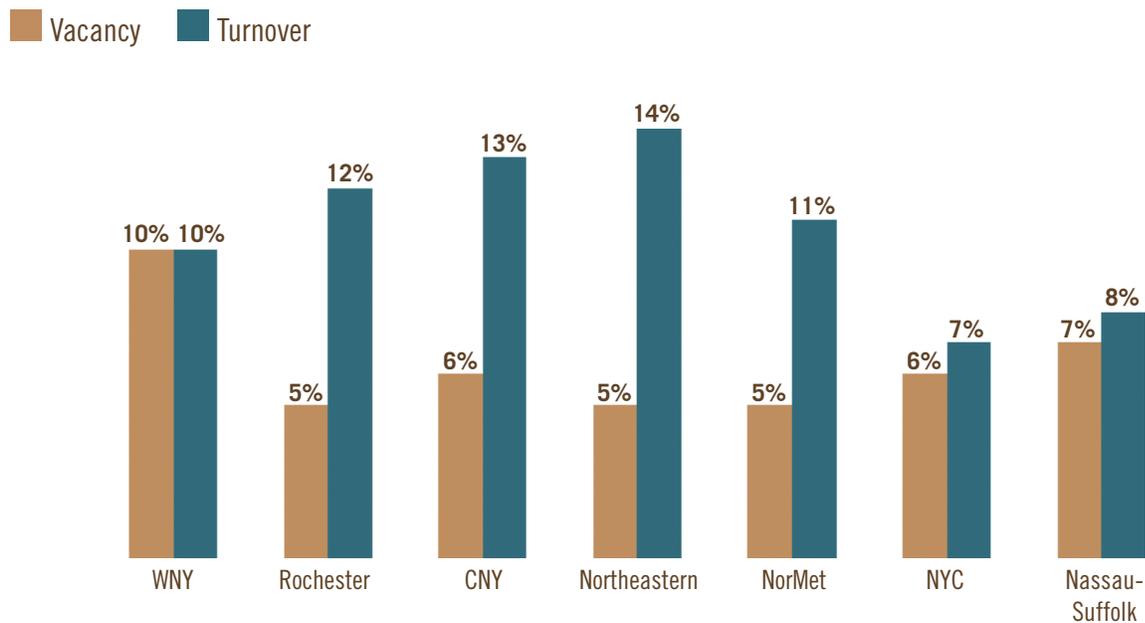
The chart below shows trends in RN vacancy and turnover rates in hospitals or hospital systems for the past four years. The large dip in 2009, which represents hospitals' vacancy and turnover rates for 2008,

reflects the impact of the economic recession. As the nation continues to emerge from the recession, the vacancy and turnover rates are relatively steady, demonstrating greater "movement" between jobs.

RN VACANCY AND TURNOVER RATES BETWEEN 2008 AND 2011



REGIONAL RN VACANCY AND TURNOVER DATA



Notably, the regional vacancy and turnover rates reveal significant variation. The vacancy rate for RNs was much higher in Western New York at 10%, compared to 5% in the Rochester, Northeastern, and Northern Metropolitan regions.

RN turnover rates were higher in the following upstate regions: Western New York (10%), Rochester (12%), Central New York (13%), Northeastern (14%), and Northern Metropolitan (11%), compared to New York City (7%) and Nassau-Suffolk (8%).

