Is a Nursing Shortage on the Way in California?

April 20, 2017
Today’s presenters

- Joanne Spetz
  - Professor, Philip R. Lee Institute for Health Policy Studies, University of California, San Francisco

- Teri Hollingsworth
  - Vice President, Human Resources Services, Hospital Association of Southern California

- Judee Berg
  - Chief Executive Officer, HealthImpact (formerly the California Institute for Nursing and Health Care)
Goals for this webinar

- Learn how Chief Nursing Officers perceive the current RN labor market
- Track the latest hospital vacancy and turnover data
- Understand how recently-graduated nurses are faring
- Answer the question: Is there an RN shortage in California?
  - Will there be one in the future?
- Assess next steps for ensuring an adequate nurse supply
The work presented today is supported by...

- Funders
  - Betty Irene Moore Nursing Initiative (legacy funding)
  - Kaiser Permanente Northern California
  - California Board of Registered Nursing

- Acknowledgements & thanks to...
  - FutureSense LLC
  - UCSF Staff & Interns: Lela Chu, Tim Bates, Amy Shinoki, Lena Libatique
What is going on in our RN labor market?

- Newspaper stories of new graduates who are unemployed
- Hospital reports of inability to fill key nursing positions
- Anecdotes about using more contract nurses

- What will happen next?
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Survey of Chief Nursing Officers

- Fielded by UCSF
- Web-based survey with option to return paper survey via fax or email
- 8 surveys conducted
  - Fall 2010, Spring 2011, Fall 2011, Spring 2012, Fall 2012, Fall 2013, Fall 2014, Fall 2015
  - Fall 2016 survey: 104 facilities represented
<table>
<thead>
<tr>
<th>Year</th>
<th>0%</th>
<th>20%</th>
<th>40%</th>
<th>60%</th>
<th>80%</th>
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<td>55.2%</td>
<td>7.6%</td>
<td>2.9%</td>
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<td>2015</td>
<td>40.1%</td>
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<td>6.8%</td>
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<tr>
<td>2014</td>
<td>18.4%</td>
<td>49.0%</td>
<td>13.1%</td>
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<tr>
<td>2013</td>
<td>8.6%</td>
<td>32.3%</td>
<td>18.7%</td>
<td>26.8%</td>
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<td>2012</td>
<td>5.5%</td>
<td>45.2%</td>
<td>19.8%</td>
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<td>2011</td>
<td>4.7%</td>
<td>43.9%</td>
<td>6.8%</td>
<td>23.6%</td>
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<tr>
<td>2010</td>
<td>5.3%</td>
<td>30.9%</td>
<td>11.8%</td>
<td>27.0%</td>
<td>25.0%</td>
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- **High demand: difficult to fill open positions**
- **Moderate demand: some difficulty filling open positions**
- **Demand is in balance with supply**
- **Demand is less than supply available**
- **Demand is much less than supply available**
Differences across regions: Overall RN labor market

- S. Border
- Inland Empire
- LA
- Central CA
- SF Bay
- Sacramento & North

Yearly data comparison from 2010 to 2016.
Differences across regions: Experienced RNs

- S. Border: 5.0
- Inland Empire: 4.6
- LA: 4.1
- Central CA: 4.6
- SF Bay: 4.1
- Sacramento & North: 4.3

Yearly comparison:
- 2016
- 2015
- 2014
- 2013
Differences across regions: New Grad RNs

- SF Bay: 2.0 (2016), 2.0 (2015), 2.0 (2014), 1.5 (2013)
Rural vs. urban perceptions

<table>
<thead>
<tr>
<th>Year</th>
<th>Rural</th>
<th>Non-Rural</th>
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<tbody>
<tr>
<td>2010</td>
<td>4.8</td>
<td>4.2</td>
</tr>
<tr>
<td>2011</td>
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<td>2012</td>
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<td>2015</td>
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<tr>
<td>2016</td>
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</tbody>
</table>
Average ranking of the RN market by position

- Experienced Staff RN: 4.3
- Other RN: 4.0
- Clinical Nurse Specialist: 3.9
- Nurse Practitioner: 3.8
- Unlicensed Aide: 2.6
- LVN: 2.4
- New RN Grad: 2.3
Change in employment in the past year (2015 - 2016)

