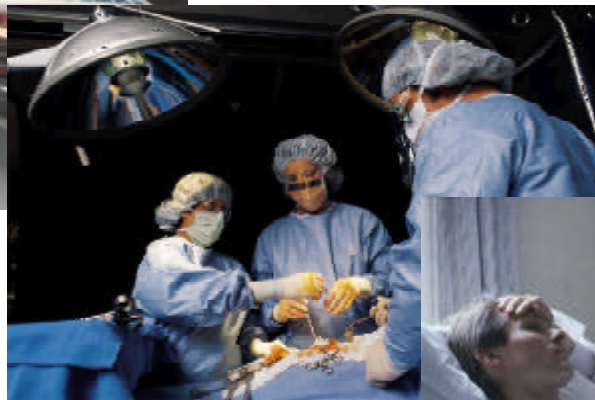


FHA Eye on the Health Care Workforce

Florida's Nursing Shortage Continues

**FHA Study on
Nurse Staffing Issues in Florida
October 2002**



An Association of Hospitals & Health Systems



FHA Nurse Staffing Issues Survey: Florida's Nursing Shortage Continues October 2002

Executive Summary

Florida continues to face a serious shortage of registered nurses. While the demand for nurses is increasing, the supply is not. The latest data from the National Center for Health Workforce Analysis projects by 2020, Florida will need 61,000 more nurses than what is projected to be available. Recent data from hospitals show some improvement in filling vacant positions; however, a long-term solution is necessary to ensure there are enough nurses to care for Florida's aging population. Results from the Florida Hospital Association's annual nurse staffing survey are:

- One-in-eight (12.5 percent) of the nursing positions in Florida hospitals were vacant. While the data indicate some improvement, the nursing shortage is still at a critical level. Based on our sample of hospitals, we estimate there were 8,660 vacant RN positions in February 2002.
- Hospitals on the West Coast (Tampa Bay to Naples) experienced the greatest shortage with a 17 percent RN vacancy rate. Central Florida hospitals saw the most improvement with the RN vacancy rate falling from 17 percent to 9 percent in 2002.
- Telemetry/stepdown, critical care and medical/surgical were nursing areas with the highest vacancy rates. One-in-five telemetry RN positions, 17.2 percent of the critical care positions and 15.5 percent of the medical/surgical were unfilled at the time of the survey.
- The turnover rate, i.e. percentage of nurses leaving the hospital, fell to 18.6 percent from 20.5 percent the prior year, an indication that hospital retention strategies were having an impact. Turnover rates were highest for psychiatric and emergency nurses.
- Almost half of the hospitals indicated taking longer than 90 days to fill any vacant nursing position. Critical care and evening/night shifts were the hardest positions to fill.
- Hospitals participating in the FHA survey incurred \$158.8 million in 2001 filling vacant nursing positions. Overtime was the most common method used to fill vacant positions, followed by contract/traveling nurses, per diem/in-house nursing pools and temporary agencies.
- Hospitals spent, on average, \$226,000 in 2001 for nurse recruitment. One-half of the hospitals offered sign-on bonuses to attract nurses. Forty percent of the hospitals were recruiting foreign nurses to fill vacant positions, with most recruiting in the Philippines.
- Emergency department overcrowding was the most common impact of the nursing shortage. Almost one-third of the hospitals experienced increased patient complaints and ER diversions.

State and federal legislation passed during 2002 should help fund nurse training programs and other efforts to attract people to the nursing profession. Hospitals are actively involved in nursing education, providing scholarships and enhancing the image of nursing. State, federal and local efforts must continue so the needs of Florida's population can be met in the future.

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FHA Nurse Staffing Issues Survey: Florida's Nursing Shortage Continues

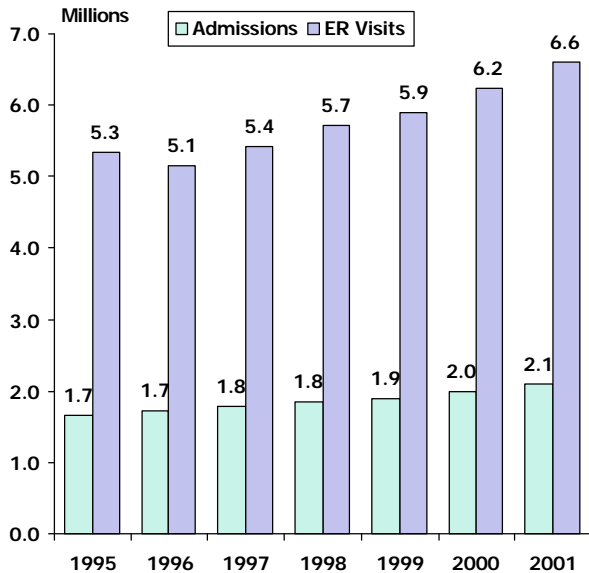
October 2002

Florida's Demand for Nurses Exceeds the Supply

Florida is facing a critical shortage of nurses. As the demand for nurses grows, the supply of RNs has not expanded. Hospital admissions are at record levels, topping 2.1 million in 2001. Emergency room visits are up 5 percent to 6.6 million. Florida's population is getting older, requiring more health care services. Paperwork is consuming valuable nursing time, requiring 30 minutes for every one hour of patient care delivered.¹ Nurse staffing legislation, passed in California and under consideration in other states, will require even more nurses to meet imposed RN-to-patient ratios. Without an adequate supply of nurses, hospitals will be unable to care for Florida's growing and aging population.

Demands for Hospital Services Continues to Grow...

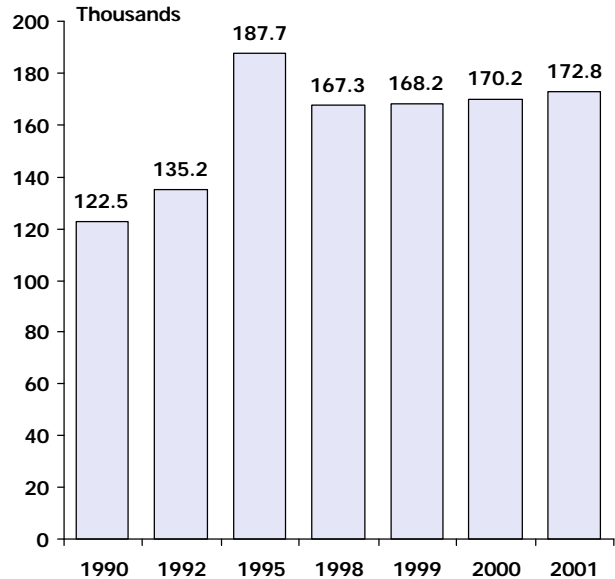
Admissions & ER Visits in Florida Hospitals



Source: AHCA Financial Filings, FY1995 - FY2000

While the Supply of Nurses Remains Constant

Licensed RNs in Florida



Source: Florida Statistical Abstract, 1991 - 2001

During this time of increased demand for nursing staff, approximately 173,000 RNs were licensed in Florida. Since non-working RNs, out-of-state RNs, and retired RNs continue to maintain their Florida license, this number is misleading. The Health Resource and Services Administration (HRSA) estimates 79 percent of those holding active Florida licenses held health-related jobs.² Thus, the actual number of working Florida nurses is around 136,000. Nursing as a career has become less attractive, especially since there are more, less stressful career options available. Fewer students are enrolling in nursing programs, many nurses are leaving the field, and some hospital-based nurses are moving out of the hospital to less stressful environments with regular hours. Those remaining in the nursing field are getting older. More than half (52 percent) of all registered nurses nationally are 45 years or older. Many are approaching retirement

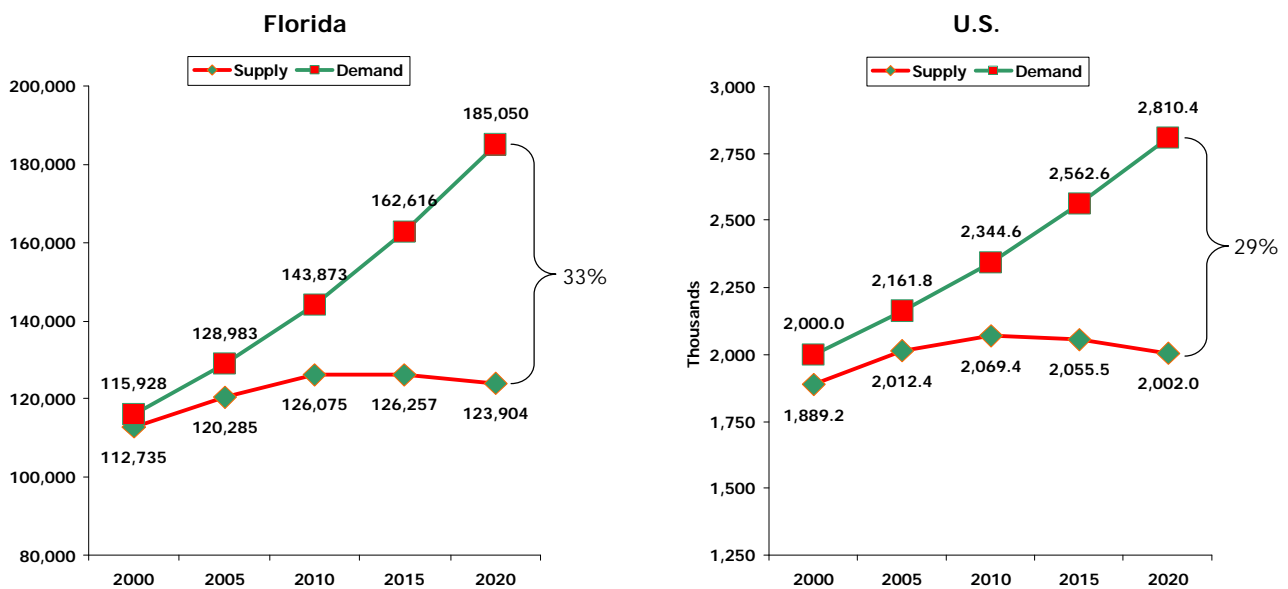
age. Any efforts to increase nursing school enrollment will be limited due to an aging, shrinking number of nursing faculty.