RECRUITMENT AND RETENTION OF RNs

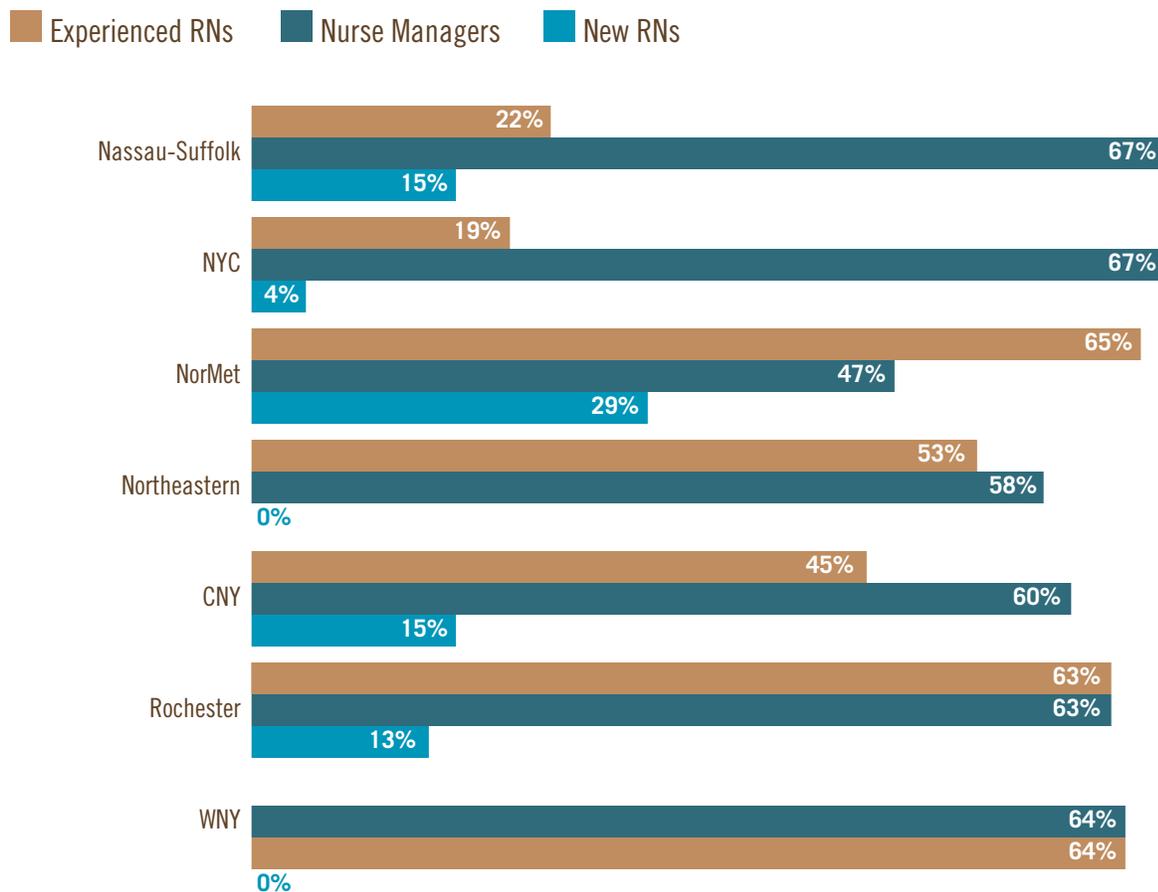
This year, the *Nursing and Allied Health Care Professionals Workforce Survey* added “nurse managers” as a new nursing category. Sixty-one percent of respondents indicated that nurse managers were extremely difficult to recruit, and of those, 42% indicated a perceived shortage. Similarly, 41% of respondents indicated that experienced nurses were very difficult to recruit, compared to 47% last year.

However, when these numbers are broken out by region, the upstate responses are considerably higher. Fifty-three percent of upstate respondents indicated that experienced RNs were very difficult to recruit, compared to 31% in downstate regions. Thirty-six percent of respondents overall indicated a shortage of experienced nurses.

As seen in the chart below, recruitment was extremely difficult for experienced RNs in upstate regions, but there was universal agreement on the difficulty in recruiting nurse managers across the

state. Few respondents, however, reported having difficulty recruiting new RNs. In fact, no hospital in the Western New York or Northeastern regions reported any difficulty with recruiting new nurses.