- CNS: 30.0% Increased, 66.0% No change, 4.0% Decreased
- LVN: 26.7% Increased, 53.3% No change, 20.0% Decreased
- Other RN: 38.2% Increased, 56.9% No change, 4.9% Decreased
- Aide/assistant: 35.0% Increased, 63.0% No change, 2.0% Decreased
- Experienced RN: 35.3% Increased, 53.9% No change, 10.8% Decreased
- NP: 60.0% Increased, 40.0% No change, 0.0% Decreased
- New RN graduate: 66.3% Increased, 27.6% No change, 6.1% Decreased
Hiring requirements and preferences

- **No specific requirements**: 31.7% in 2016, 21.2% in 2012
- **Baccalaureate degree preferred**: 53.8% in 2011, 69.5% in 2014
- **Baccalaureate degree required**: 51.9% in 2013
- **Minimum experience requirement**: 52.3% in 2012

Plans regarding BSN-educated nurses, 2015

- 67% plan to increase the share with BSN (75% in 2015; 71% in 2014; 66% in 2013)
- 9.9% require that hired RNs obtain a BSN within a certain time (8.7% in 2015)
- 56.3% require a BSN for promotion beyond staff nurse
- 39% differentiate RN salary by education degree (32% in 2014 & 2015)
Challenges to increasing the share of BSN-educated RNs

- Most common barriers to increasing share with BSN:
  - Lack of interest among incumbent RNs
  - Lack of tuition reimbursement funds
  - Lack of funds for financial incentives
  - Scheduling / staffing barriers
  - Lack of BSN nurses in community
  - Lack of BSN programs in community
Overall hiring expectations for the next year

- Hire fewer than last year
- No change
- Hire more than last year
Expected RN hiring by care setting for next year (2016 - 2017)

- **Case management**
  - Increased hiring: 44.0%
  - No change: 54.9%
  - Decreased hiring: 1.1%

- **Long-term care**
  - Increased hiring: 16.7%
  - No change: 80.6%
  - Decreased hiring: 0%

- **Home health**
  - Increased hiring: 30.8%
  - No change: 69.2%
  - Decreased hiring: 0%

- **Ambulatory care**
  - Increased hiring: 32.4%
  - No change: 64.9%
  - Decreased hiring: 0%

- **Inpatient care**
  - Increased hiring: 67.3%
  - No change: 29.7%
  - Decreased hiring: 3.0%
Percent of new hires that were new graduates

<table>
<thead>
<tr>
<th>Fall 2012</th>
<th>Fall 2013</th>
<th>Fall 2014</th>
<th>Fall 2015</th>
<th>Fall 2016</th>
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</thead>
<tbody>
<tr>
<td>Full-time</td>
<td>34%</td>
<td>33%</td>
<td>32%</td>
<td>32%</td>
</tr>
<tr>
<td></td>
<td>29%</td>
<td>29%</td>
<td>28%</td>
<td>28%</td>
</tr>
<tr>
<td>Part-time</td>
<td>15%</td>
<td>15%</td>
<td>20%</td>
<td>20%</td>
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<tr>
<td></td>
<td>6%</td>
<td>7%</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>Overall</td>
<td>26%</td>
<td>26%</td>
<td>31%</td>
<td>31%</td>
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<tr>
<td></td>
<td>24%</td>
<td>24%</td>
<td>28%</td>
<td>28%</td>
</tr>
</tbody>
</table>

Full-time and Part-time data are shown for Fall 2012, Fall 2013, Fall 2014, Fall 2015, and Fall 2016. Overall data is also provided for comparison.
Residency programs for non-employee new graduates, Fall 2016

- About 1/5 of hospitals reported a residency program
  - Similar rate as last survey
  - 64% paid program
- 77% of hospitals said 75-100% of residency completers were hired in last year
  - 23% said they hired less than 25%
Residency programs for non-employee new graduates, Fall 2016

- Rehabilitation
- Psychiatry
- Ambulatory care
- Pediatrics/neonatal
- Obstetrics/newborn
- OR/Peri-op
- Critical care
- Emergency
- Medical-surgical

Percentage of programs offering each specialty.
Hiring expectations for new graduates

