

REPORT ON NURSE RECRUITMENT AND RETENTION BY NEVADA HOSPITALS

Presented by Bill M. Welch, President/CEO Nevada Hospital Association

Before the Legislative Committee on Health Care Subcommittee to Study Staffing of
the System for Delivery of Health Care in Nevada

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Good afternoon Chairwoman Koivisto and Committee Members. For the record, my name is Bill Welch, President/CEO of the Nevada Hospital Association (NHA), and on behalf of NHA's members, I want to thank you for this opportunity to speak before you today to present information in regard to the efforts being made by Nevada Hospital Association and its member hospitals in the recruitment and retention of nurses.

I would like to note that although nurses represent the largest group of professionals within the health care community, understanding this Interim Study is to address the **staffing of the system** for delivery of health care, I would be remiss if I did not recognize that staffing shortages also exist in Respiratory Therapy, Physical Therapy, Occupational Therapy, Pharmacy and Radiology Technicians, to name a few, each contributing to an imbalance in health care staffing.

Now with respect to nursing specifically, according to the latest Health Resources and Service Administration (HRSA) data (2000), the bottom five states with employed nurses per 100,000 people are, in order of severity, Nevada (520); California (544); Utah (592); Texas (606); and, Oklahoma (635). The top five states, in ranking order are, District of Columbia (1,675); Massachusetts (1,194); South Dakota (1,128); Rhode Island (1,101); and, North Dakota (1,096).

While today I understand the interest in looking at California, as the only state in the union to have enacted mandatory nurse staffing ratios beginning January 1, 2004, it should be noted that California is second only to Nevada in its severity of nursing shortage. Clearly, there will be much to learn from the California experience, such as, does it help alleviate the state's nursing shortage; how does it affect access to health care; how does it affect health care cost; and how does it affect patient outcome? However, until such time as California's mandatory numerical staffing ratios have been in effect sufficient time to accurately measure its affects, it may be more beneficial to evaluate the achievements of the top five states in nurse to population rankings.

The key question, however, is how is Nevada addressing the issue of recruiting nurses, and once recruited, what are we doing to ensure retention of those nurses? In 1999, following a statewide Nursing Forum held to discuss the nursing shortage,

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the Nevada Hospital Association created the Nevada Nurse Task Force to initiate solutions to the nursing shortage in Nevada. In 2002, this Task Force became the Nursing Institute of Nevada (NIN), and has been meeting monthly for over three years to foster partnerships between the nursing profession, health care communities, state agencies, policy makers and educational institutions, building upon one other's strengths as change agents for improving health care in Nevada.

Open to any nurse or interested community member, the Nursing Institute of Nevada has three active subcommittees. The ATTRACTION Subcommittee of the Nursing Institute of Nevada directs efforts toward the promotion of the nursing profession, attracting grades K-12 to the profession. In addition, the Attraction Subcommittee works toward diversifying the nursing profession away from the stereotyped female dominated profession. The PROFESSIONAL DEVELOPMENT Subcommittee focuses on nursing education, hospital-based nursing staff development, and nurtures involvement in state government and regulatory processes.

The third of the three Subcommittees of NIN is the COMMITMENT or Recruitment/Chief Retention Officer (CRO) Subcommittee. With national recognition from the American Hospital Association for its positive and proactive efforts, the CRO focuses upon employee/employer relations, as well as work environment issues. This Subcommittee has been successful in implementing the Chief Retention Officer program within thirty-one hospitals throughout the state. In addition to the activities of retention of staff, the CRO also conducts exit interviews, conducts monthly analysis of turnover rates, develops action plans based upon employee surveys, conducts reviews on wage and salary trends, and assists with recruitment. To further reinforce the CRO efforts, this subcommittee is planning to survey the hospital nurse workforce on workplace issues to help provide focus on potential new initiatives. Also, at this time, funding is being pursued to support an educational training program focused on effective communication skills in the work place environment. This program will be made available to all NHA hospital members.

Additionally, NHA requested and supported Assembly Bill 378 during the legislative session of 2001. Originally, this legislation requested doubling of the University and Community College System's nursing education program and provided for approximately one million dollars in loan forgiveness scholarships. However, what passed was legislation that required the University and Community College System to develop a plan and budget for the doubling of their nursing program that would be brought back to the 2003 Nevada Legislature for consideration. It also provided for approximately one hundred thousand dollars in loan forgiveness scholarships (and it should be noted that the entire amount of the scholarship monies was successfully utilized). The University and Community College System of Nevada and the Nevada Hospital Association met and collaboratively developed a plan to meet the legislative directive to double the nursing enrollments in the UCCSN Schools of Nursing.

As you know, this plan was presented to the 2003 Nevada Legislature and was passed. At this time, I would like to acknowledge the legislative members of this committee, as well as all the Nevada Legislators for their support and passage of

this very important legislation in a time of great fiscal challenge for the state of Nevada. You will be happy to know the nursing enrollments in all seven of the UCCSN Schools of Nursing has been doubled, increasing from 623 students in base year 2000-2001 to 1333 nursing students by academic year 2004-2005. In addition, nursing faculty numbers have increased proportionately to ensure a quality education for each student. To ensure a continual pipeline of new nurses, creative educational programs have been implemented at UCCSN campuses. The "Fast Track" program has been implemented, allowing a nursing student to receive his/her Bachelor's Degree in nursing in three, rather than four years by extending the school year from three semesters to four, thus eliminating the typical summer hiatus. Additionally, accelerated programs allow an Associate Degree nurse to obtain his/her Bachelor's of Science Degree in Nursing in eighteen months rather than twenty-four. Other creative programs are being developed at Nevada's seven schools of nursing, such as admitting two nursing classes per year.

