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California Institute for Nursing & Health Care

Optimizing the Health of Californians through Nursing Excellence

New RN Graduate Workforce Regional Planning Meetings

Statewide Summary of RN Hiring Survey

July 2009



Agenda

I. Background & Desired Outcomes of Meetings

II. Current State of California Nursing Workforce & RN Hiring Survey Analysis

III. New Graduate Hiring Framework & Models

IV. Prioritization & Implementation

Why Are We Here Today?

- ✓ RN shortage is not over
- ✓ Economy has created an **unexpected aberration** resulting in **less jobs** available for new RN graduates
- ✓ There are new solutions to keeping new nurses engaged and transitioned to the work force until economy recovers
- ✓ It took California 10 years to recover from its last down turn in nursing education
- ✓ We must maintain our RESOLVE to continue to address the nurse shortage

Meeting Objectives

Goals for today's meeting include...

1. Develop a common understanding of the hiring situation for new RN graduates in various regions in California: Sacramento, San Francisco Bay Area, Central Valley, Los Angeles, and San Diego.
2. Develop a set of priorities and recommendations for how to address the needs of new RN graduates as key participants in our current and future healthcare market.
3. Identify projects to advance immediately for each region and individuals to lead these efforts.
4. Identify potential funding sources to support projects.

Statewide Headlines from RN Hiring Survey

- **There is not a shortage of nursing positions in California hospitals - there is a shortage of those hiring RNs.**
 - 37% of **CA** hospitals have 5,462 unfilled RN positions but are only actively recruiting to fill fewer than half of them
- **California hospitals continue to hire new graduates but hiring is down. Approximately 40% of new graduates will not be hired in hospitals in 2009.**
- **Some regions anticipate significantly fewer jobs in hospitals for new graduates than other regions.**

Source: RN Vacancy / New Graduate Hiring Opportunity Survey Report 2009

Impact of the National Economic Crisis

Worsening of the national economic crisis has changed RN workforce patterns, and new concerns emerge.

- **Employment patterns of working nurses respond to the economy... “elastic workforce”**
 - when economy is good, nurses work less
 - when economy is bad, nurses work more
- **Retirements are being delayed**
- **Hospital census down, less elective surgery, payer mix changing**
- **New RN graduates are having difficulty finding jobs**
- **News media reports hint that “nurse shortage is over”**
- **CEOs begin to question investment in nursing education**
- **Some schools report enrolling their last expansion class**

California Nurse Shortage is Not Over Yet!

Despite current employment challenges for new RNs, there will still be a long-term shortage.

- **Supply/demand projections highlight magnitude of RN shortage**
 - HASC Data
 - EDD Data
 - CINHC Survey
- Peter Buerhaus' latest analysis reports **77% of growth is from older nurses and foreign born nurses represent 16% of workforce**
- **Population demographics have not changed** and retirement of large number of RNs is inevitable
- **Recession is "distorting" the picture**

Current California Hospital Vacancy Rates

Hospital RN vacancies have decreased since last year, but positions are still available.

HASC Q1 2009 vacancy report

157 (44% of) California hospitals responded

- **Statewide** – 3,652 RN vacancies reported; **4.9% vacancy**
- **Northern California** – (89 hosp) – 1,423; **4.4% vacancy**
- **Southern California** – (61 hosp) – 1,712; **5.2% vacancy**
- **San Diego** – (7 hosp) – 517; **5.1% vacancy**

Assumption: if 157 hospitals represent the state, then California has 8,300 vacant RN positions in hospitals

***Compared with Q1 2008 vacancy report –
average RN vacancy of 7%***

California Economic Development Department (EDD)

Estimated Average Annual RN Job Openings in All Settings

| REGION | Sacramento | SF Bay Area | Los Angeles | Central Valley | San Diego | TOTAL CA |
|-------------------------|------------|-------------|-------------|----------------|-----------|----------|
| Annual RN job openings: | 662 | 1,398 | 4,426 | 771 | 866 | 9,900 |
| Jobs from growth: | 447 | 718 | 2,462 | 425 | 491 | 5,960 |
| Jobs for replacement: | 215 | 680 | 1,764 | 346 | 375 | 3,940 |

Source: EDD Registered Nurses Estimated Average Annual Job Openings, 2008

Progress in California... Since 2004

Over the past few years, nursing schools have ramped up to meet projected increase in demand for RNs.

- **Capacity in schools of nursing up 53.5%**
- **Enrollment increased 69%** (110% over enrollment)
- **Completion increased by 55%**
- **37 more nursing programs**
- **Number of US nurses with active CA license up to 349,554** ...increase of 32% since 2000
- **California now ranked 45th in nation for RNs/capita** ...up to 638 RNs/capita (from 580 in 2004)

See Appendix for slide with more detail

Sources: Registered Nurses per 100,000 Population, 2007. www.statehealthfacts.org;
California Board of Registered Nursing 2007-2008 Annual School Report. www.rn.ca.gov/foms/survey;
California Board of Registered Nursing Monthly Status Report

CA Nursing Workforce Challenges for 2009/10

Economy has impacted nursing workforce priorities, with top challenges now including employment of new graduates.

- **Hiring opportunities for new graduates**
- Developing new funding models to sustain and grow educational capacity
- Address the faculty shortage
- Designing new educational models for sustainability
 - Maximizing use of simulation
 - Distance education
 - Collaborative models
- **Retaining \$60 Million Plan commitment from Governor**

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Statewide Concern

A collaborative statewide approach is necessary to understand and overcome hiring challenges of new graduates.

- **CINHC** led efforts with survey execution and convening
- Survey conducted in partnership with:
 - California Hospital Association (**CHA**)
 - Labor and Workforce Development Agency (**LWDA**)
 - Association for California Nurse Leaders (**ACNL**)
- Funded by Gordon and Betty Moore Foundation (**GBMF**)
- **All hospitals, health facilities, schools of nursing, and nurse leaders are stakeholders - tasked with recommending and piloting solutions**