A GAO study, released in 2001, found evidence of an emerging nursing shortage but indicated the shortage would not occur until 2007.³ Data from hospitals in Florida and across the country contradicted the GAO findings with an estimated 9,800 vacant nursing positions in Florida and 126,000 nationally during 2001.

More recent data from the HRSA *Bureau of Health Professions National Sample Survey of Registered Nurses* document the existence of a current nursing shortage. HRSA data show demand exceeded supply by 111,000 RNs in 2000, a 9.3 percent shortage. Between 2000-2020, HRSA estimates the demand for nurses will grow 40 percent, while the supply of nurses will increase by 6 percent, resulting in a 29 percent shortfall of nurses needed to meet the health care needs of the population.⁵

Florida's situation is worse. HRSA estimated the demand for nurses in Florida exceeded supply by 3,200 nurses or 7 percent in 2000. By 2020, 185,000 nurses will be needed, but only 124,000 will be available, a 33 percent shortfall.

By 2020, Demand for RNs Will Exceed Supply by 33% in Florida and 29% Nationally



Source: "Projected Supply, Demand and Shortages of Registered Nurses: 2000 - 2020," HHS, HRSA Bureau of Health Professions, National Center for Health Workforce Analysis, July 2002

This report presents the latest data on the nursing shortage in Florida hospitals.

Results of the FHA Survey on Nurse Staff Issues – 2002

Since 1987, the Florida Hospital Association (FHA) has surveyed hospitals annually on nursing staffing issues, specifically looking at vacancy rates, turnover rates, and length of time to fill open positions. The surveys are designed to identify any problems hospitals are experiencing in filling nursing positions. This information is critical to hospitals, legislators, schools of nursing, the media, and the general public since an adequate supply of nurses is critical to the health care system. A copy of the survey is available in the Appendix.

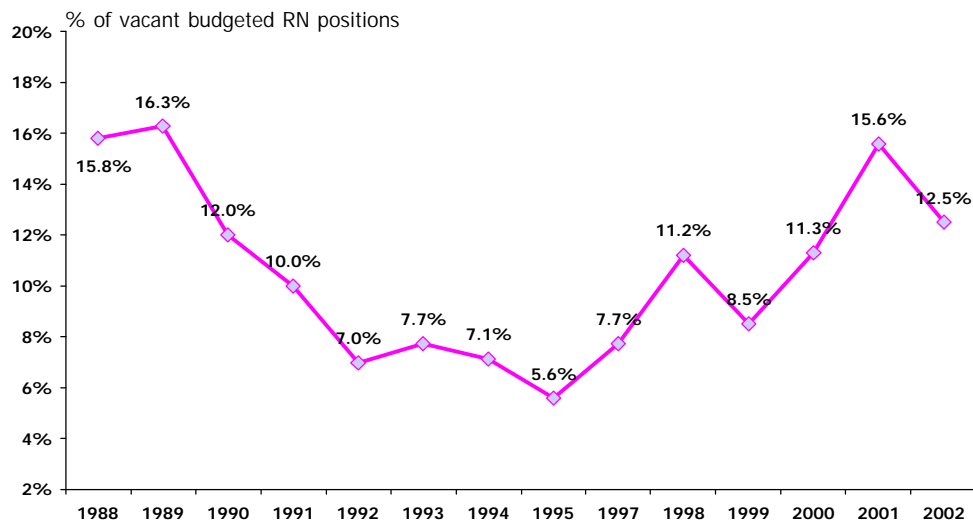
Surveys were faxed to FHA's 201 acute care member hospitals requesting data for the week of February 17 through February 23, 2002. Eighty-four hospitals and hospital systems representing 103 hospitals responded, resulting in a 51.2 percent response rate. Every bed size category, except 300-399 beds, and every region, except South Florida, had at least a 50 percent response rate. A list of the participating hospitals and health systems is in the Appendix.

Statewide RN Vacancy Rate Was 12.5%

One of the key indicators used to assess whether a nursing shortage exists is the percentage of vacant positions. Vacancy rates compare the number of vacant or open positions as a percentage of total budgeted positions that are actively being recruited.

As of February 2002, data from 68* hospitals showed that 3,179 nursing positions were unfilled, representing a 12.5 percent vacancy rate for all RNs. Based on this data,** an estimated 8,700 nursing positions were unfilled in February 2002. The 2002 data reflect a slight improvement over 2001 when Florida hospitals reported a 15.6 percent vacancy rate. Historically, vacancy rates vary from year to year, reaching a high of 16.3 percent in 1989, at the height of the last nursing shortage. Florida's vacancy rates improved slightly in 2002 but still remain high.

**Florida's RN Vacancy Rate
1988 - 2002**



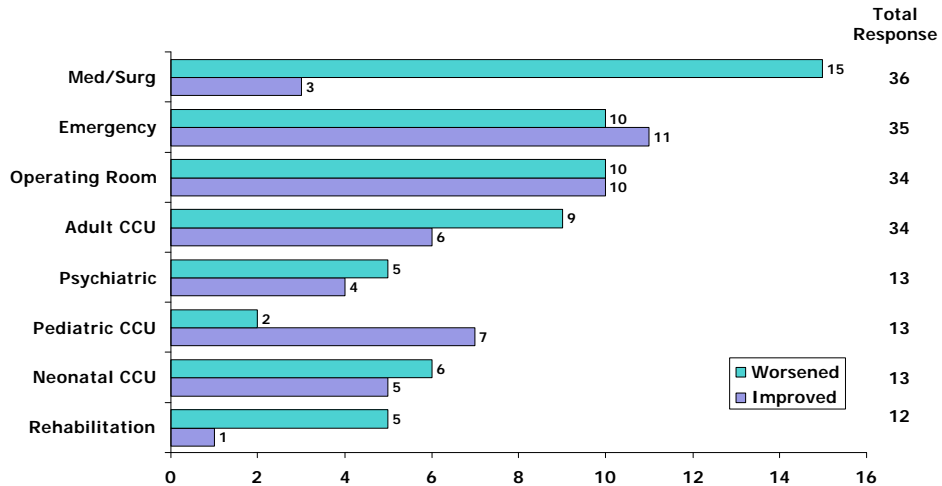
Note: Survey was not conducted in 1996
Source: FHA Nurse Staffing Supply Surveys, 1989-2002

This year, the vacancy rates ranged from a low of 3.3 percent to a high of 44.4 percent, indicative that certain hospitals within the state were experiencing greater difficulties than others. Twelve hospitals/health systems reported overall nurse vacancy rates above 20 percent – one-in-five RN positions were unfilled. Only four hospitals had vacancy rates of 5 percent or less. These hospitals were located in Florida's Central and Panhandle Regions. Half of the hospitals reporting data for the past two years reported higher vacancy rates in 2002. These higher vacancy rates were reported by hospitals located throughout the state and varied by size, rural/urban setting, and type of ownership.

*Only 68 of the 84 hospitals provided vacancy information.

**The data were analyzed by bed size and region of the state to determine an approximate number of vacant positions for all acute care hospitals.

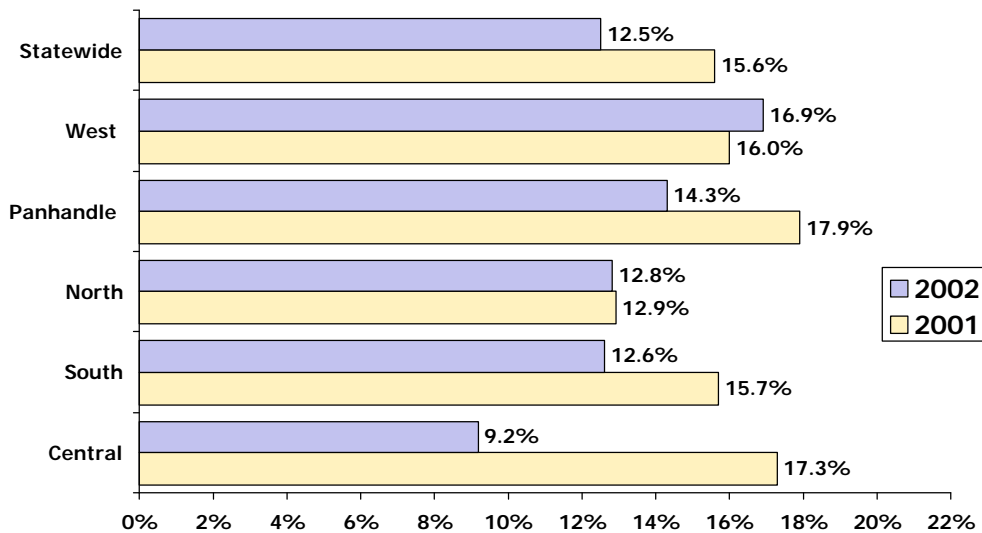
Severity of Shortage: How It Has Changed Since 2001



Source: FHA Nurse Staffing Issues in Florida Survey, 2002

Hospitals in Florida’s West Region (Tampa Bay-Naples) had the highest vacancy rates of any region, 16.7 percent, and were the only group to report a higher vacancy rate in 2002 than in 2001. Central Florida hospitals had the lowest vacancy rate with the vacancy rate falling to 9.2 percent from 17.3 percent in 2001. Hospitals in the Panhandle saw RN vacancy rates fall from 17.9 percent to 14.3 percent in 2002, while South Florida’s rate fell from 15.7 percent to 12.6 percent.

