Tri-Council for Nursing

Joint Statement from the Tri-Council for Nursing on Recent Registered Nurse Supply and Demand Projections

American Association of Colleges of Nursing (AACN)
American Nurses Association (ANA)
American Organization of Nurse Executives (AONE)
National League for Nursing (NLN)

The downturn in the U.S. economy has had an impact on every employment sector and has led to an easing of the nursing shortage in many parts of the country. Workforce analysts, including Dr. Peter Buerhaus, Director of the Center for Interdisciplinary Health Workforce Studies at the Institute for Medicine and Public Health at Vanderbilt University Medical Center, have documented this shift in registered nursing (RN) employment. **However, these authorities have also raised concerns about slowing the production of RNs given the projected demand for nursing services, particularly in light of healthcare reform.** (See Dr. Buerhaus' perspective on the outlook for registered nurses in the U.S. below.)

On June 9, 2010, Minnesota Public Radio produced a story titled "What's the right number of nurses?" that looked at the job market in Minnesota for new nurses and noted the impact of the recession on the number of readily available RN positions. This piece included projections from Economic Modeling Specialists, Inc. (EMSI) indicating that local schools were producing more nurses than the state needed to fill current vacancies. Soon after, EMSI posted on its blog a state-by-state analysis of the number of RNs being produced and the number of job openings to provide a national snapshot of supply and demand. The company indicated that RNs were being overproduced in all states except Nevada and Alaska. EMSI conveyed in its analysis that using data reported by schools to the Department of Education through the Integrated Postsecondary Education Data System (IPEDS) to determine RN supply has serious limitations.

Following a review of the EMSI analysis, the Tri-Council has the following concerns:

- The IPEDS data used to determine supply includes graduates for every type of nursing program, including Licensed Practical Nurse (LPN), RN to baccalaureate, master's, doctoral, and certificate programs. These graduates are not new RNs and should not be included in the supply total. In the company's analysis of where RN graduates are being produced, they point to Excelsior College, the University of Phoenix, and Chamberlain College as the "top producers of registered nurses." Though the majority of graduates from Excelsior's associate degree program may indeed be new nurses, only a small percentage (3-4%) of new RNs graduated from the University of Phoenix and Chamberlain College in 2009.

- The EMSI supply data counts graduates from pre-nursing, health/medical preparatory programs, and health services/allied health programs. These should not be included in the RN category. Schools also misreported more than 2,000 LPN graduates or "completers" under the Nursing/Registered Nurse category in IPEDS, which is inflating the numbers.

- Basing the supply of new nurses on the number of new RNs who passed the national licensing examination for registered nurses, the NCLEX-RN©, may be a closer approximation to the number of nurses actually entering the workforce each year (NCSBN, 2010). Only nursing program graduates who pass this exam may legally practice in the US as an RN. In 2009, 147,812 graduates passed the NCLEX. This supply figure is almost 43,000 less than the supply figure used by EMSI (190,615).

- The EMSI analysis focused only on new nurses entering the workforce and did not consider those who leave. Data from the latest National Sample Survey of Registered Nurses (HRSA, 2010) indicate that nearly 73,000 RNs leave the profession annually due to retirement, child-rearing, returning to school, career change, death, or for other reasons. EMSI's sole focus on growth in the number of new RNs belies the true challenge of maintaining and expanding the population of working RNs to meet the growing demands for nursing services.

- On the IPEDS Website, the 2008-2009 data on degree completions is considered "early release" data, and there is a disclaimer posted stating that "early release files are provided for institutional level analysis only, and should not be used for national, state, or other aggregate estimates." Nonetheless, 2008-2009 IPEDS data were used in this analysis without noting this limitation.

- EMSI uses a proprietary database to identify demand projections that pulls from many different sources. Consequently, the Tri-Council cannot determine exactly how these numbers were derived.

Many organizations and individuals have contacted EMSI about this workforce analysis, and company representatives have been very responsive in explaining their approach and validating concerns about the limitations of using IPEDS data and the likelihood of over-estimating new RNs in the supply estimates. Even so, nursing programs are encouraged to work closely with their state workforce officials, boards of nursing, employers, and other stakeholders to ensure that current and future demands for RNs are met at the local level and that an adequate number of nurses with the right skill mix is produced to meet the population's healthcare needs.

Given the fluctuations in the economy, no one can accurately project how long the nation will take to recover and exactly when old workforce patterns may re-emerge. In the short term, the changing characteristics of employment options for new nurses is causing frustration to many new graduates who expected a different occupational outlook from what currently exists in many places. However, we know that the Baby Boomers are entering their retirement years and their demand for care is escalating, the nursing workforce is aging rapidly, and healthcare reform will soon provide subsidies for 32 million citizens to more fully utilize the healthcare system. At the same time, we know that health care was the only sector of the economy to maintain steady growth since the recession was first identified in December 2007 and that the Bureau of Labor

Statistics has identified Registered Nursing as the top profession in terms of projected growth through 2018.

Further, the latest findings from the 2008 National Sample Survey of Registered Nurses (HRSA, 2010) points to the first wave of projected retirements from the nursing workforce. Even though 444,668 nurses received their license to practice from 2004 through 2008, the U.S. nursing workforce only grew by 153,806 RNs during this timeframe providing the first clear indication of the large scale retirements which the aging nursing profession has begun and will continue to experience. Given the demographics of the nursing workforce, this pattern is expected to continue over the next decade.