California Hospital Survey Results

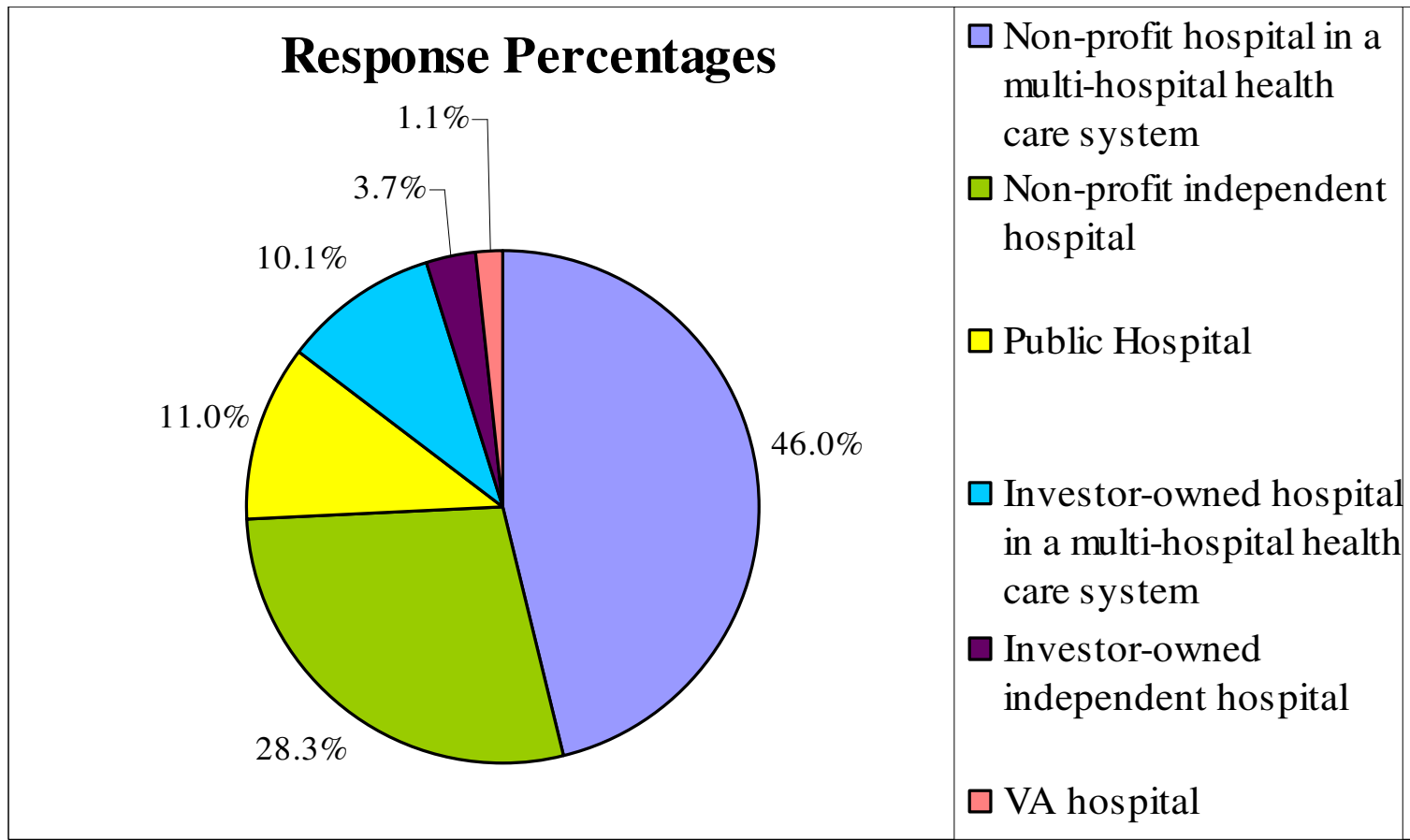
Supported by ACNL, CHA, and LWDA,¹ CINHC executed a survey to hospitals to understand RN hiring situation.

- 357 surveys sent statewide by HASC
- ~230 partially completed survey (64%)
- 134 provided complete vacancy data (>50% of respondents, 37% of California hospitals)
- All types and size of hospitals represented

¹ ACNL = Association for California Nurse Leaders, CHA = California Hospital Association, and LWDA = California Labor and Workforce Development Agency.