REPORTED “VERY DIFFICULT” RECRUITING NURSE MANAGERS, EXPERIENCED RNs, AND NEW RNs

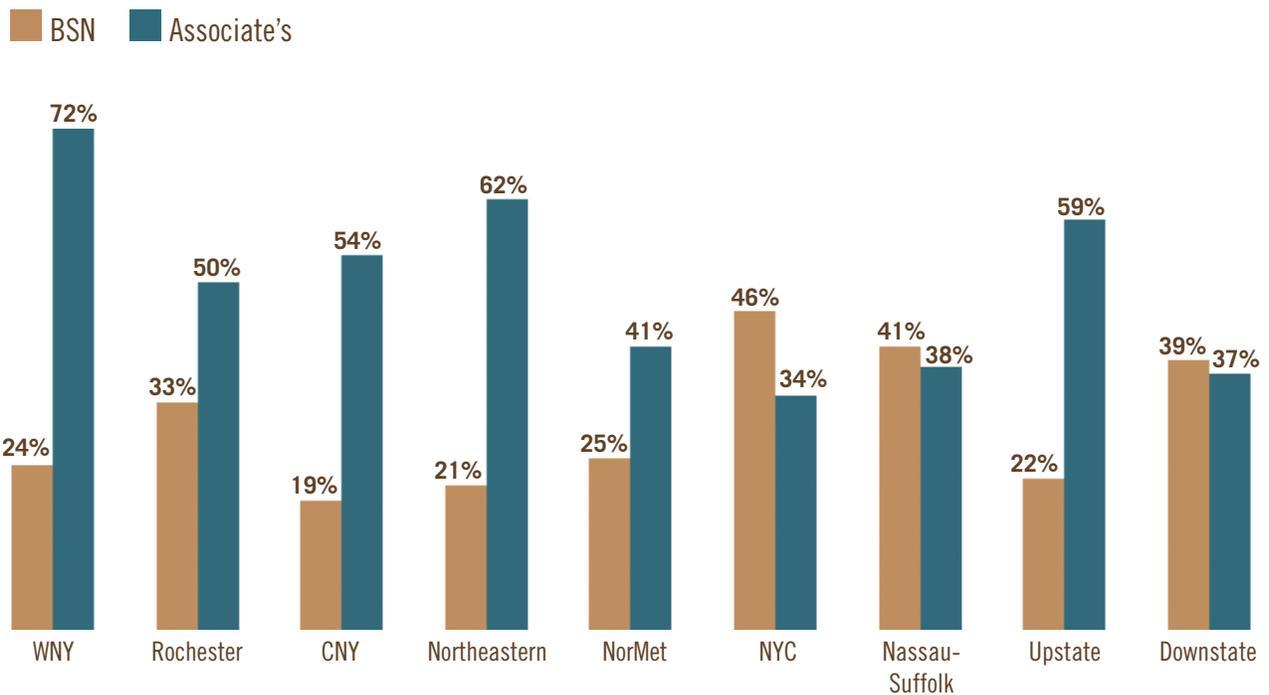


EDUCATIONAL ATTAINMENT

In October 2010, the Institute of Medicine (IOM) called for increasing the number of Baccalaureate-prepared nurses to 80% by 2020. While this goal has wide support in concept from nurse executives and health care leaders in New York State, it may not be realistic, particularly for certain areas of upstate New York. As indicated in the charts on the next page, the state has a long way to go to achieve the national target.

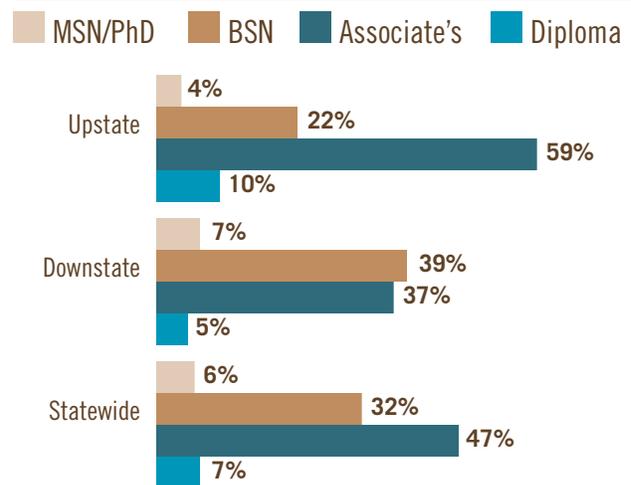
This becomes particularly evident when looking at regional variation in the number of Associate’s-degreed nurses versus those with Bachelor’s degrees. Only 21% of hospital nurses are reported to have a BSN in Northeastern New York, and only 19% have BSNs in Central New York, while the Northern Metropolitan (25%), Nassau-Suffolk (41%), and New York City (46%) regions were higher in the proportion of BSN nurses.

REGIONAL VARIATION IN NURSING DEGREES



When asked about barriers to BSN completion, 87% of respondents indicated that family responsibilities were an issue. Sixty-seven percent indicated that courses conflicted with work schedules. In the Central New York (20%), Northeastern (32%), and Northern Metropolitan (29%) regions, lack of access to a BSN program was cited as a barrier to BSN completion. There continues to be a large discrepancy between upstate and downstate with respect to the highest degree attained.