To assist in this effort, the Nevada Hospital Association's Board of Directors unanimously agreed to fund \$350,000 of the total \$560,000 necessary to double the nursing school enrollments in 2004 and 2005, and additional funding resources are being pursued. It should be noted that this contribution by Nevada hospitals is in addition to the approximately \$550,000 which is donated annually to the University and Community College System of Nevada to support its nursing programs. These contributions have supported scholarships, faculty, and general operating costs of the nursing programs. These contributions have allowed the University and Community College System of Nevada to educate more nurses for which their legislative budget would have otherwise funded.

However, even with this good news, we need to remember that Nevada hospitals average a 16.9% nurse vacancy rate statewide. That compares to a national nurse vacancy rate of 14.7% according to 2001 United States General Accounting Office (GAO) information. Nurses in the 46 to 55 year old age group account for the largest percentage, 34.6%, of Nevada's current nursing workforce. Thus, even doubling the enrollment in Nevada's schools of nursing will not meet the demand for nurses as the aging workforce retires. The U.S. Census Bureau of Labor Statistics projects the nation will need a million new and replacement nurses by 2010. Training more nurses is an important part of the solution, but it will be at least three years before those nurses graduate and enter the workforce.

Understanding this, the Nevada hospital industry spends approximately 3.6 million dollars annually in recruitment and retention of competent and qualified nurses. Recruitment efforts include, but not limited to; the traditional media, career day presentations, professional recruitment agencies, sign-on bonuses, relocation reimbursement and scholarships loan forgiveness.

Another source utilized by Nevada hospitals includes NVNurses.com, an internet based recruiting service solely for Nevada. NVNurses.com reported attracting 2,136 potential new nurses to Nevada. Registered Nurses accounted for 68% of those attracted to Nevada, 21% were LPN's, and 11% were CNA's. Thirty percent of those nurses had 12-plus years of hospital experience, and 11% wished to relocate to rural areas.

It may be of interest to this committee that recently the Nevada State Board of Nursing reported there has been an increase of 8.4% in Registered Nurses in Nevada over the past twelve months, and an increase of 4.5% in Licensed Practical Nurses for a total of 6.5% increase in nurses over the past twelve months. Today, Nevada hospitals employ 6,120 full time equivalencies (FTEs) in comparison to 5,480 FTEs just two years ago, an increase of 640 registered nurses (11.7%).

With respect to retention efforts, Nevada's hospitals have implemented have implemented roundtable discussions, bringing the staff nurses together in open dialogue with their hospital administrator and/or Chief Nurse Executive (CNE). Staff nurses have been given decision-making voices and voting membership on key hospital committees, and management and leadership training workshops have been designed to allow the staff nurse to easily participate.

Many of Nevada's nurses exceed (\$25.34/hr) the median average annual salary for staff nurses nationwide (\$21.56), indicating salary is one of, but not the key component, to nursing recruitment and retention efforts within the state. The largest percentage of Nevada's health workforce is employed in offices and clinics (41.5%) compared with 28% nationally. With the greater availability of employment options outside the 24/7/365 world of the traditional hospital setting, nursing recruitment and retention efforts have had to become more sophisticated and aggressive and includes, but not limited to; scholarships, loans for advance education, retention bonuses, increased benefit packages, automobile arrangements, housekeeping services, home loan down payments, health club memberships, and day care provisions. These are just a few of the retention efforts being made by the hospital community.

Another effort in retention of nurses is to provide on-going education. This includes continuing education programs, departmental cross-training, etc. This cost equates to approximately 6.4 million dollars to the Nevada hospital community annually.

While much work has been done, much more is needed. We need to keep in mind Nevada again for the 15th consecutive year has been the fastest population growing state in the Union. This growth also proportionately increases the demand for health care services. As we have seen Nevada's hospital industry has and continues to strive meet this growing demand by expanding capacity. As example we have seen major expansions and building of new hospitals over the last number of years with more expansion and new facilities being built already in progress, increasing hospital bed capacity from 5,860 to 6,461, an increase of 601 beds (10.2%). As I previously stated, during this same time period we also saw Nevada hospitals employ 640 more registered nurses (11.7%). Both of these efforts are made by Nevada's hospital industry to ensure Nevadans have access to quality hospital health care services when needed. It should also be noted today Nevada hospitals continue their efforts to meet the rapidly growing demand and need for hospital medical care and find themselves proactively attempting to recruit and fill 979 (based on hospitals reporting) vacant registered nursing positions today.

In closing, knowing the enormous challenge before us as a community, the Nevada Hospital Association and its members stand firmly behind its continued

commitment to work diligently and collaboratively with all of Nevada's health partners to ensure Nevada has available the professional health care workforce necessary to meet the medical needs of the citizens of Nevada. Thank you.