Acute Care Hospital Respondents

Types of Acute Care Hospitals by Percent Responding

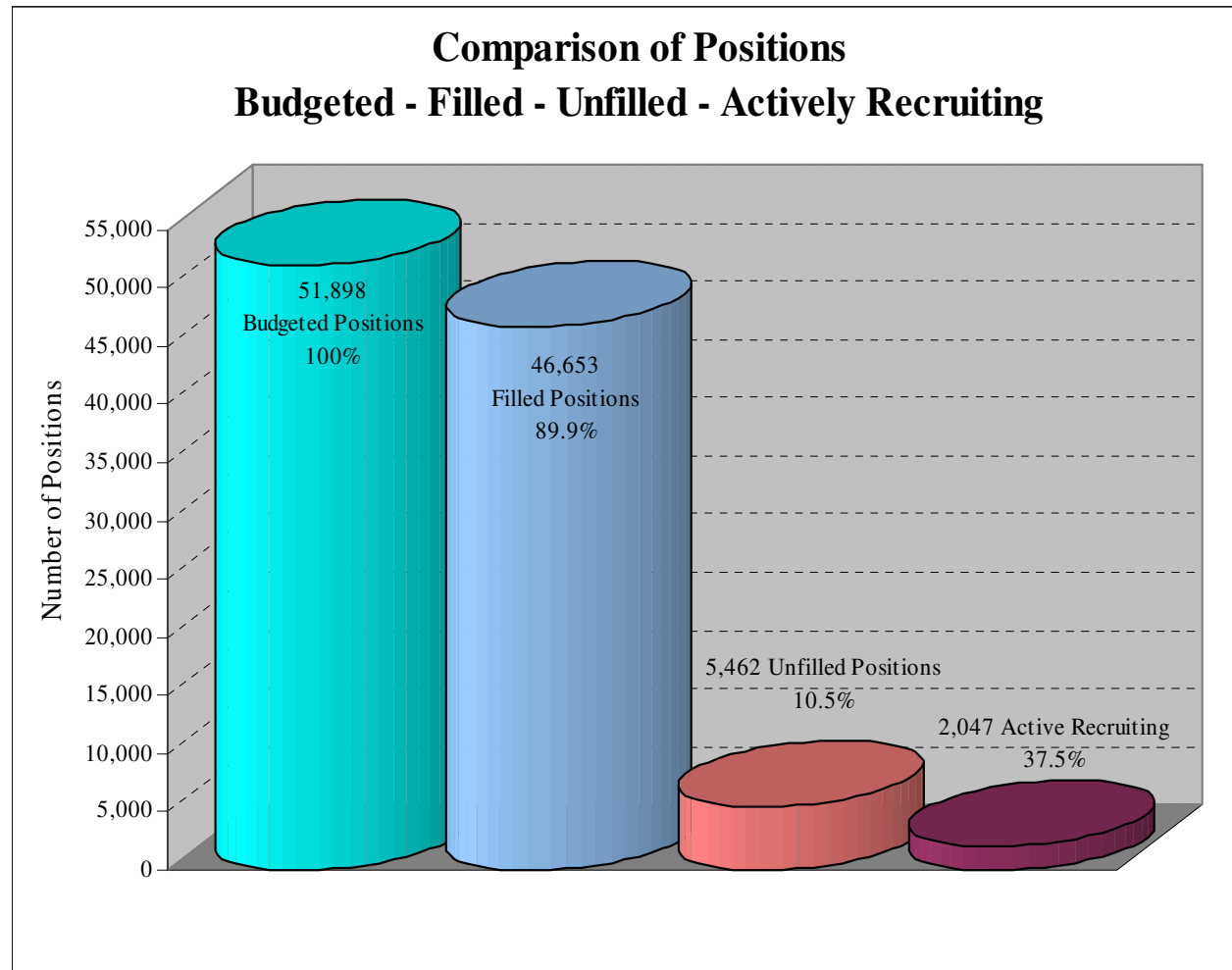


RN Positions: Budget, Filled, Unfilled, Recruiting

| <u>Positions</u> | <u>CA (134 hosp)</u> | <u>Assume statewide</u> |
|--------------------------|----------------------|-------------------------|
| Budgeted | 51,898 | 138,266 |
| Filled | 46,663 | 124,318 |
| Unfilled | 5,462 | 14,552 |
| Recruiting | 2,047 | 5,454 |
| Current Travelers | 4,684 | 12,470 |

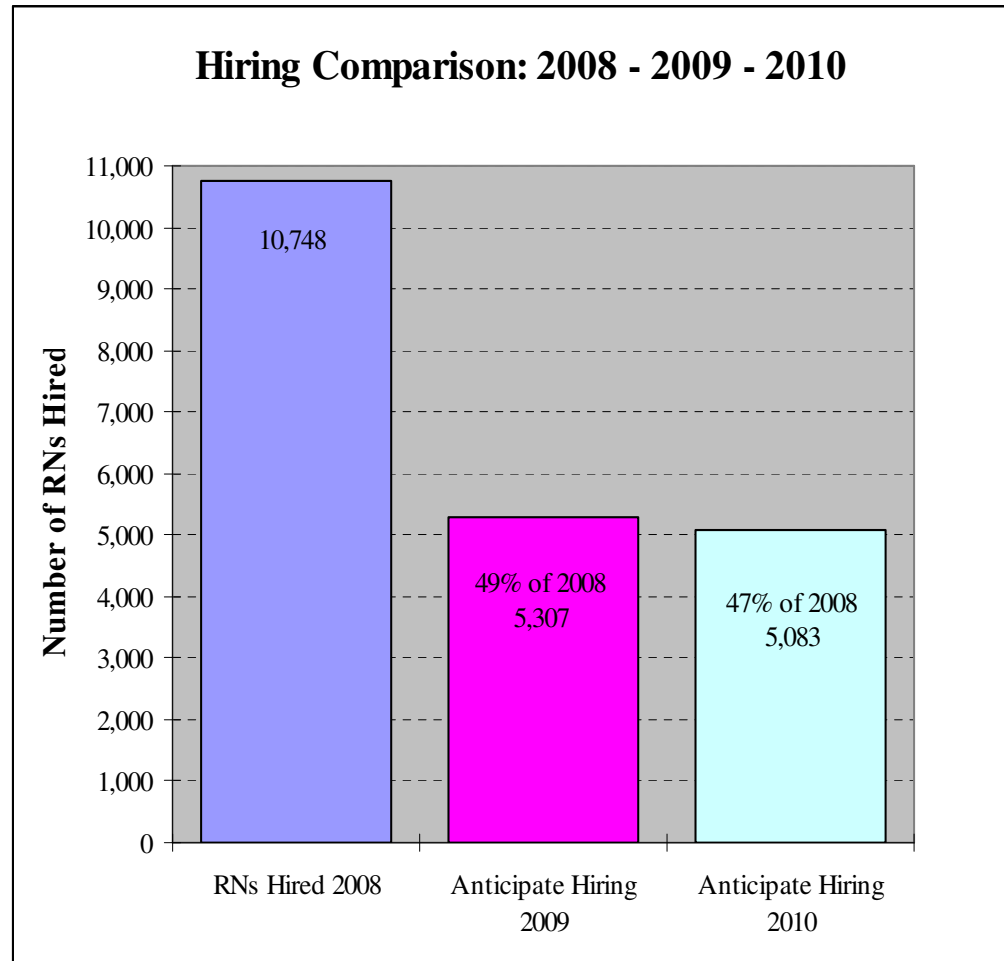
There was no analysis done to determine if reporting hospitals represent California hospitals as a whole. Thus, the assumption for extrapolating and interpreting statewide numbers is to be used as DIRECTIONAL indicators only.

California Positions: Budgeted, Filled, Unfilled, Recruiting



California Hiring Anticipated in 2009 & 2010

Hospitals are expecting to hire half as many RNs in 2009 and 2010 as were hired in 2008.



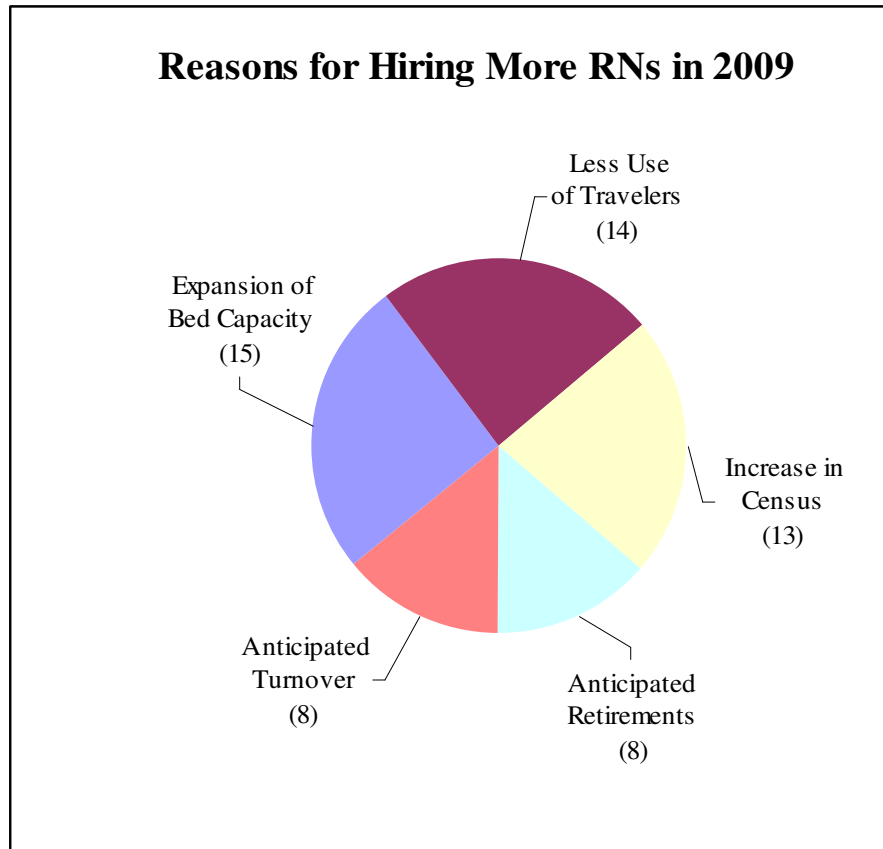
Reasons for Hiring Fewer RNs in 2009 than 2008