- **2011-2012**: 18.7% Increase hiring, 59.7% No change, 21.6% Decrease hiring
- **2012-2013**: 22.3% Increase hiring, 55.4% No change, 22.3% Decrease hiring
- **2013-2014**: 14.8% Increase hiring, 61.1% No change, 24.1% Decrease hiring
- **2014-2015**: 7.7% Increase hiring, 57.2% No change, 35.1% Decrease hiring
- **2015-2016**: 3.5% Increase hiring, 49.2% No change, 47.3% Decrease hiring
- **2016-2017**: 2.9% Increase hiring, 48.5% No change, 48.5% Decrease hiring

Legend:
- Increase hiring
- No change
- Decrease hiring
Reasons for expected increase in new graduate hiring

- Lack of available experienced RNs
- Expected retirement of incumbent RNs
- Recently developed relationships with RN education programs to prepare new graduates for needed roles
- Recently developed mentoring programs for new graduates
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Quarterly hiring of full-time personnel, HASC Survey, Fall 2013 - Fall 2016

Staff RNs
- 2013: 3.5%
- 2014: 4.0%
- 2015: 3.7%
- 2016: 4.5%

Other RNs
- 2013: 2.5%
- 2014: 2.3%
- 2015: 2.6%
- 2016: 5.2%

LVNs
- 2013: 2.5%
- 2014: 2.2%
- 2015: 2.2%
- 2016: 4.4%

Aides
- 2013: 3.6%
- 2014: 3.6%
- 2015: 3.6%
- 2016: 5.6%
RN Vacancies, HASC Survey, 2010 - 2016

<table>
<thead>
<tr>
<th>Year</th>
<th>Vacancy Rate</th>
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<tbody>
<tr>
<td>Fall 2010</td>
<td>3.4%</td>
</tr>
<tr>
<td>Fall 2011</td>
<td>4.0%</td>
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<tr>
<td>Fall 2012</td>
<td>3.2%</td>
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<tr>
<td>Fall 2013</td>
<td>4.2%</td>
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<tr>
<td>Fall 2014</td>
<td>4.8%</td>
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<tr>
<td>Fall 2015</td>
<td>6.9%</td>
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<tr>
<td>Fall 2016</td>
<td>5.9%</td>
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</table>

All RNs
Quarterly turnover of full-time personnel, HASC Survey, Fall 2013 - Fall 2016

- Staff RNs: 2.3%, 2.6%, 3.2%, 3.4%, 3.4%, 3.3%, 5.9%, 3.1%
- Other RNs: 2.5%, 2.9%, 3.3%, 3.3%, 3.3%, 3.3%, 3.3%
- LVNs: 2.5%, 2.8%, 2.8%, 2.8%, 3.3%, 3.3%, 5.4%
- Aides: 4.3%
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2015 – 2016 Study Team
New Graduate Nurse Employment

- HealthImpact
- California Board of Registered Nursing
- Association of California Nurse Leaders
- California Student Nurses Association

- Funder: Kaiser Permanente Northern CA
2015-2016 New Graduate Nurse Survey

- Sample Size: Random 50% of 8,280
- RNs newly licensed between September 2015 and August 2016
- Response Rate: 28%
- Response Rate Year Before: 12%
New Graduate Nurse Profile

- MSN: 5.8%
- BSN: 45.8%
- ADN: 47.7%
New Graduate Employment

<table>
<thead>
<tr>
<th>Year</th>
<th>Employment</th>
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<tbody>
<tr>
<td>2010</td>
<td>57%</td>
</tr>
<tr>
<td>2011</td>
<td>57%</td>
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<tr>
<td>2012</td>
<td>54%</td>
</tr>
<tr>
<td>2013</td>
<td>59%</td>
</tr>
<tr>
<td>2014</td>
<td>65%</td>
</tr>
<tr>
<td>2015</td>
<td>74%</td>
</tr>
<tr>
<td>2016</td>
<td>85%</td>
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</table>
Some Regional Differences

- LA County
- SF Bay
- Orange/Inland
- N CA
- San Diego/Imperial
- Central Valley
- Sacramento
Employment rate varies by education

*Small ELM response rate in the 2015 New RN Graduate Hiring Survey
## Importance of BSN Degree

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</thead>
<tbody>
<tr>
<td>Hospital employers who prefer/require a BSN degree upon hire</td>
<td>74.1%</td>
<td>75.2%</td>
<td>80.4%</td>
<td>80.5%</td>
<td>85.3%</td>
</tr>
<tr>
<td>No job offer due to lack of BSN degree</td>
<td>35.0%</td>
<td>37.8%</td>
<td>38.5%</td>
<td>30.1%</td>
<td>39.5%</td>
</tr>
</tbody>
</table>
Where are New Graduates Working?