RN Vacancy Rates by Region: 2001 vs. 2002



Source: FHA Nurse Staffing Issues in Florida Surveys, 2001 & 2002

Vacancy Rates by Specialty

Medical/surgical nursing positions represented almost one-third of the vacant RN positions in the hospital. Critical care accounted for 22 percent and telemetry 18 percent. Combined, these three specialties account for 71 percent of the vacant positions with Florida hospitals.

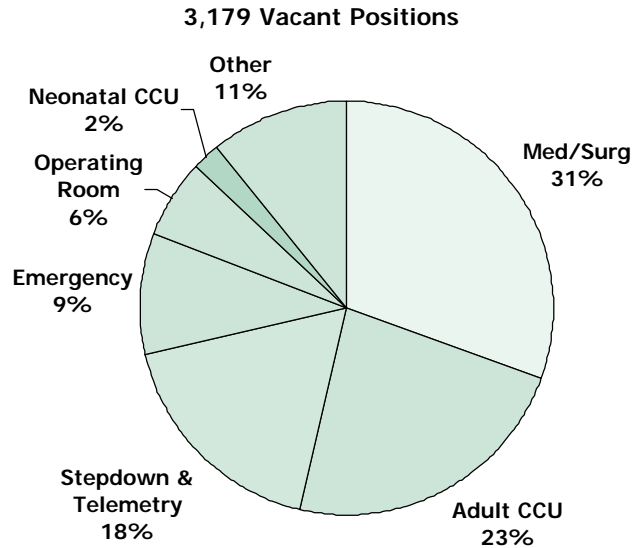
Stepdown/telemetry RNs, adult critical care, and medical/surgical RNs had the highest vacancy rate in the state. These three RN specialties account for 84 percent of the vacant RN positions statewide.

One-in-five stepdown/telemetry RN positions were vacant, the highest vacancy rates of all specialties. Stepdown/telemetry units are transitional units for patients being transferred out of critical care but who are too sick to be placed on a regular nursing floor. Since stepdown/telemetry RNs were new to the 2002 survey, there is no historical data to show whether it is worse or better than in the past.

Two specialties – critical care and operating room – reported higher vacancy rates in 2002. The critical care RN vacancy rate rose to 17.2 percent from 16.8 percent in 2001. Seventy percent of hospitals saw their vacancy rates for adult critical care increase from 2001. Vacancy rates for operating room RNs increased to 8.3 percent from 8.0 percent in 2001.

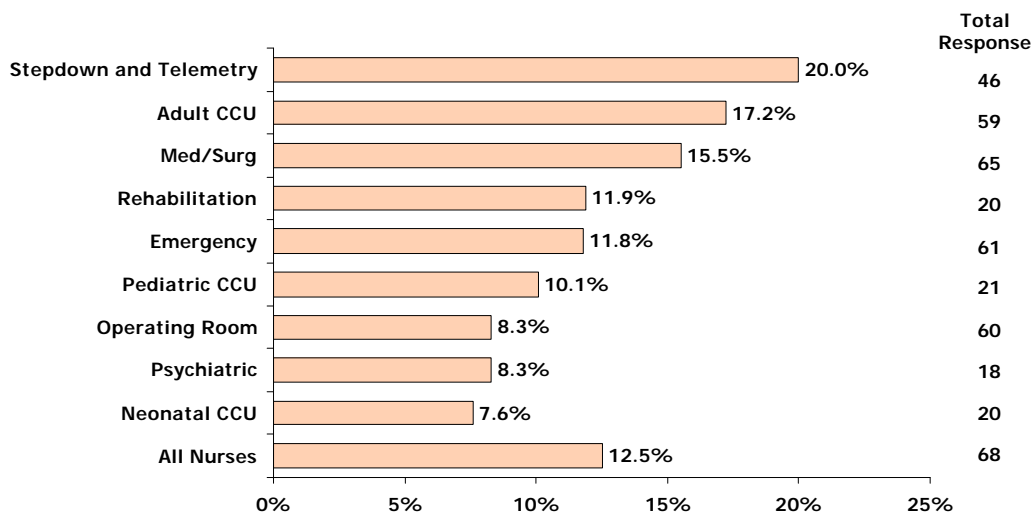
Improvements in vacancy rates were seen in four nursing specialties – pediatric critical care, medical/surgical, emergency department, and neonatal units. Medical/surgical RNs, with the highest vacancy rate in 2001, this year saw significant improvement.

Percent of Vacant Positions by Specialty



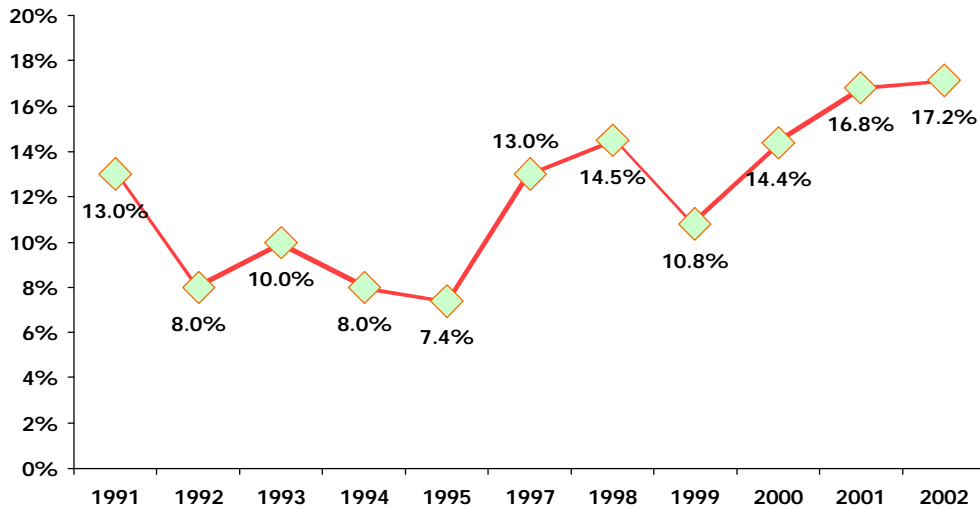
Source: FHA Nurse Staffing Issues in Florida Surveys, 2001 & 2002

Vacancy Rates by RN Specialty Areas: 2002



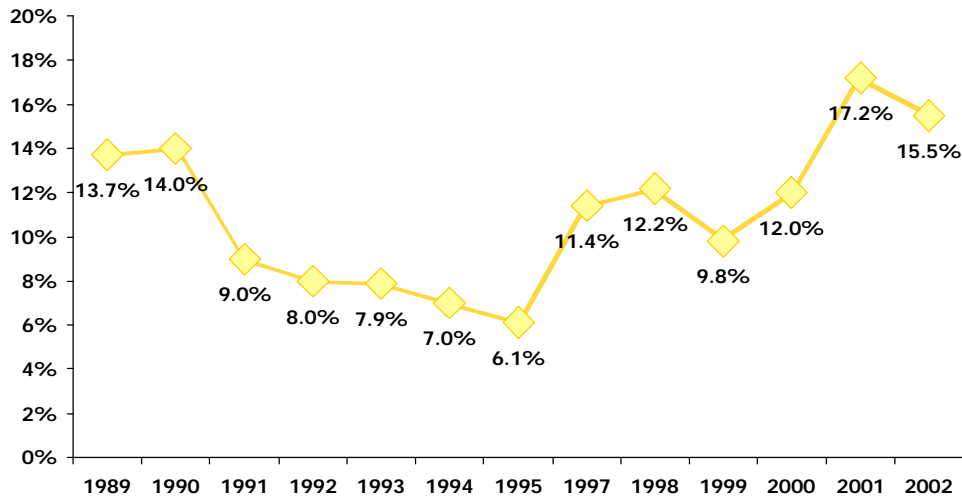
Source: FHA Nurse Staffing Issues in Florida Survey, 2002

Vacancy Rates for Adult Critical Care: 1991-2002



Note: Critical care nursing data are not available for 1998 and 1990
 Source: FHA Nurse Staffing Supply Surveys, 1991-2002

Vacancy Rates for Medical/Surgical RNs: 1989-2002

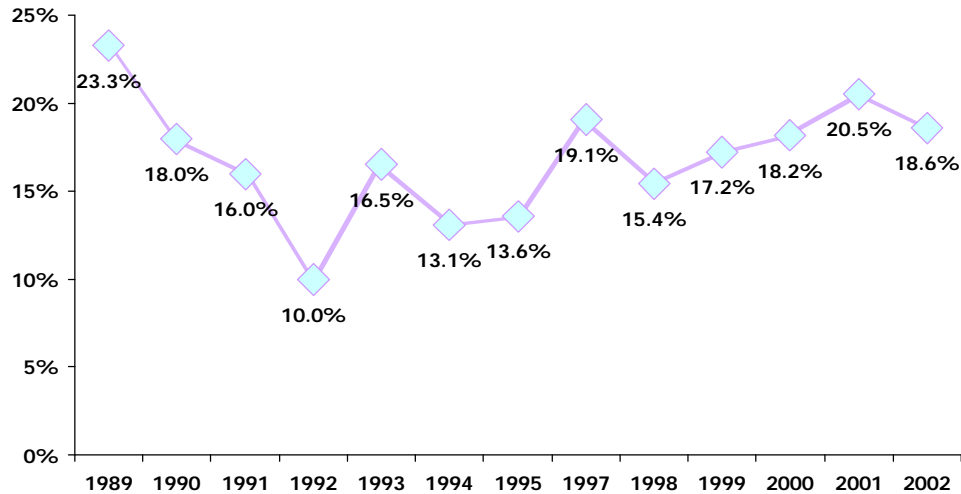


Note: Survey was not conducted in 1996
 Source: FHA Nurse Staffing Supply Surveys, 1989-2002

Turnover Rates

Turnover rates are another measure of workforce shortages and issues. High turnover reflects the stresses of the job and can be quite costly. High turnover results in higher recruitment costs, use of temporary staff, and training costs. In 2002, the RN turnover rate fell to 18.6 percent, down from 20.5 percent the prior year. Comparing hospitals that reported both years, half of the hospitals saw their turnover rates fall while the other half saw an increase. Turnover rates ranged from 0 percent to 96.1 percent. Seven hospitals had turnover rates above 50 percent in 2002.