Indicators of economic downturn are reasons for reduction in hiring RNs.

| <u>Reasons</u> | <u>134 Hospitals</u> |
|---|----------------------|
| Less turnover/greater retention | 94% |
| Delayed Retirements | 59% |
| Hiring freeze/budget constraints | 49% |
| Decrease in census expected | 34% |
| Current staff working more shifts or converting from PT to FT | 30% |
| Decrease in bed capacity | 4% |
| More use of Travelers | 1% |

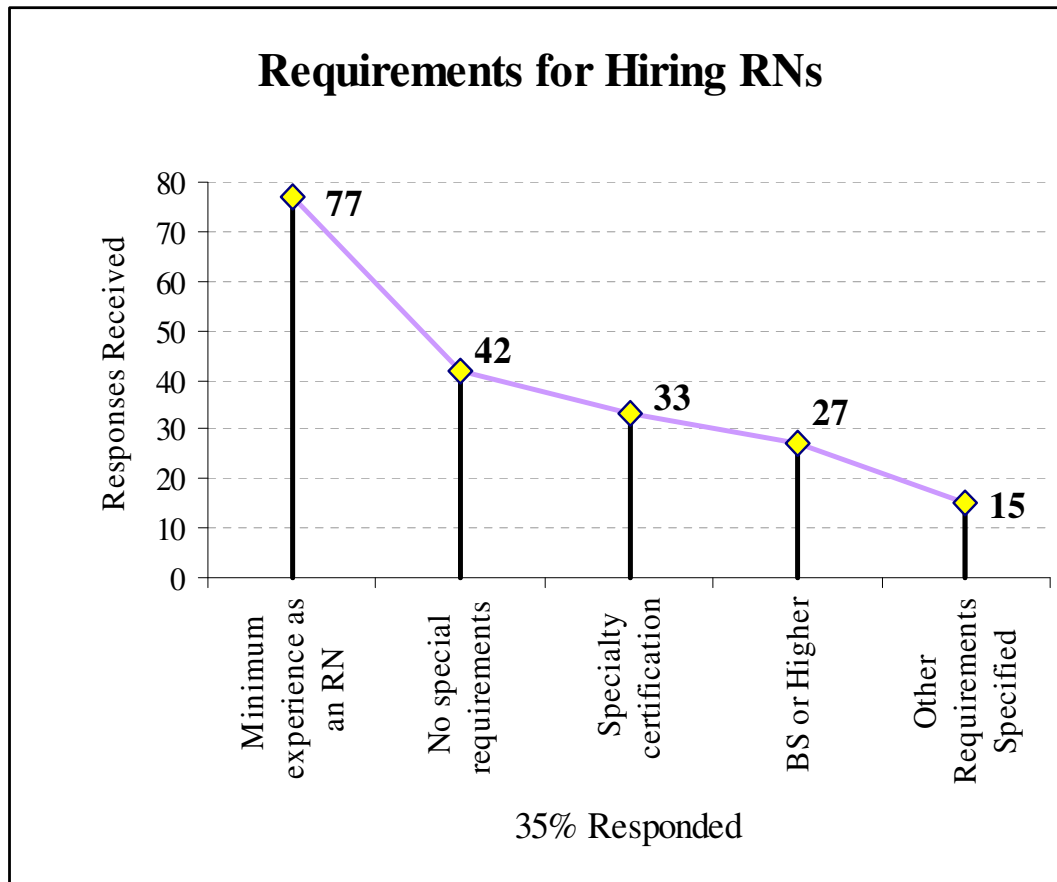
California Hospital Hiring Growth

A Few California hospitals anticipate hiring more RNs in 2009 than in 2008.



California Hiring Requirements

Most California hospitals are recruiting experienced RNs.



62% CA hospitals require experience as an RN to hire

- 51% require 12 mo or >
- 25% require 6 to 12 mo
- 22% require a BSN

California New Graduate Hiring

87 of 134 Reporting hospitals are planning to hire 2,165 new RN graduates in 2009

Assuming this represents all hospitals and extrapolating for the state - 5,768 new RN graduate positions identified for 2009