VARIATION IN RN DEGREES UPSTATE VS. DOWNSTATE



TUITION ASSISTANCE FROM HOSPITALS FOR NURSING EDUCATION

Ninety-five percent of hospitals responding to the *2012 Nursing and Allied Health Care Professionals Workforce Survey* provide some level of tuition support for nurses interested in furthering their education. Nearly all cover tuition costs for BSN and MSN degrees, and more than 50% cover tuition costs for PhD and clinical doctorates. The vast majority of respondents (78%) indicated that they provide a fixed amount toward tuition reimbursement. Eighty-six percent indicated that the RN must receive a

C grade or better to be eligible for tuition reimbursement. Sixty percent of respondents indicated that they offer tuition support for staff other than RNs.

According to the survey findings, more than 2,400 RNs (4%) in New York are currently completing their BSN coursework, more than 2,300 (4%) are completing their MSN coursework, and about 100 (<1%) are pursuing their PhD.

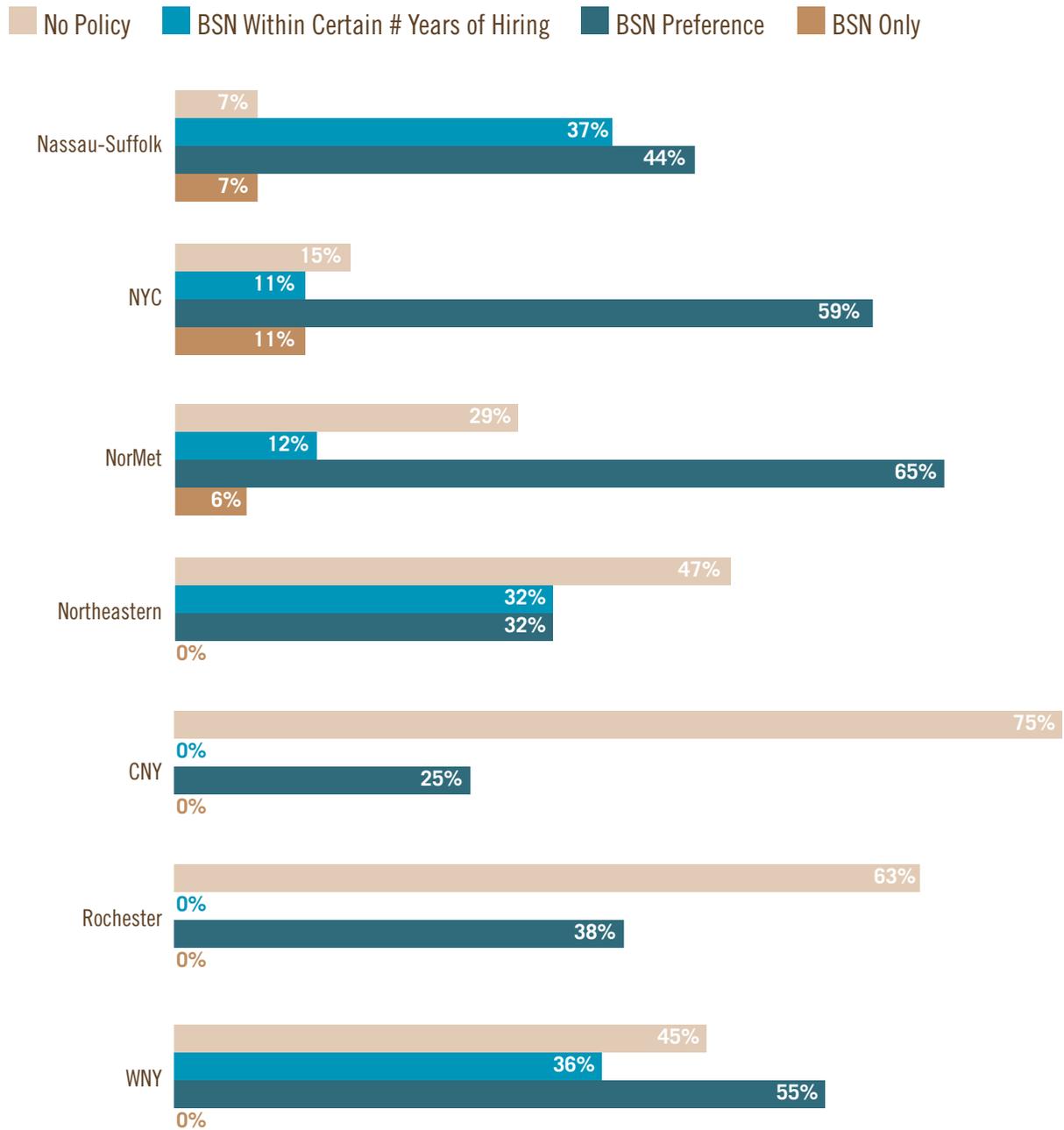
MAGNET STATUS AND BSN HIRING PRACTICES

The Magnet Recognition Program recognizes health care organizations with specific standards and policies in place to ensure quality patient care, nursing excellence, and innovations in professional nursing practice. Magnet-recognized hospitals typically employ a higher proportion of Baccalaureate-prepared nurses (59% compared to 34% at other hospitals). The *2012 Nursing and Allied Health Care Professionals Workforce Survey* asked respondents if they currently have Magnet status or are pursuing Magnet status. While only 12% responded that they have achieved Magnet recognition, 29% are pursuing Magnet status, and an additional 40% are considering it.