In light of these realities, the Tri-Council is very concerned that diminishing the pipeline of future nurses may put the health of many Americans at risk, particularly those from rural and underserved communities, and leave our healthcare delivery system unprepared to meet the demand for essential nursing services.

Practicing nurses and those new to the profession are strongly encouraged to see the current trend in RN entry-level employment as an opportunity to move their career to the next level. Nurses with advanced education are needed now to serve in a variety of roles as faculty, scientists, primary care providers, specialists, and top administrators. In a consensus policy statement on the Educational Advancement of Registered Nurses released in May 2010, the Tri-Council stated that:

"There are currently too few nurses choosing to advance their education. First is a need for education advancement to the baccalaureate level then to the graduate level to meet the urgent need for Advanced Practice Registered Nurses (APRNs) and nurse educators. Current healthcare reform initiatives call for a nursing workforce that integrates evidence-based clinical knowledge and research with effective communication and leadership skills. These competencies require increased education at all levels. At this tipping point for the nursing profession, action is needed now to put in place strategies to build a stronger nursing workforce."

The Tri-Council organizations agree that a more highly educated nursing profession is no longer a preferred future; it is a necessary future in order to meet the nursing needs of the nation and to deliver effective and safe care.

References

Health Resources and Services Administration [HRSA]. (2010). Initial findings: 2008 National Sample Survey of Registered Nurses. Download at http://bhpr.hrsa.gov/healthworkforce/rnsurvey/initialfindings2008.pdf.

National Council of State Board of Nursing [NCSBN]. (2010). 2009 number of candidates taking NCLEX examination and percent passing, by type of candidate. Download at https://www.ncsbn.org/Table_of_Pass_Rates_2009.pdf.

The Tri-Council is an alliance of four autonomous nursing organizations each focused on leadership for education, practice and research. While each organization has its own constituent membership and unique mission, they are united by common values and convene regularly for the purpose of dialogue and consensus building, to provide stewardship within the profession of nursing. These organizations represent nurses in practice, nurse executives and nursing educators. The Tri-Council's diverse interests encompass the nursing work environment, health care legislation and policy, quality of health care, nursing education, practice, research and leadership across all segments of the health delivery system.

Dr. Peter Buerhaus' perspective on the short- and long-term outlook for registered nurses in the US:

Both the near and long-term outlooks for the stability and growth of the nursing workforce are dominated by the aging of RNs and by uncertainty over key economic factors. In the near-term (next couple of years) we can expect that, until there is a strong jobs recovery, most hospitals and other employers will continue to find that they can employ all the RNs they want at prevailing wages. To some observers, this situation might understandably suggest that it would be wise to decrease the production of new nurses and thereby avoid enlarging what might already be an excess supply of RNs. The danger of this strategy is, of course, that once the jobs recovery begins and RNs' spouses return to work, many currently employed RNs could leave the workforce. Because hospital employment of RNs over the age of 50 increased by more than 100,000 in 2007 and 2008, the exit could be swift and deep as many of these RNs seek to resume (or begin) their retirement once their spouses' rejoin the labor market. And just as fast as the current great recession unfolded, we could find ourselves facing yet another nursing shortage. Because of the uncertainty about how soon a jobs recovery will unfold, uncertainty over whether it will be a slow or fast jobs recovery, and because of uncertainty over how fast and intensely RNs will respond to the eventual jobs recovery, slowing the production of nurses is not without significant near-term risk.

The risk grows even more consequential when shifting the time horizon out over the longer-term. Over the next 15 years, it is reasonable to assume that demand for RNs will grow considerably due to a number of factors, including (but not limited to): the increasing size of the population; the expansion of health insurance coverage to tens of millions of currently uninsured Americans via the enactment of health reform; the changing age composition of the population marked primarily by the estimated 80 million baby boomers, the first of whom reach 65 years of age in 2011 (those over the age of 65 consume much more healthcare services compared to those under 65); advances in technology; and the expected shortage of physicians that will shift more work onto nurses. How much demand will grow is uncertain, but there is little doubt that it will outpace the growth of the size of the nursing workforce. Currently, nearly 900,000 RNs (out of an estimated 2.6 million working RNs) are over the age of 50, and large numbers of these RNs are expected to retire in the years ahead (independent of the pace and intensity of a jobs recovery). Thus, the long-term task before the profession is twofold: replace these aging baby boom RNs, and beyond that, increase the total supply of RNs to meet the increasing demand.

Given the magnitude of these long-term challenges, it is important to resist the short-term urge to curtail the production of RNs. If nursing education capacity is decreased now, the ability to respond to the longer term, yet more predictable challenges will be hampered, as well as responding to the unpredictable near-term challenges should a strong and swift jobs recovery develop. Meeting both short-and long-term challenges is vital for the healthcare system, the health of society, and for the advancement of the nursing profession over the next two decades. The costs of failing to meet these challenges must be weighed against the benefits of reducing the current capacity of nursing education programs. Rather than decrease education capacity and output of new nurses and become caught up with the distraction that such a policy could ignite, now is the time to intensify the search for novel and effective ways to engage new graduates into the nursing profession so that we will be ready to respond successfully for both near- and longer-term challenges.

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