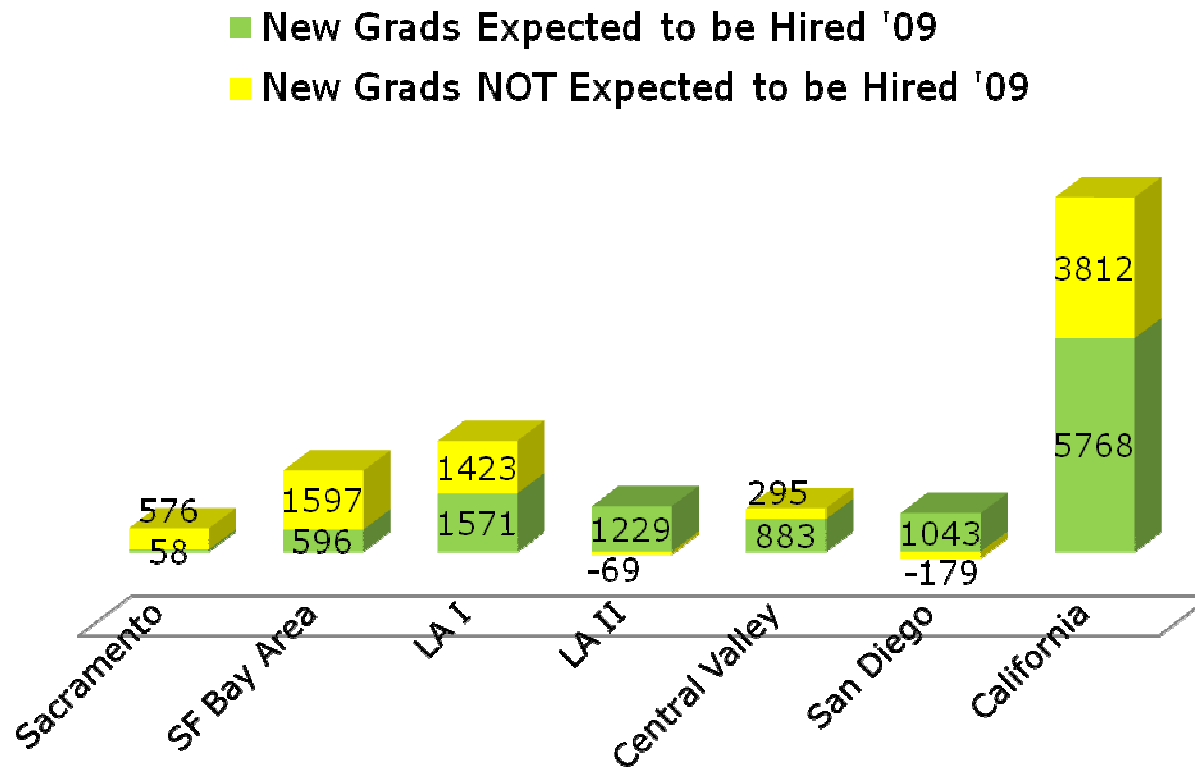
Most offer some form of new graduate program (see Appendix for more information)

| Factors Influencing Hires of New Graduates | Response Frequency | Response Count |
|---|---------------------------|-----------------------|
| No vacancies | 64% | 61 |
| Sufficient number of experienced nurses available | 44% | 42 |
| Too many novice nurses relative to number of expert nurses | 35% | 33 |
| Budget constraints | 29% | 28 |
| Hiring freeze | 20% | 19 |
| Cost of transition programs | 11% | 10 |
| Entry level salaries for new graduates | 0% | 0 |

Many New Grads are Not Expected to Find Hospital Positions

This RN hiring/vacancy survey data is directional, and should be used to guide discussion around solutions.

Anticipated Hospital Hiring 2009



These figures assume/extrapolate that reporting hospitals are representative of entire region. The issue is expected to mount as the number of new graduates is expected to increase for the '08-'09 school year.

Transition from Non-Acute Care to Hospitals

There is some support for nurses experienced in non-acute settings to be hired by CA hospitals as experienced RNs

- 64% of responding hospitals accept nurses experienced in non-acute settings (e.g. home health, public health, rehab, etc.) as experienced nurses for acute care
- 2/3 of those have a bridge/training program for these nurses
- Varies by region

Non-Acute Care Facilities Survey

To understand more complete new RN hiring options, CINHC executed a survey to non-acute care facilities to better understand RN hiring situation.

Limited current knowledge about RN vacancies in non-acute facilities

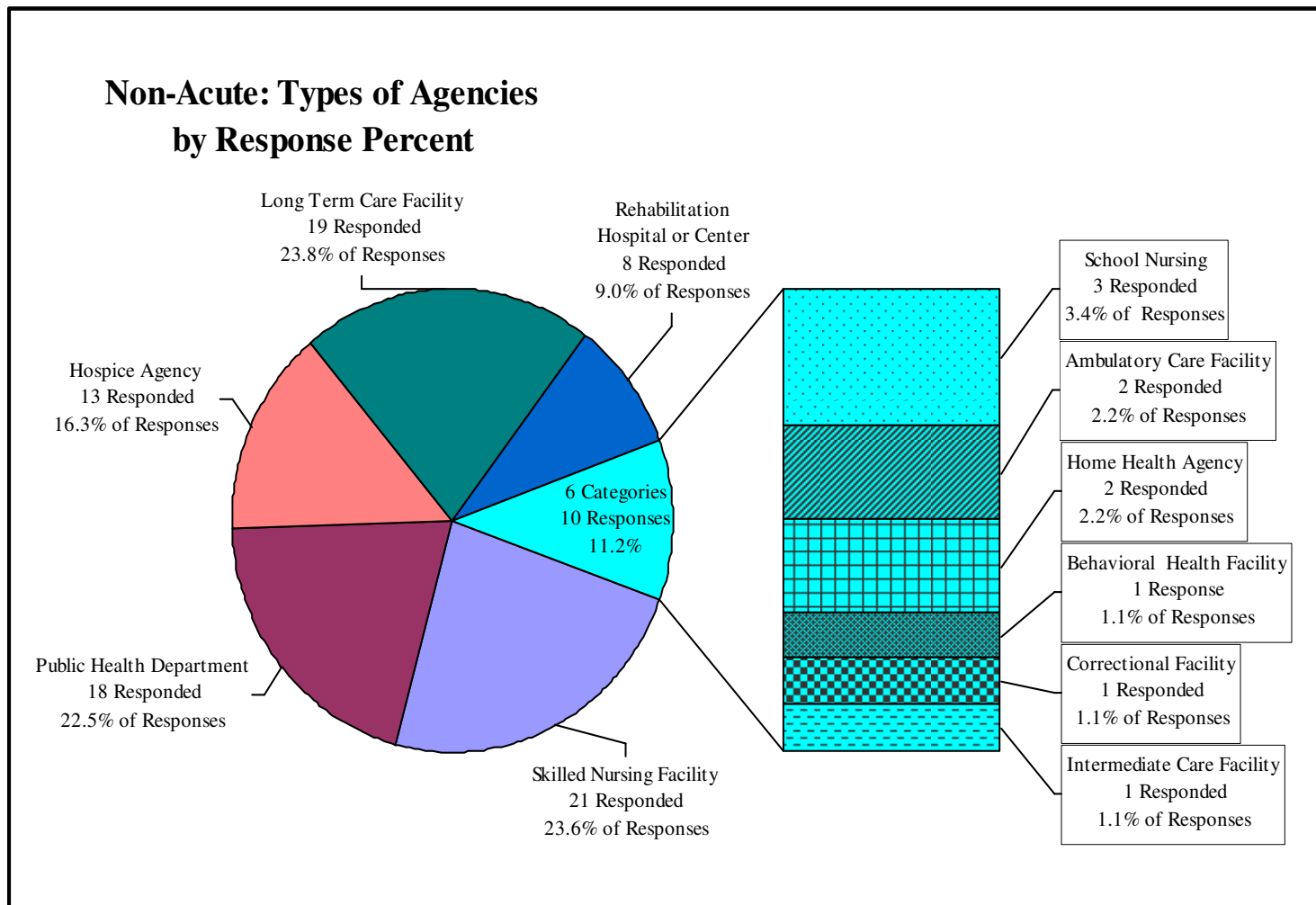
- How great are their vacancies?
- Do they hire new graduates?
- Would they hire new graduates if they had resources?
- Would this experience be held against an RN seeking employment later in a hospital?