The survey also included questions about hospitals' hiring policies with respect to RNs. Only 5% indicated that they require a BSN degree from new nurses upon hire, but 46% expressed a preference for BSN-degreed nurses. Thirty-five percent have no policy related to BSN hiring practices. Nineteen percent indicated that they require a BSN within a certain number of years on the job.

Once again the regional variations were striking, as seen in the chart on the next page, which suggests that in regions where hospitals have the greatest difficulty in identifying BSN candidates, they are the least likely to have a policy on BSN hiring practices.

BSN HIRING POLICY BY REGION



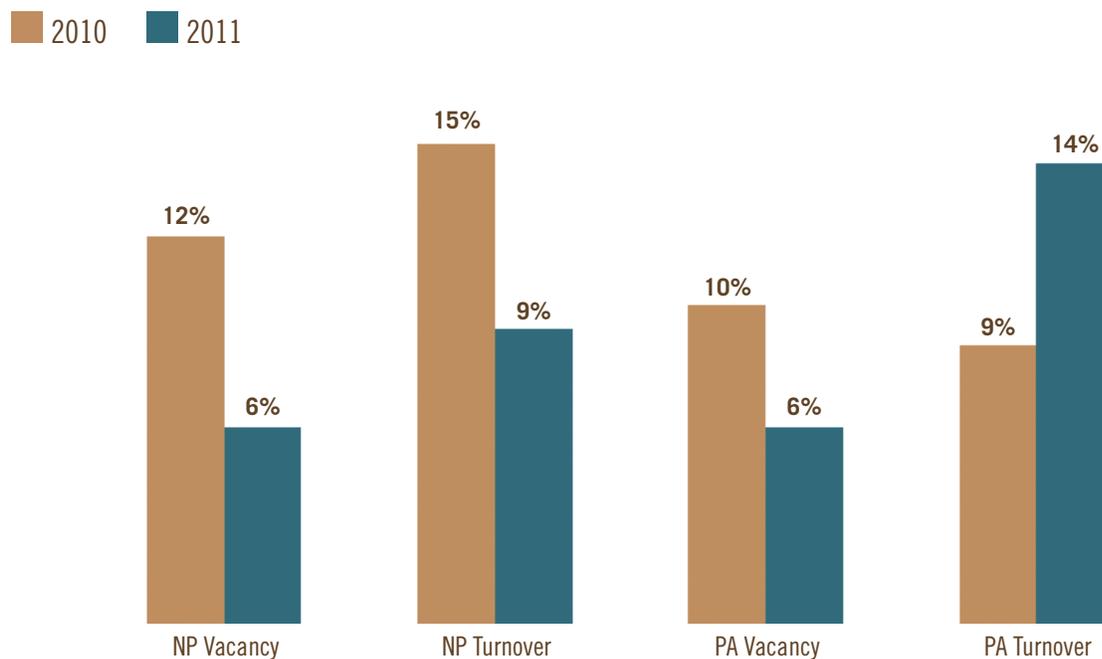
SURVEY RESULTS FOR ALLIED HEALTH PROFESSIONALS

NURSE PRACTITIONERS AND PHYSICIAN ASSISTANTS

A 2011 HANYS report, *The Doctor Can't See You Now*, revealed the widespread prevalence of NPs and PAs in the hospital setting, with a majority of survey respondents indicating that they employ both NPs and PAs in a multitude of areas, including emergency departments, primary care clinics, and perioperative settings, including ambulatory surgery.

Consistent with the conclusions in *The Doctor Can't See You Now*, a large percentage of respondents to the *2012 Nursing and Allied Health Care Professionals Workforce Survey* indicated that they anticipate growth for both NPs and PAs in the coming years. When comparing vacancy and turnover rates from last year's workforce survey, the vacancy rates for both categories of professionals has declined sharply, but turnover rates for PAs increased sharply.