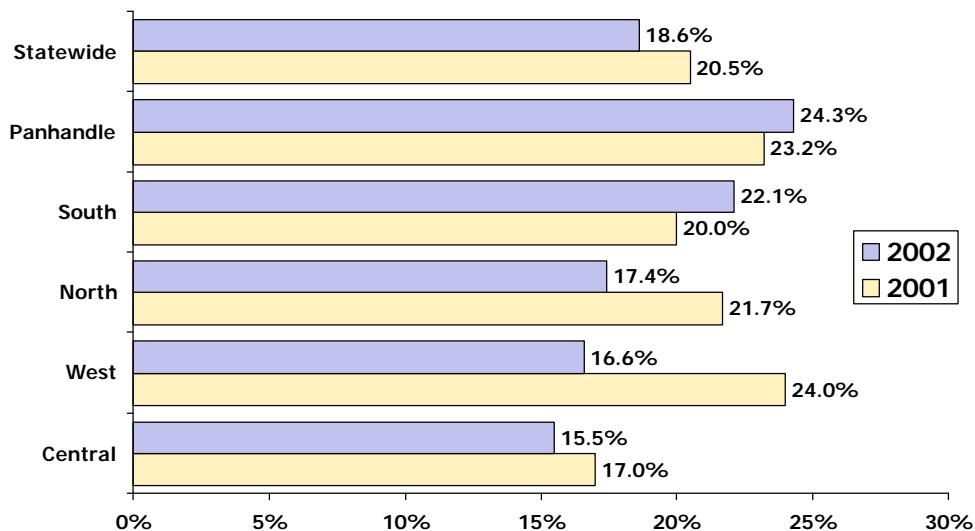
RN Turnover Rates in Florida Hospitals: 1989-2002



Note: Survey was not conducted in 1996
 Source: FHA Nurse Staffing Supply Surveys, 1989-2002

Despite the statewide turnover rate falling, two regions, the Panhandle and South Florida, saw their turnover rates rise. West Florida, the area with the highest vacancy rate, saw the most improvement in its turnover rate, falling from 24 percent in 2001 to 16.6 percent in 2002.

RN Turnover Rates by Region: 2001 vs. 2002



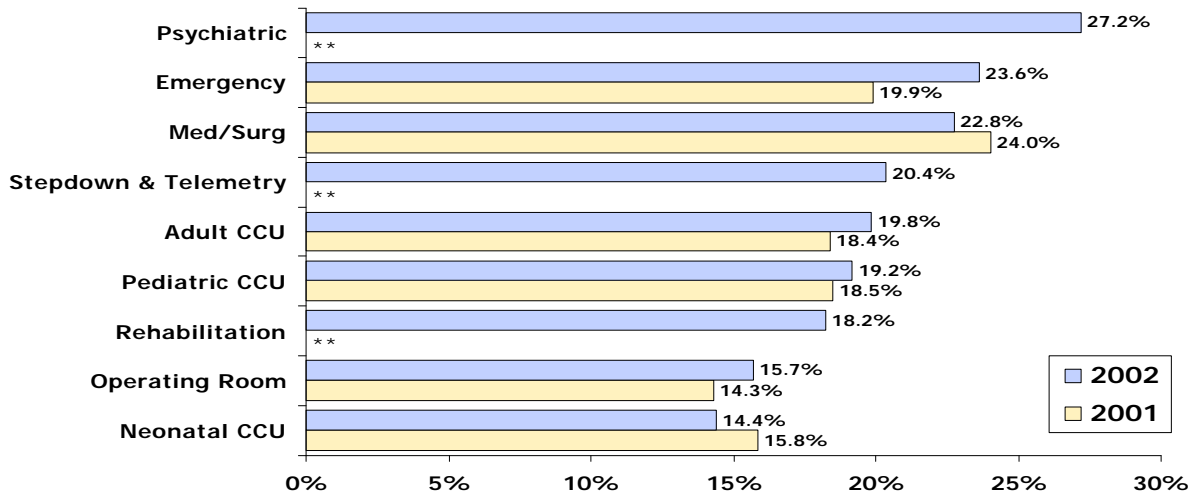
Source: FHA Nurse Staffing Issues in Florida Surveys, 2001 & 2002

Turnover Rates by Specialty

Turnover was highest for psychiatric RNs and emergency department RNs. The lowest turnover was seen for neonatal unit RNs and operating room RNs.

Emergency department, critical care, pediatric critical care, and operating room RNs had higher turnover rates in 2002 than the previous year. Medical/surgical RNs and neonatal RNs were lower in 2001. Turnover rates for stepdown/telemetry, psychiatric, and rehabilitation RNs were not included in the 2001 survey.

Turnover Rates by RN Specialty Area: 2001 vs. 2002



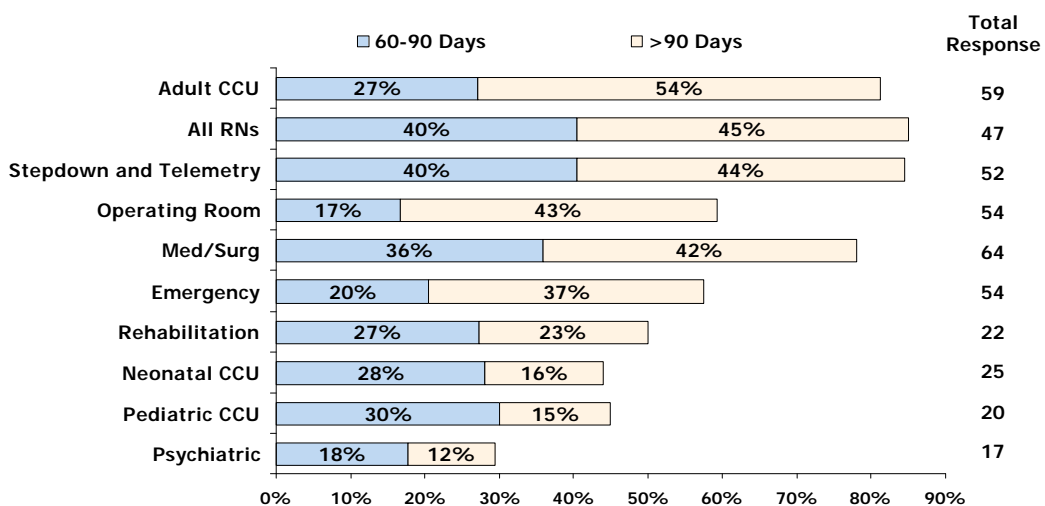
** Position was not included in 2001 survey

Source: FHA Nurse Staffing Issues in Florida Survey, 2001 & 2002

Length of Time to Fill Vacant Positions

The average time it takes to fill an open position is another indicator of whether a nursing shortage exists. Eighty-five percent of the hospitals reported taking longer than 60 days to fill an open RN position. More than half of the hospitals indicated it took longer than 90 days to fill an open position. Within the RN specialties, critical care RN positions took the most time to fill, with 54 percent of the hospitals requiring more than 90 days to fill an open position. At least 40 percent of the hospitals required more than 90 days to fill open positions for stepdown/telemetry, operating room and medical/surgical RNs.