Sought to engage state associations to assist effort

- 89 Non-Acute Care Facilities responded to date
- LTC, SNF, rehab, hospice, public health, ambulatory, etc.

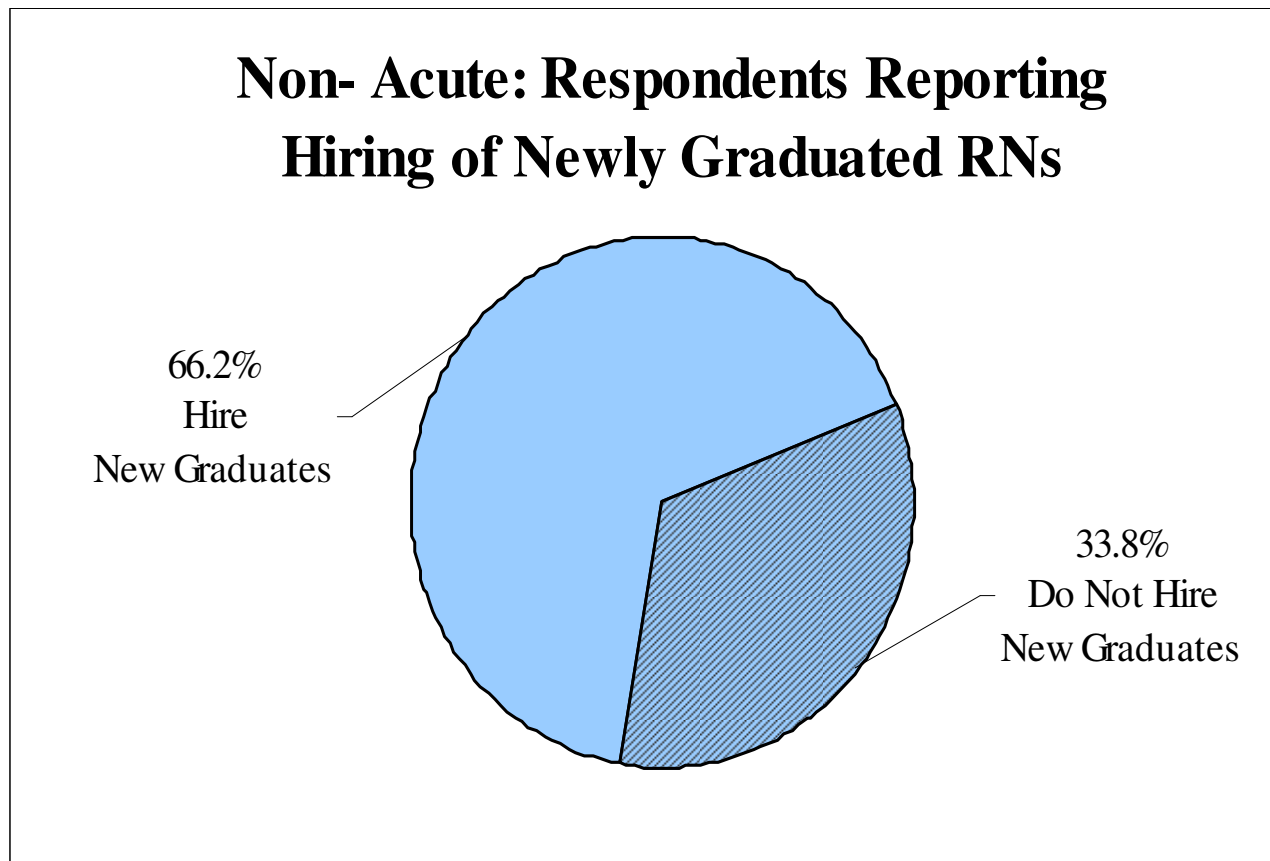
Non-Acute Care Facility Respondents

Types of Non-Acute Care Facilities by Percent Responding



Non-Acute Facilities Hiring New RN Graduates

Majority of non-acute care respondents hire new RN graduates... But insufficient response were received to know # of positions available for new graduates



Requirements for Hiring New Graduates

Majority of non-acute care respondents prefer minimum experience as an RN.

| Requirements for Hiring RNs | Response Percent | Response Count |
|---|------------------|----------------|
| Minimum experience as an RN | 65% | 13 |
| Baccalaureate degree or higher | 15% | 3 |
| Public Health or School Nurse Certificate | 15% | 3 |
| No requirements | 5% | 1 |
| | | |

Other Requirements:

- Long-term care or Geriatrics experience (3)
- Fluent in Spanish
- For Rehab facilities – rehabilitation experience is a must