VACANCY AND TURNOVER RATES FOR NPs AND PAs



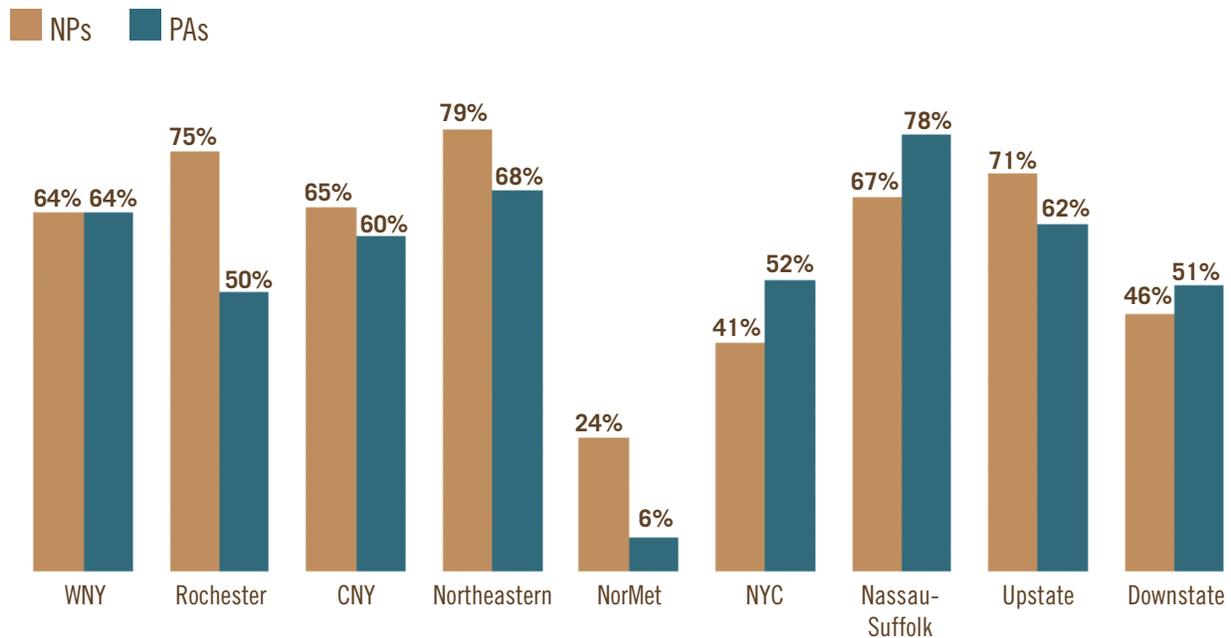
Reflecting the increasing demand for NPs and PAs, 37% of responding hospitals indicated NPs were very difficult to recruit and 40% said that PAs were difficult to recruit. The reasons cited for the difficulty were shortages, geographic location, and non-competitive salary.

NPs were much more difficult to recruit in upstate regions (53%) compared to downstate (24%), as were PAs (57% upstate compared to 25%

downstate). Perceived shortages of these professionals were much more prevalent upstate, with 43% and 45% reporting shortages for NPs and PAs, respectively, compared to 10% downstate for both professionals.

As illustrated in the chart below, the responses for anticipated growth for NPs and PAs were significantly higher upstate.

ANTICIPATED GROWTH FOR NPs AND PAs BY REGION



Assuming the Affordable Care Act (ACA) is not repealed and millions of currently uninsured Americans gain access to health care, there will be