% of Hospitals Requiring 60 or More Days to Fill Open Positions by Specialty

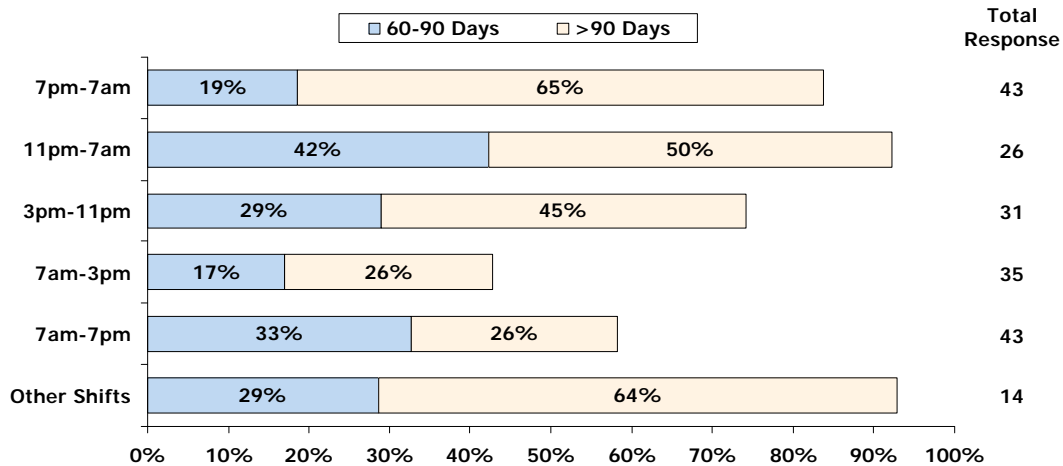


Source: FHA Nurse Staffing Issues in Florida Survey, 2002

In comparison to last year, 38 percent felt the length of time to fill an open critical care position had increased while 44 percent saw no change. Half of the hospitals reported taking longer to fill a medical/surgical RN position this year, compared to last, while 27 percent saw no change. Open pediatric critical care and neonatal critical care positions required less time to fill in 2002 than in 2001.

Hospitals must staff 24 hours a day, seven days a week. In some cases, it is even more challenging to fill certain shifts than a specific specialty. Of the vacant positions, 48 percent were for the 12-hour night shift or the eight-hour night shift. Almost two-thirds of the hospitals reported taking longer than 90 days to fill an open position for the 7 p.m. to 7 a.m. shift, with 84 percent of the hospitals requiring more than 60 days to fill an opening on this shift. Half of the hospitals reported it took more than 90 days to fill vacancies in the 11 p.m. to 7 a.m. shift, with 92 percent of the hospitals reporting taking longer than 60 days.

% of Hospitals Requiring 60 or More Days to Fill Open Positions by RN Shift



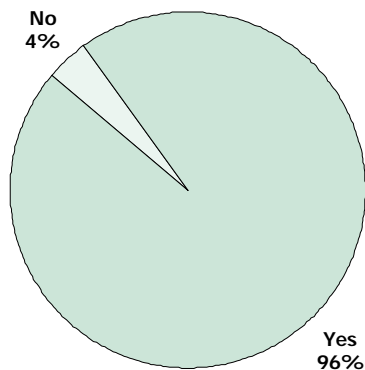
Source: FHA Nurse Staffing Issues in Florida Survey, 2002

Taking the Pulse: Does a Shortage Exist?

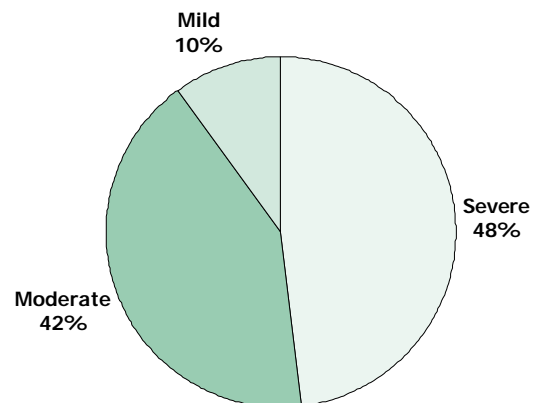
The survey included questions regarding a hospital's perception on whether a nursing shortage exists and, if so, the severity of the shortage. Ninety-six percent of the participating hospitals felt there was a shortage of all nurses. Of these hospitals, 48 percent rated the shortage as "severe."

Almost All of the Hospitals Feel There is a Nursing Shortage

Is There a Nursing Shortage?



48% Rate It as "Severe"

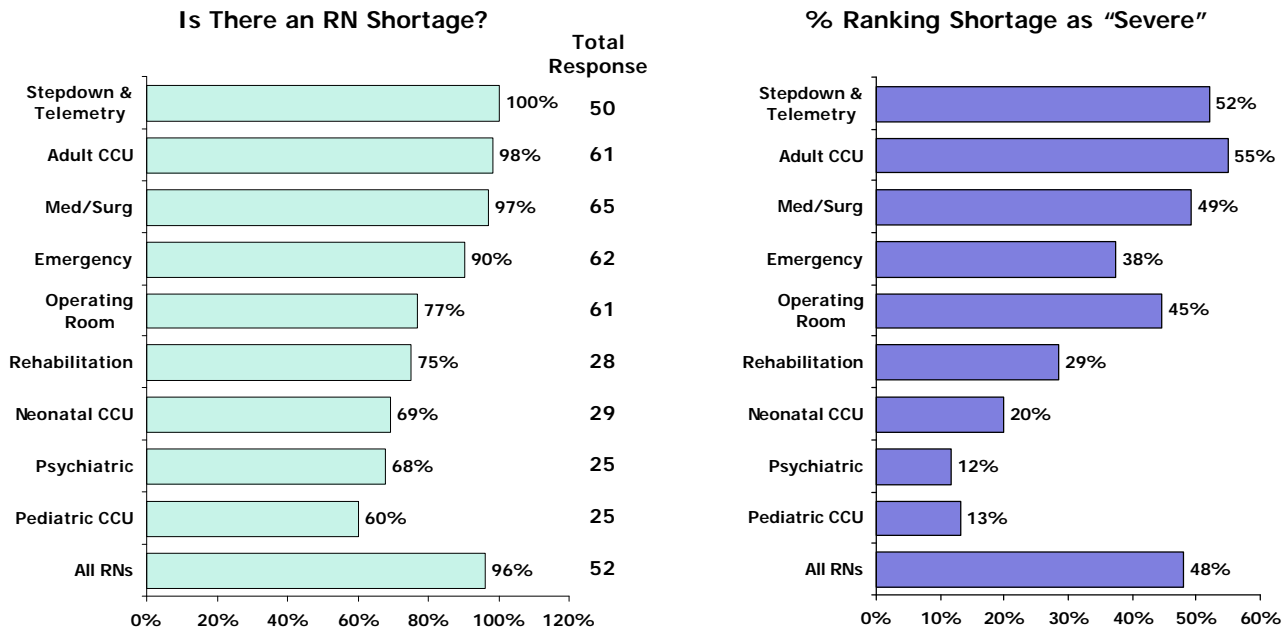


N = 52

Source: FHA Nurse Staffing Issues in Florida Survey, 2002

All hospitals agreed there was a shortage of stepdown/telemetry RNs, with 52 percent categorizing the shortage as “severe.” All but one hospital felt there was a shortage of adult critical care RNs; of those, 55 percent rated it as “severe.” Medical/surgical was the third area where most hospitals felt there was a shortage, with 49 percent ranking it “severe.” Fewer hospitals indicated there was a shortage of pediatric critical care, psychiatric, and neonatal critical care nurses.

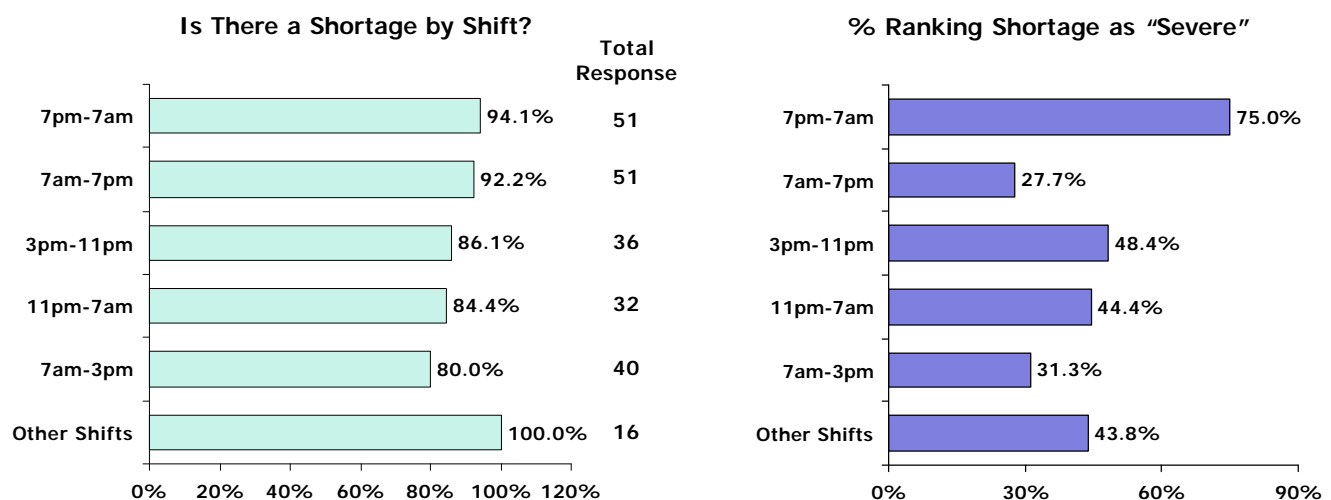
Perception of Nursing Shortage by RN Specialty Area



Source: FHA Nurse Staffing Issues in Florida Survey, 2002

Consistent with data on the length of time to fill a position, 94 percent of the hospitals felt there was a shortage of RNs to work the 12-hour night shifts. Three-quarters of these hospitals rated the shortage for this shift as “severe.” Even during regular hours, 12-hour shifts were difficult to fill, with 92 percent reporting a shortage for the 7 a.m. to 7 p.m. shift, but only 28 percent rated that shift as “severe.”