Support Needed by Non-Acute Facilities to Hire New Grads

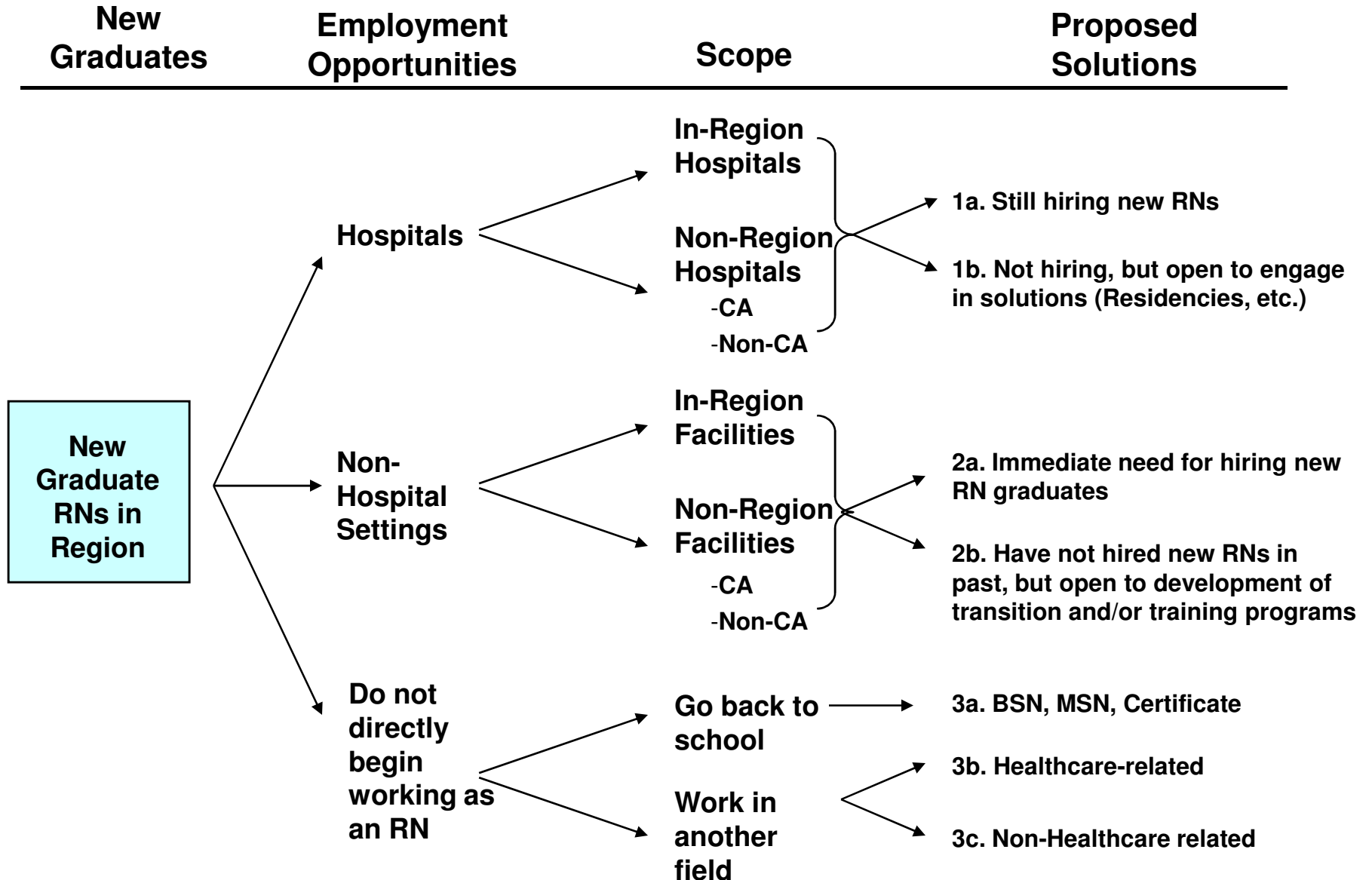
Requirements Necessary to Hire for Agencies Who Do Not Hire New RN Graduates

| Requirements | Percent Response | Number Responses |
|--|------------------|------------------|
| Additional skills training and knowledge in a specialty | 47.1% | 16 |
| Financial support for residency or transition program | 14.1% | 5 |
| Increased Budget for Nurse Educator position | 14.4% | 5 |
| Do not foresee any way to be able to hire new graduates | 44.1% | 15 |
| Other | | 12 |

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New Graduate Hiring Framework



Potential Solutions

Alternatives for New Graduates

1. Offer college-based transition programs to increase new graduates' confidence and competence and increase employability in hospitals.
2. Support non-acute settings in hiring new graduates.
3. Encourage new graduates to continue their education.
4. Identify where jobs are outside of the region and share this information with new graduates.

Keeping New RN Graduates in Workforce

Prioritization and Identification of Next Steps

- *Hospital Employment*
- *Non-acute Care Settings*
- *Not directly working as an RN*

Hospitals...

- What?
- Who?
- When?
- How?

Non-Acute...

- What?
- Who?
- When?
- How?

Other...

- What?
- Who?
- When?
- How?

Group Discussion: New Grad Engagement

Hiring Opportunities & Keeping Engaged

New Models for New Graduates

- Hospital-based transition programs
- Non-acute setting transition programs
- Community-based collaborative programs
- Volunteer programs
- Float pools
- Experienced/New graduate shift sharing

Potential Funding Sources

Partnerships Needed

Work with regional groups to identify solutions

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Next Steps

- ✓ **CINHC will follow up with participants interested in specific ideas**
- ✓ **CINHC to identify funding sources to support pilots**
 - E.g. WIBs, GBMF, EBCF, TCE, ETP, RWJF-PIN, DoL, community foundations
- ✓ **CINHC to work with stakeholders and funders to create and distribute RFP to create regional solutions for immediate implementation**

Contact Information

Deloras Jones, Executive Director

deloras@cinhc.org

Nikki West, Project Coordinator

nikki@cinhc.org

Diane Welch, Project Director

diane@cinhc.org

California Institute for Nursing & Health Care

(510) 486-0627 www.cinhc.org

Appendix

California Institute for Nursing & Health Care

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A nonprofit independent organization dedicated to developing solutions to a critical nurse shortage and related nursing issues that affect the health of all Californians.

***"Optimizing the Health of Californians
through Nursing Excellence"***

www.cinhc.org

How Does CINHC Address the RN Shortage?

- **Convening & building coalitions of stakeholders, serving as a catalyst for action**
 - **Developing the Master Plan to address California's nurse shortage**
 - **Sponsoring projects that support building educational capacity**
 - **Partnering with LWDA and working with policy makers, key agencies, and associations to address shortage**
 - **Member of the California Team...CCNA**
-
-

National Nursing Education Capacity Summit

Background

Held June 2008 in Washington D.C. - under the leadership of *Center to Champion Nursing in America* (CCNA) and sponsored by AARP, DOL, HRSA, and RWJF.

- California one of 18 selected for first summit

Priorities

Focused on exploration of solutions to the national and faculty shortage through four key components:

1. Strategic partnerships and resource alignment;
2. Policy and regulation;
3. Increasing faculty capacity and diversity; and
4. Education redesign.