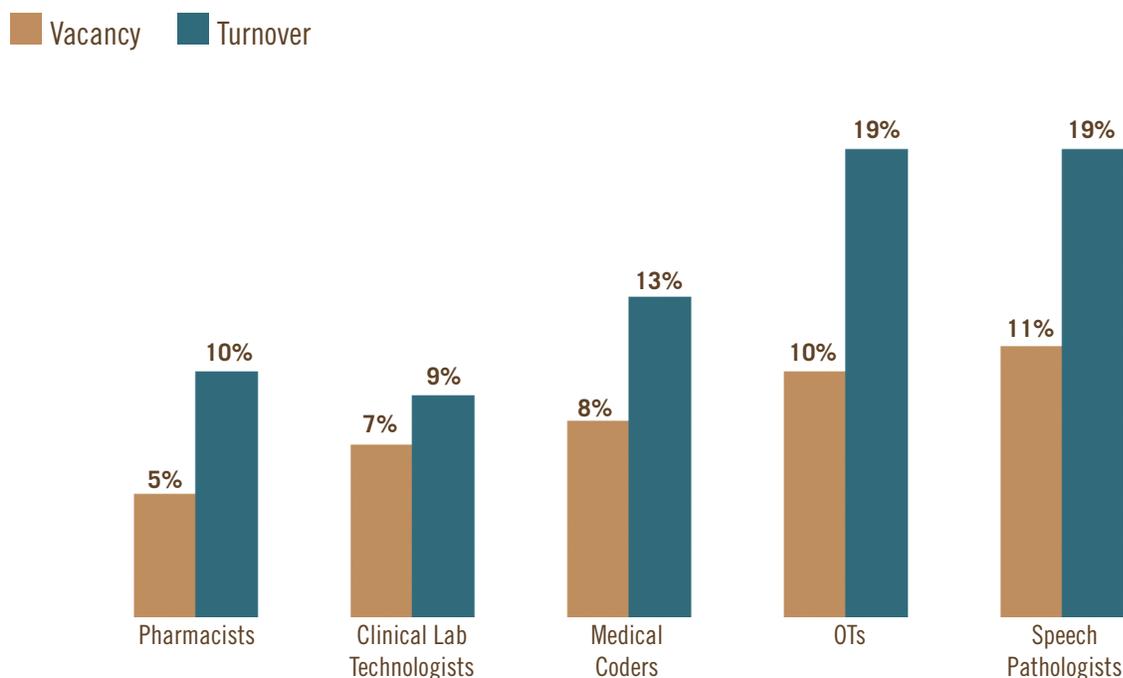
a growing need for NPs and PAs, particularly in regions like upstate New York, where there is currently a shortage of primary care physicians.

OTHER ALLIED HEALTH PROFESSIONALS

The *2012 Nursing and Allied Health Care Professionals Workforce Survey* captured vacancy/turnover rates and recruitment/retention challenges for nurses, NPs, PAs, and other allied health care professionals including licensed practical nurses (LPNs), certified nursing assistants (CNAs), medical assistants, pharmacists, radiologic technicians and technologists, clinical lab technicians and

technologists, medical hospital coders, occupational therapists (OTs), physical therapists (PTs), speech pathologists, and various health information technology (HIT) staff. This report highlights the professions where there were reported difficulties with recruitment or where vacancy and turnover rates were unusually high.