Perception of Nursing Shortage by Work Shift

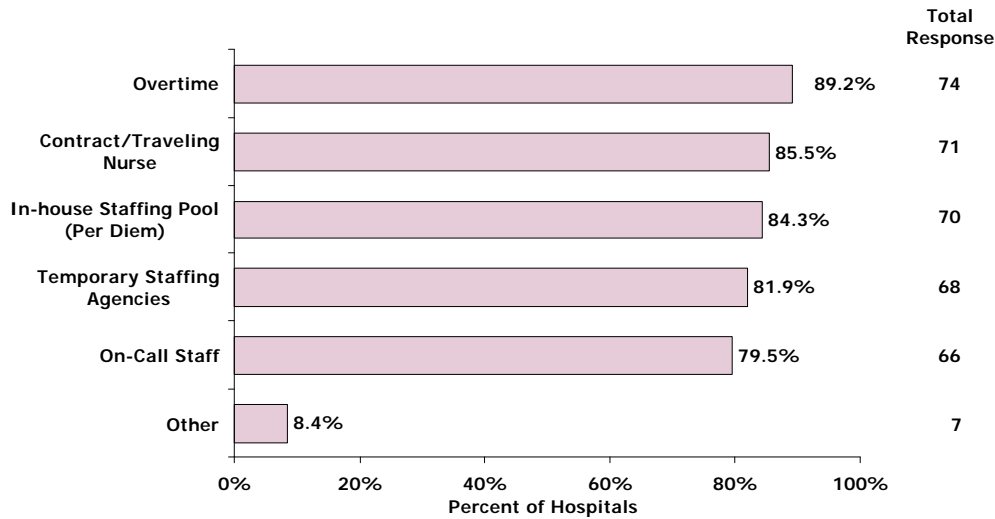


Source: FHA Nurse Staffing Issues in Florida Survey, 2002

Methods Used to Fill Vacant Positions

Overtime was the most common way to provide staffing coverage, with 89 percent of the hospitals using it to fill vacant positions. Hospitals reported using overtime primarily for last minute absences and to replace nurses calling in sick. Using overtime for covering budgeted but vacant positions and to handle unusual workloads was less common. During 2001, one million hours of overtime were incurred by those hospitals reporting data. Overtime cost the hospitals \$30.9 million during 2001.

Most Common Methods to Fill Vacant Positions

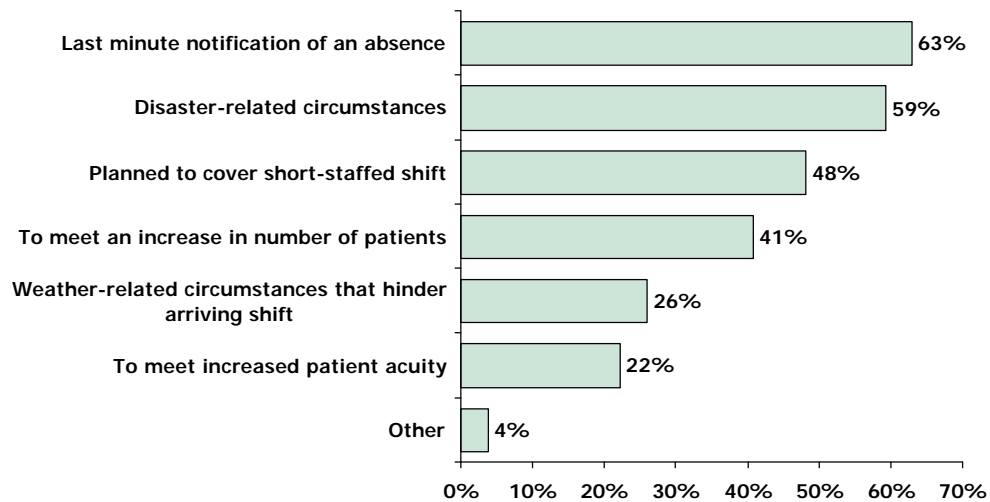


N = 83

Source: FHA Nurse Staffing Issues in Florida Survey, 2002

Twenty-seven hospitals (36 percent) indicated they may mandate overtime, but only in times when there is a last minute notification of an absence, in response to a disaster or weather related incident, to cover a short-staffed shift, or an increased patient load. In each case, the overtime may be necessary to ensure patient safety.

Circumstances in Which Overtime is Mandatory



N = 27

Source: FHA Nurse Staffing Issues in Florida Survey, 2002

Contract or traveling nurses was the second most common approach to filling vacant positions. Contract/traveling nurses sign a contract to work for a specific number of weeks at a particular hospital. This method was primarily used to cover budgeted but vacant positions. Hospitals spent \$20.6 million on contract/traveling nurses in 2001, making it the most expensive option to fill vacant positions. The costs for contract nurses ranged from \$21 to \$56 per hour. Charges were highest for critical care, neonatal, stepdown/telemetry, emergency department, and operating room nurses, with the median charge of \$48 per hour.

The Hourly Cost of Filling Vacant Positions With Contract/Travel Nurses by Specialty

	Resp.	Minimum	Median	Maximum
Medical/Surgical RN	45	\$21.00	\$44.64	\$55.00
Critical Care RN (ICU, CCU, SICU)	48	\$21.00	\$48.00	\$56.00
Pediatric ICU RN	14	\$21.00	\$46.50	\$53.30
Neonatal ICU RN	17	\$33.71	\$48.00	\$52.00
Stepdown and Telemetry RN	37	\$21.00	\$48.00	\$56.00
Emergency RN	41	\$21.00	\$48.00	\$56.00
Operating Room RN	31	\$21.00	\$48.00	\$55.00
Psychiatric RN	9	\$21.00	\$45.00	\$50.00
Rehabilitation RN	10	\$27.75	\$44.50	\$48.00
Other	5	\$40.00	\$45.00	\$52.00

Source: FHA Nurse Staffing Issues in Florida Survey, 2002

Nurses who do not want to work full time might join a hospital's nursing pool or per diem staff. In-house nursing pools were the third most common method, with 84 percent of the hospitals using this to fill vacant positions. Pool or per diem nurses were more likely to be used to cover budgeted but vacant positions or to replace sick or absent nurses. In-house staffing pool RNs worked more than 1.3 million hours to fill vacant positions, equating to 675 full-time equivalent RNs at the cost of \$59.15 per hour.

Eighty-two percent of the hospitals reported using temporary staffing agencies to fill vacant positions. Fifty-four hospitals reporting cost information spent \$18.4 million on temporary staffing agencies. Per-hour charges for nurses from a temporary agency ranged from \$20 per hour to \$58.47. The median charge for temporary agencies was highest for neonatal, critical care, pediatric critical care, stepdown/telemetry, and emergency department nurses.

The Hourly Cost of Filling Vacant Positions With Temporary Staffing Nurses by Specialty

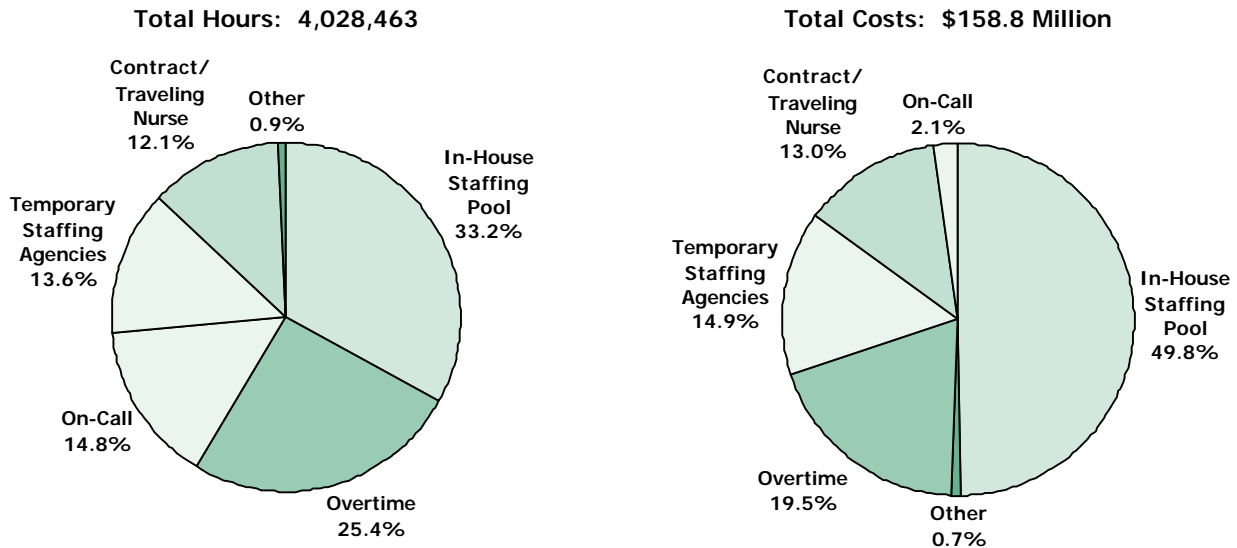
	Resp.	Minimum	Median	Maximum
Medical/Surgical RN	44	\$20.00	\$40.00	\$50.34
Critical Care RN (ICU, CCU, SICU)	44	\$24.00	\$45.00	\$58.47
Pediatric ICU RN	13	\$35.50	\$45.00	\$58.47
Neonatal ICU RN	12	\$41.45	\$45.93	\$58.47
Stepdown and Telemetry RN	34	\$22.50	\$45.00	\$57.47
Emergency RN	37	\$20.00	\$45.00	\$58.47
Operating Room RN	26	\$22.00	\$42.50	\$57.47
Psychiatric RN	7	\$36.00	\$42.00	\$52.00
Rehabilitation RN	11	\$30.00	\$40.00	\$48.00
Other	6	\$19.00	\$35.50	\$41.50

Source: FHA Nurse Staffing Issues in Florida Survey, 2002

Hospitals commonly pay staff to be "on-call," which means they are being paid to be ready to work in case they are needed. Areas using on-call staff are those ancillary areas that are not open 24 hours a day, seven days a week. About two-thirds of the hospitals reported using on-call staff to fill vacant positions, making it the least common method to obtain nursing coverage. The majority used on-call staff to handle unusual workloads or replace sick or absent nurses. Hospitals reported using 598,000 hours of on-call staff time during 2001.