- Hospital Inpatient: 67.6%
- Hospital Outpatient: 15%
- Community Settings: 6%
- LTC/Rehab: 6.7%
- Behavioral Health: 2%
- Home Health: 1.5%
- Other: 1%
- Corrections: 0.3%
Participation in a Transition to Practice/Residency Program

- Employer Provided Participation – 42.4%
- School of Nursing Provided Participation – 5.2%

Total Participation = 47.6% of New Graduates Participated in a Transition to Practice Program
Length of Transition to Practice/Residency Programs
Reasons for Hiring Difficulty

- No Experience
- BSN Preferred Degree
- No Positions Available
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What is happening now?

- There is current and anticipated job growth
  - Inpatient care growth in census and higher acuity
  - Ambulatory care growth
- Shortage of experienced RNs
  - Operating Room
  - Labor & Delivery
  - Emergency Department
  - Intensive care
- Expected retirements of RNs
Best supply and demand forecasts for RNs, 2015-2035

- Best Supply Forecast
- National 25th percentile FTE RNs/population
- OSHPD hours per patient day-based forecast
- Low Supply Forecast (low count & employment)
- National average FTE RNs/population
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Concerns for workforce policy

- What education changes are needed to ensure new graduates have the right skills?
- As care models evolve and shift where and how health care is delivered, what is the impact on nursing education?
- How do we foster opportunities to gain on-the-job skills and pursue additional education?
- There is a stabilization in the number of new graduates per year in the state
  - Will there be enough nurses in the right place with the right skills in the future?
- Employers prefer to hire nurses with a baccalaureate or higher degree. How do we increase capacity in RN to BSN programs and maintain quality?
Solutions

- Employers: Partner with schools
  - Invest in new graduate hiring
    - Less expensive than a shortage
    - Recruitment costs
    - Costs of patient care lapses
    - Costs of rapid wage increases
  - Invest in transition to practice/residency programs
  - Invest in transition in practice programs
  - Provide clinical faculty
  - Flexible scheduling for RNs pursuing advanced degrees
Solutions

- **Educators: Partner with employers**
  - Offer electives in the clinical areas of shortage
  - Ensure streamlined education progression
  - Expand partnerships beyond acute care settings
  - Include employers in education program content discussions

- **Policymakers: Maintain education capacity**
  - Do not let enrollments drop
  - Support scholarship programs such as the HPEF programs
  - Explore non-traditional clinical placement settings and use of simulation
Check out the UCSF website!
http://rnworkforce.ucsf.edu

Welcome to RN Workforce: California's RN Labor Market

News

- **Survey Invitation: Survey of Nurse Employers in CA, 2016**
  Post date: November 3, 2016
  
The 7th annual Survey of Nurse Employers in California, 2016 is now active!
  
  Please access the survey here at: http://rnworkforce.ucsf.edu/moore2016

- **2015 Simulation in Nursing Education Survey**
  Post date: June 28, 2016
  
  Latest report of recently-graduated California registered nurses (RNs) on their experiences with simulation-based education, and how such education has or has not prepared them for nursing practice.
Interactive data displays

**Demand for Nursing Workforce**

Survey of CA Nurse Employers

From fall of 2010-2015, CNOs were asked to describe the RN labor market in their area using a rank order scale of 1 to 5, where:

- **1** - Low demand for RNs
- **3** - Balanced demand/supply
- **5** - High demand for RNs

### Overall Demand

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<th>2012</th>
<th>2013</th>
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<td>2.88</td>
<td>3.14</td>
<td>2.95</td>
<td>3.56</td>
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### Demand for Experienced RNs

<table>
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<th>2014</th>
<th>2015</th>
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<tr>
<td></td>
<td>3.83</td>
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### Demand for New RN Graduates

<table>
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<tbody>
<tr>
<td></td>
<td>1.52</td>
<td>1.84</td>
<td>2.1</td>
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Also go to the BRN website

Forms & Publications
Questions?

Thoughts?

Ideas?

Perspectives?