VACANCY AND TURNOVER RATES FOR OTHER ALLIED HEALTH CARE PROFESSIONALS

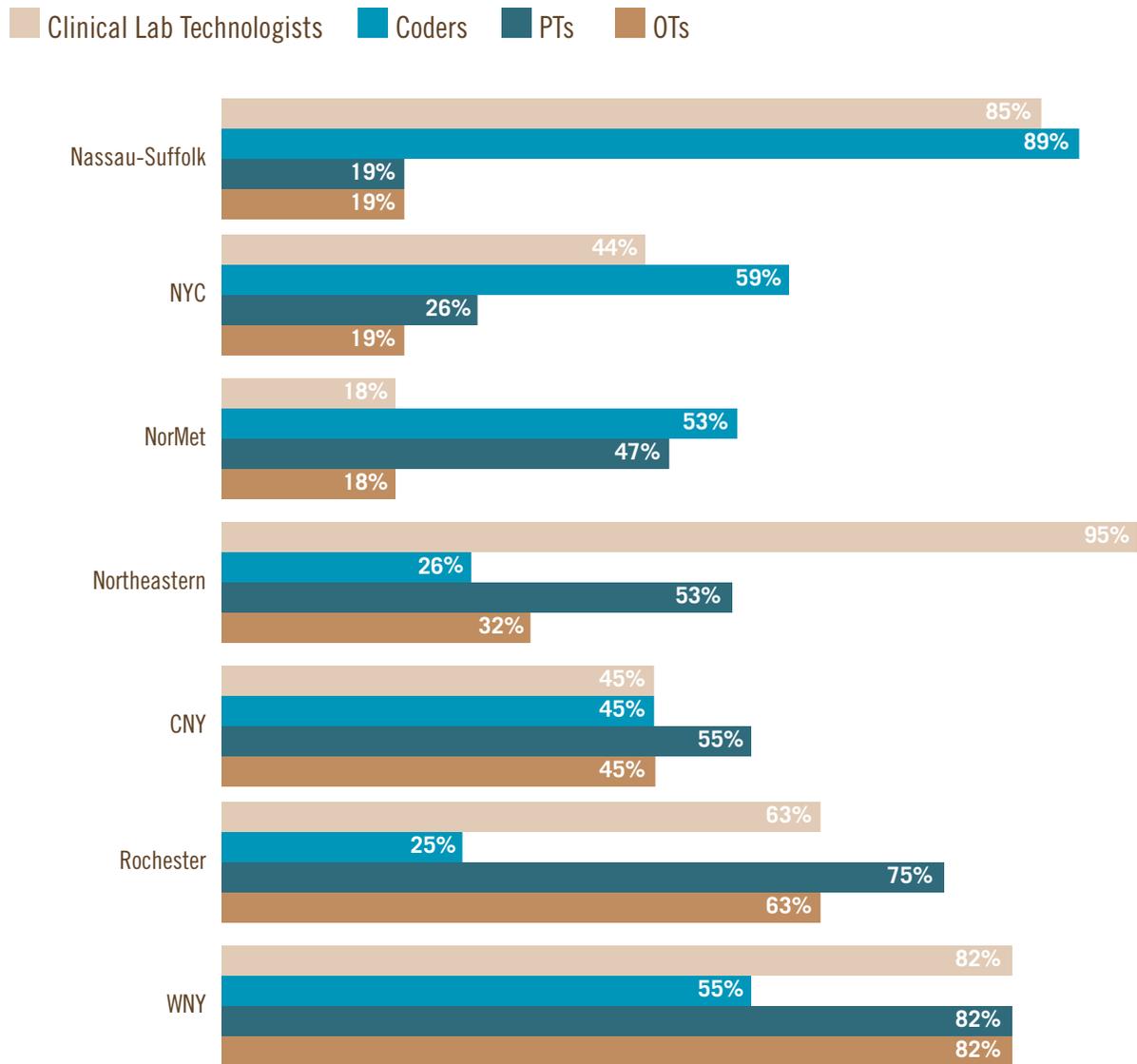


With respect to recruitment difficulties, respondents reported that the most difficult jobs to recruit for included clinical lab technologists (61%), medical coders (55%), physical therapists (43%), and OTs

(33%). Workforce shortages were cited as the primary issue for hospital coders (47%) and clinical laboratory technologists (51%).

The percentages of respondents citing recruitment difficulties varied widely by region.

REGIONAL RESPONSES FOR “VERY DIFFICULT” TO RECRUIT



CONCLUSIONS

There is sufficient evidence to suggest that the need for health care jobs will continue to increase as more of the population becomes insured and accesses health care. The demand for health care professionals will also continue to grow as current employees retire, particularly nurses and clinical laboratory technologists. As service delivery expands, particularly for primary care and ambulatory care services, it will be difficult to predict the demand for RNs and other allied professionals. The demand for care coordinators, patient navigators, and case managers will continue to increase, which could alter the role of RNs. Notwithstanding any of these changes, RNs will continue to play an important role in the coordination and delivery of care.

In anticipation of this expanded role for RNs, and as part of the Governor's Medicaid Redesign Team (MRT) work, New York State set up an MRT Workgroup on Workforce Flexibility and Scope of Practice. The Workgroup forwarded a set of recommendations to the state that were intended to encourage the Education Department and the Department of Health to examine existing limits on what various types of licensed and unlicensed workers were permitted to do. The long-term goal is to ensure that the state's practice requirements are consistent with the changing needs of a reformed health care system.

More information is needed to better understand the root cause of these shortages, and strategies must be developed to address them. HANYS, GNYHA, WNYHA, RRHA, IHA, NorMet, and NSHC will continue to work with CHWS to address these supply and demand gaps. Additionally, more needs to be done in preparing novice nurses for practice and easing the transition between earning a degree and becoming a practicing nurse.

For nursing academia, faculty shortages continue to drive the increasing number of qualified applicants who are rejected every year from nursing schools. This will certainly impact nursing workforce demands and shortages, as was the case just a few years ago.

HANYS, GNYHA, WNYHA, RRHA, IHA, NorMet, and NSHC will continue to advocate for and support state and federal legislation to address workforce shortages. We will also continue efforts with the Legislature, the Governor's office, and state agencies to prevent harmful mandates or regulations that impede the growth of the health care workforce, and will advocate for practice protocol expansions where appropriate.

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