California Team

Team Leader: Stephanie Leach – gov't workforce agency - LWDA

Members:

George Bo-Linn – foundation - Moore Foundation

Carol Bradley – employer of nurses -Tenet Health

Kathleen Dracup - graduate education - UCSF

Dorel Harms – hospital association - CHA

Kathy Harren – nursing leadership organization – ACNL

Deloras Jones – nursing workforce center - CINHC

Jacque Paige – CA AARP

Judith Papenhausen – BSN education – CSUSM

Tamara Rice – ADN education – Saddleback College

RuthAnn Terry – RN licensing board

California Priorities

Governor's Nursing Task Force priorities and CINHC's work drove California's deliverables for Summit and informed the national agenda:

- ✓ Sustainable Funding for Nursing Education
- ✓ Faculty Recruitment and Retention
- ✓ Collaborative Model in Education (ADN to BSN with MSN option)
- ✓ Distance Education and Simulation
- ✓ Clinical Placement Sites

Progress with CA Priorities identified by CA Team

Sustainable Funding

- †Need to convene discussion group to explore new models of funding...meeting held January 2009
- †Learn from other states

Faculty Recruitment and Retention

- †2 day workshop (12/3-4/08) with Thought Leaders to develop action steps to guide CA initiatives
- †Replication of successful clinical faculty development programs
- †Promote SNAPLE program for nurses returning to school

Collaborative Model of Nursing Education

- †7 RFP being funded...seeking additional funds
- †Chancellor's Office funded 4 programs

Distance Education and Simulation

- †Demonstration of MAP-RN
- †NEW PROPOSAL FUNDED for rural sites

Clinical Placement Sites

- †Round table held (10/21/08) to explore use of non-acute sites
- †Expanding high fidelity simulation as complement to clinical education
- †Expand use of computerized clinical placement systems

Progress in Addressing CA Nursing Shortage Since 2004

Capacity in schools of nursing up 53.5%
(11,969 slots)

Enrollment increased 69% (13,214 students
...110% over enrollment)

Completion increased by 55% (9,526 graduates)

There are **37 more schools of nursing** in 2009
than in 2004 (141)

Number of US nurses with active CA license **up to 349,554** (10% increase over 2006)

California is now ranked **5th in per capita** ...up to
638 RNs/capita (from 580 in 2004)

Educational Capacity: Progress Since 2004

| REGION | Sacramento | SF Bay Area | Los Angeles | Central Valley | San Diego | TOTAL CA |
|--------------------------------------|---------------------|-----------------------|-------------------------|---------------------|---------------------|-----------------------|
| Capacity Increase (% and slots) | 76.5% or 375 slots | 26% or 2,368 slots | 56.7% or 2,011 slots | 70% or 546 slots | 66% or 406 slots | 54% or 4,172 slots |
| Enrollment Increase (% and students) | 89% or 432 students | 48% or 2,809 students | 71.7% or 2,549 students | 82% or 641 students | 75% or 532 students | 68% or 5,332 students |
| Completion Increase (% and slots) | 110% or 332 grads | 54% or 2,193 grads | 58% or 4,154 grads | 83% or 534 grads | 32% or 243 grads | 56% or 3,422 grads |
| Total Nursing Programs | 7 | 30 | 58 | 11 | 13 | 132 |
| Total # ADN Programs/# Grads | 5 / 347 grads | 18 / 993 grads | 36 / 3,250 grads | 7 / 928 grads | 8 / 576 | 84 / 6,527 grads |
| Total # BSN Programs/# Grads | 1 / 233 grads | 7 / 973 grads | 14 / 664 grads | 3 / 199 grads | 4 / 288 | 32 / 2,481 grads |
| Total # ELM Programs/# Grads | 1 / 54 grads | 5 / 227 grads | 8 / 240 grads | 1 / 51 grads | 2 / 0 | 16 / 572 grads |

California Board of Registered Nursing 2007-2008 Annual School Report. www.rn.ca.gov/foms/survey

Many New Grads are Not Expected to Find Hospital Positions

This data is directional, and should be used to guide discussion around solutions.

| % HOSPITALS REPORTING REGION | | 36% | | 38% | | 30% | | 37% | | 33% | | 41% | | 28% | | 38% |
|--|--------------|-----|---------------|------|---------------|------|----------------|-------|------------------|---------|-------------|-----|-------------|-----|----------------|----------|
| | Sac (extrap) | Sac | SFBA (extrap) | SFBA | LA I (extrap) | LA I | LA II (extrap) | LA II | LA I+II (extrap) | LA I+II | CV (extrap) | CV | SD (extrap) | SD | TOTAL (extrap) | TOTAL CA |
| # New Grads '07-'08 (BRN School Survey) | 634 | | 2,193 | | 2,994 | | 1,160 | | 4,154 | | 1,178 | | 864 | | 9,580 | |
| # New Grads Hired by Hosps in '08 | 121 | 44 | 1,137 | 433 | 2,787 | 827 | 1,828 | 678 | 4,605 | 1,505 | 1,302 | 540 | 679 | 190 | 9,234 | 3,466 |
| # New Grads Expected to be Hired by Hosps in '09 | 58 | 21 | 596 | 227 | 1,571 | 466 | 1,229 | 456 | 2,821 | 922 | 883 | 366 | 1,043 | 292 | 5,768 | 2,165 |
| # New Grads Expected NOT to be Hired by Hosps in '09 | 576 | | 1,597 | | 1,423 | | (69) | | 1,333 | | 295 | | (179) | | 3,812 | |
| % New Grads NOT Expected to be Hired by Hosps in '09 | 91% | | 73% | | 48% | | -6% | | 32% | | 25% | | -21% | | 40% | |

These figures assume/extrapolate that reporting hospitals are representative of entire region. The issue is expected to mount as the number of new graduates is expected to increase for the '08-'09 school year.

New Graduate Programs provided by Hospitals

Table 11: Length of Program by Specialty Area

Program Length

| Specialty Area | 1 month or less | 1-3 months | 3-5 months | 5-6 months | 6-12 months | 12 mos. or more | # Responses |
|----------------------|-----------------|------------|------------|------------|-------------|-----------------|-------------|
| Medical/Surgical | 1 | 42 | 21 | 6 | 3 | 1 | 77 |
| Critical Care | 0 | 11 | 24 | 19 | 6 | 3 | 63 |
| DR/PP/Newborns | 0 | 9 | 14 | 18 | 8 | 4 | 52 |
| Pediatrics/Neonatal | 0 | 8 | 15 | 8 | 1 | 3 | 34 |
| Emergency Department | 0 | 15 | 26 | 12 | 5 | 2 | 60 |
| Operating Room | 0 | 5 | 6 | 14 | 18 | 6 | 49 |
| Psychiatry | 1 | 4 | 6 | 0 | 0 | 1 | 12 |
| Radiology | 1 | 2 | 3 | 0 | 0 | 0 | 5 |