In total, hospitals spent \$158.8 million dollars to cover vacant nursing positions.

Filling Vacant Positions



N = 83

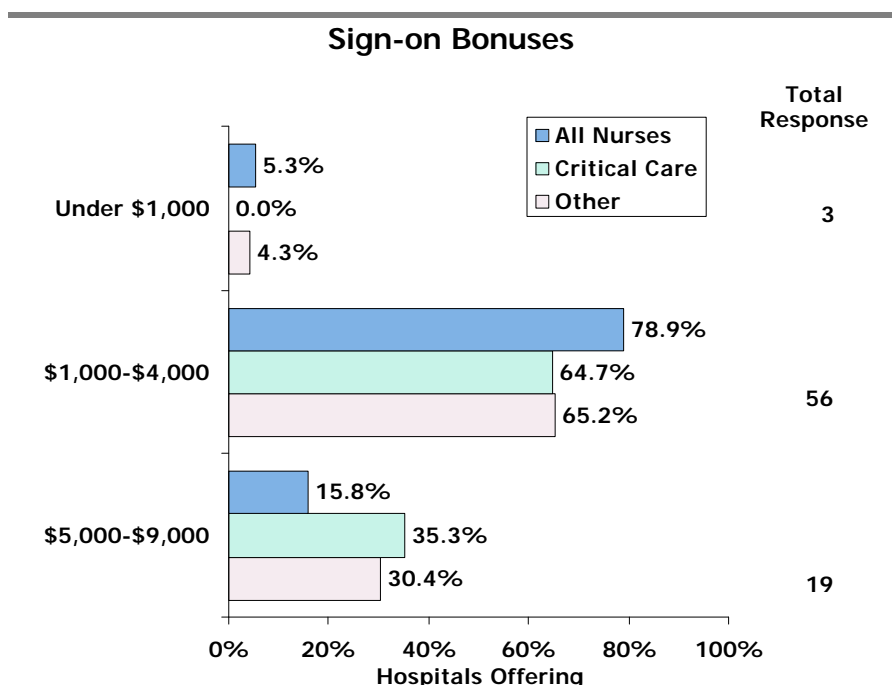
Source: FHA Nurse Staffing Issues in Florida Survey, 2002

Recruitment Activities

Hospitals use a variety of strategies to recruit nurses. Almost all hospitals use the traditional recruitment methods, i.e., advertising in newspapers and on health care Web sites, relationships with schools of nursing, and participation in health care job fairs. Some hospitals offer sign-on bonuses and/or are recruiting nurses from foreign countries. FHA's report, *Recruitment and Retention Strategies: Finding and Keeping Nurses: What's Working, 2001*, documents hospital efforts to attract and keep nurses. The 2002 survey looked at two key areas: sign-on bonuses and foreign nurse recruitment.

Sign-on Bonuses

Ninety-three percent of the hospitals reported offering sign-on bonuses to all RNs. Thirty-six percent of the hospitals offered bonuses to critical care RNs only. Of those offered bonuses, the most common amounts were \$1,000 to \$4,000, where 56 hospitals offered bonuses in that range. Nineteen hospital/hospital systems were offering bonuses in the \$5,000 to \$9,000 range. No one was offering bonuses of \$10,000 or more.



Source: FHA Nurse Staffing Issues in Florida Survey, 2002

Recruitment of Foreign Nurses

One of the successful strategies used in the nursing shortage of the late 1980's was to recruit nurses from other countries to work in the United States. Thirty-four Florida hospitals/hospital systems recruited nurses from foreign countries. Three-quarters of these hospitals focused their efforts on the Philippines and reported hiring 362 nurses in 2001. The Philippines has been a target area for many U.S. hospitals seeking to fill nursing positions. According to a *Wall Street Journal* article,⁵ 13,536 Filipino nurses left the Philippines on working visas during 2001, almost one-fourth of the nurses employed in Filipino hospitals. Because of this, the Philippines is experiencing a nursing shortage and there are efforts underway in the Philippines to stop the exodus of nurses.

Targeted Countries for Recruiting RNs

	# Hospitals Recruiting	% of Total	# RNs Hired
Philippines	32	74%	362
Canada	24	38%	70
England	24	27%	9
Ireland	21	9%	2
Puerto Rico	3	9%	13
Other	8	15%	5
Total Foreign RNs Hired:			461

Source: FHA Nurse Staffing Issues in Florida Survey, 2002

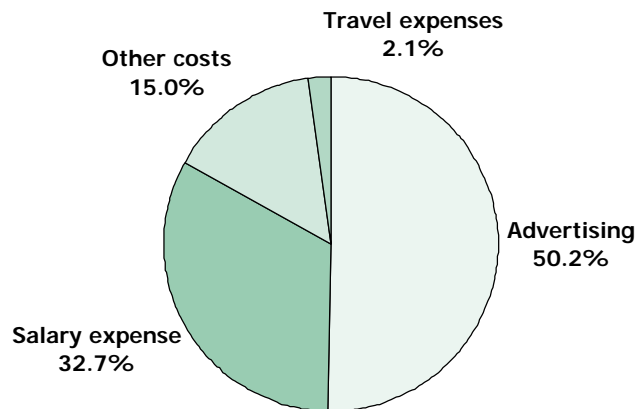
Canada was the second most popular recruitment location to recruit nurses, with thirteen hospitals hiring 70 Canadian nurses in 2001. Twenty-four hospitals recruited in England, but only nine nurses were hired. In total, 461 foreign nurses were hired by 34 hospitals, for an average of 13.6 nurses per hospital. Estimates for the cost of recruiting a foreign nurse were in the range of \$10,000 to \$12,000.

Cost of Recruitment

Nurses are critical to a hospital's ability to care for patients. Thus, Florida hospitals are devoting considerable resources to finding nurses to fill open positions. Fifty-five hospitals spent a total of \$12.4 million to recruit nurses during 2001. This is an average of \$226,196 per hospital. During 2001, these hospitals recruited 7,833 nurses, resulting in a median recruitment cost of \$1,745 per nurse hired. Advertising costs accounted for at least half of the hospitals' recruitment budgets. Hospitals' advertising costs grew three percent between 2001 and 2002. Other costs rose 23 percent, while travel and salaries were up six and seven percent respectively. Recruitment costs per RN hired were higher in the West region, with the median cost for these hospitals at \$2,528. Florida's West Coast has the highest vacancy rates and experiences the most difficulty in filling open positions.

Hospital Spending on Nurse Recruitment by Category: 2001

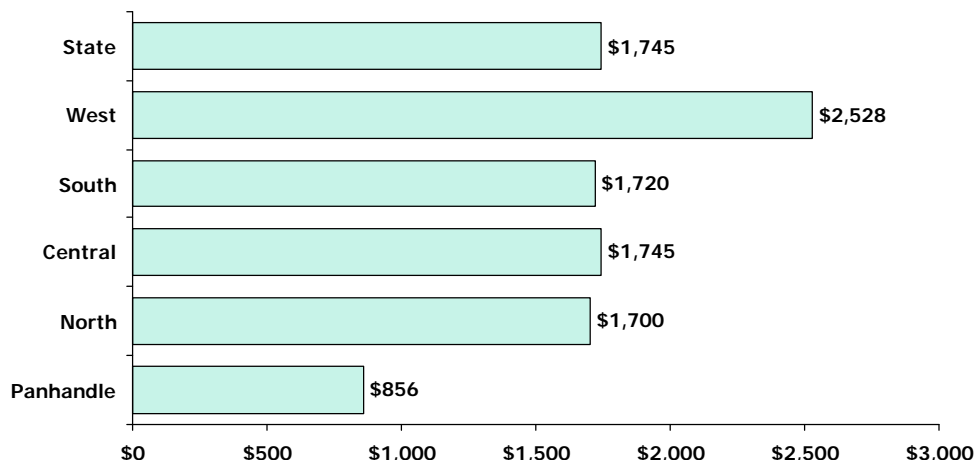
Total Recruiting Cost: \$12.4 Million



N = 55

Source: FHA Nurse Staffing Issues in Florida Survey, 2002

Median Recruitment Cost per RN Hired



N = 55

Source: FHA Nurse Staffing Issues in Florida Survey, 2002

Ensuring Adequate Staffing

All hospitals are required to meet staffing plans and standards set forth by the Joint Commission on Accreditation of Healthcare Organizations. Hospitals must continually adjust staffing patterns based on the needs of the patients and follow the accrediting standards. Approximately 75 percent of the hospitals used customized systems or patient acuity systems to determine a minimum nurse-to-patient ratio to assure staffing adequacy.

Circumstances considered to ensure adequate staff were types of patients, i.e., surgical, OB, orthopedic; volume on the unit; number of new admissions to the unit; types of medications, care team models, expertise/level of available care givers, nursing reports and feedback; and some external factors. No one “magical” formula was identified to determine the “correct” number of nurses to care for a given number of patients because that number must be adjusted to reflect varying situations.

Criteria Used to Assure Adequate Staffing

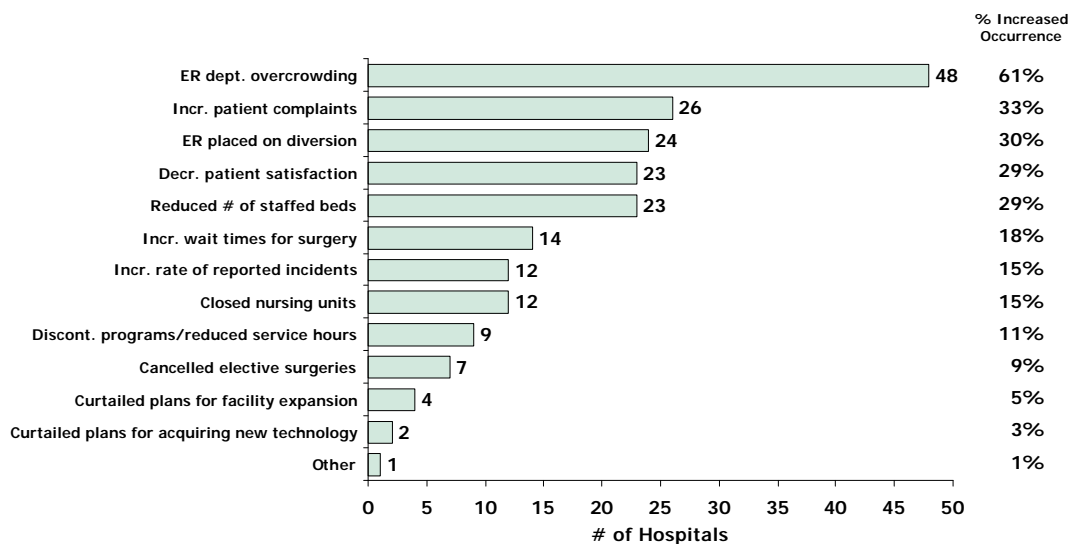
Criteria Used	#	%
Volume on unit	33	91.7%
Number of new admissions to unit	19	52.8%
Experience of RNs on unit	19	52.8%
Number of patients discharged from unit	14	38.9%
Types of medication	7	19.4%
Other	6	16.7%

Source: FHA Nurse Staffing Issues in Florida Survey, 2002

Impact of the Nursing Shortage on Florida Hospitals

Hospitals were asked in what ways the nursing shortage impacted their hospital and whether that particular situation had occurred more frequently than in the past. Overcrowding in the emergency room was the most common result caused by a shortage of nursing staff, with 61 percent of the hospitals reporting this occurrence. Patients needing to be admitted were kept in the emergency department when a staffed bed was not available. A shortage of ER nurses impacted how quickly patients were seen and admitted, or released to go home. Seventy-nine percent of the hospitals reported an increased occurrence of overcrowding in the emergency room. Additionally, 30 percent of the hospitals reported placing the ER on diversion because of a shortage of staff. Of these hospitals, 79 percent reported an increased incidence of ER diversions due to an insufficient number of nurses.

Impact of Florida's Nursing Shortage



N = 79

Source: FHA Nurse Staffing Issues in Florida Survey, 2002

One-third of the hospitals reported the nursing shortage had resulted in increased patient complaints, with 69 percent indicating this had increased compared to the past.

Twenty-nine percent reported they had reduced the number of staffed beds due to the nursing shortage. Unlike the last nursing shortage, fewer hospitals had cancelled elective surgeries, discontinued programs, or closed nursing units.

Efforts to Solve the Nursing Shortage

2002 State Legislation Targeting the Nursing Shortage

Florida's Nursing Shortage Solution Act (HB519)

Efforts to help with the nursing shortage in Florida include the Nursing Shortage Solution Act signed into law by Governor Jeb Bush in late May. Among the benefits of this law are:

- a fast-track endorsement process for nurses who have worked in the clinical area two out of the past three years, have an active license without action against it in another state or territory of the United States, and have passed the required background checks;
- implementation of the public school volunteer health care practitioner program;
- elimination of periodic surveys by the Board of Nursing for nursing programs in Florida that have initial approval from the Board of Nursing and maintain a national accreditation and a pass/fail rate of not less than 10 percentage points below the national average;
- a program in middle and high schools that promotes or establishes nursing programs;
- the Nursing Loan Forgiveness program;
- low interest home mortgage program; and
- new money for state universities and community colleges that must submit a plan regarding how they intend to expand and enhance their nursing programs.

Federal Legislation: Nurse Reinvestment Act (Public Law 107-205)

Signed August 1, a campaign to commit more federal funding to nursing education and support programs was passed July 22, 2002, with both the House and Senate passing the Nurse Reinvestment Act. It allocated \$30 million to the effort. This Act included:

- National Nurse Service Corps to serve in critical nurse shortage areas;
- opportunities for advancement and retaining quality nurses;
- geriatric education to train individuals to care for the elderly;
- financial help to recruit faculty to teach in nursing schools; and
- public service announcements to recruit nurses and promote nursing.

This legislation authorized the creation of these loans, scholarships, and grants, but funding had not yet been appropriated at the time of this report. Legislation to fund the programs of the Department of Health and Human Services and efforts to ensure that funds for the nursing programs are included are underway. The funding need ranges from \$135 million to \$250 million.

AHA's Commission on Workforce

The American Hospital Association created a Commission on Workforce for Hospitals and Health Systems to identify solutions and recommendations for solving the workforce crisis in hospitals and health systems. Its five recommendations included fostering meaningful, patient-focused work; improving the workplace partnership so workers feel valued and have a voice in shaping the organization; designing strategies to attract and retain a diverse workforce; collaborating with key constituents to attract new people to the health care field; and building societal support for the public policies and resources needed to help hospitals hire and retain an adequate workforce.

Florida Hospitals' Efforts

Hospitals are actively trying to address the nursing shortage. Some examples of efforts around the state include:

- Refresher courses for nurses who left the workforce but are interested in returning to the nursing field are being offered.
- Hospitals have provided funding to community colleges to hire instructors and increase enrollment in nursing schools.
- Central Florida hospitals donated \$1 million to local community colleges.
- Baptist Health Systems of South Florida, Tenet Healthcare System, Miami Children's Hospital, Mercy Hospital, HCA Healthcare East Florida Division, and the Miami Beach Anesthesiology Associates contributed a combined total of \$1.78 million to fund various training initiatives.
- Naples Community Hospital is paying for two full-time professors and the related costs of providing classroom space for an on-site nursing program.
- Broward County hospitals are participating with Broward Community College and the WorkForce One job placement agency in a program that gives high school students free nursing tuition and a guaranteed job, provides online training programs for existing nurses to obtain an advanced degree, and offers a refresher course for inactive RNs. A \$1.1 million federal grant will pay to set up the program for 500 students.
- HCA Healthcare is sponsoring a \$10 million scholarship training program in six areas of the country, including Tampa Bay and Southeast Florida.
- Training existing nurses for specialized areas such as critical care, operating room and emergency departments.

- Schools and hospitals have teamed to promote nursing as a career to elementary and middle school children.
- Orange County, Florida, provides a housing subsidy for qualified nurses, providing up to \$7,500 toward a down payment for nurses with low and middle incomes buying homes in Orange County.

All of these efforts, along with legislation that will increase funding to nursing programs, are crucial if Florida is to have an adequate supply of nurses to meet the increasing health care need of its expanding population.

Appendix

FHA Efforts To Help with Nursing Shortage

- Lobbied and collaborated with the Florida Nurses Association, the Florida Organization of Nurse Executives, and Deans and Directors of Nursing Programs on the Nursing Shortage Solution Bill;
 - Lobbied for passage of and funding for the “Nurse Reinvestment Act;”
 - Advocated for hospitals at all Florida Board of Nursing meetings;
 - Published the 2002 *Guide to Florida Hospitals* to assist hospitals in the recruitment of nurses throughout the country;
 - Coordinated and managed the FHA Job Posting Web site, www.flhealthjobs.com, to assist in the recruitment of nurses to participating hospitals;
 - Held the annual FHA Job Fair in March 2002 for FHA member hospitals that attracted quality and qualified health care professionals, including nurses as attendees;
 - Coordinated the “Florida Isle” at the National Student Nurses Association conference that provided a presence for Florida hospitals to help with recruitment;
 - Collected, compiled, and reported current nurse vacancy and turnover rates in Florida hospitals;
 - Updated the FHA nursing Web site, www.nursinginflorida.com, as a resource for information on nursing as a profession, education, scholarships, and other key information;
 - Participated in statewide activities to recognize nurses during Nurse Week;
 - Represented hospitals on the Florida Center for Nursing created by legislation in 2001 that will address the current supply and demand for nurses in the state;
 - Sponsored “Keep Your Nurses for Life” and scheduled “Nurse Managers ARE the Difference” to provide members with education and information on the retention of nurses;
 - Represented hospital nurses on the QUIN Council, an organization that addresses nursing issues and is composed of the leadership of the Florida Nurses Association, the Florida League for Nursing, the Florida Organization of Nurse Executives, the Deans and Directors of Nursing Programs, the Florida Board of Nursing, the Florida Center for Nursing, and the Florida Hospital Association Center for Nursing;
 - Spearheading a “Nurse of the Year Program” with members of the QUIN Council; and
 - Creating a calendar of ways and events to promote a positive image of nursing within hospitals and in communities.
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