



THE CHANGING DEMAND FOR
REGISTERED NURSES IN OREGON





The **Oregon Center for Nursing (OCN)** is a 501(c)(3) not-for-profit organization established in 2002 by Oregon's nursing leaders. OCN's mission is to promote a robust workforce of well-prepared nursing professionals who are dedicated to providing care and leading change to meet the health needs of our communities by:

- Educating nurses from all settings to embrace leadership opportunities,
- Developing certainty through research,
- Advocating for effective outcomes, and
- Stimulating collaborative innovation.

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NURSES WANTED: THE CHANGING DEMAND FOR REGISTERED NURSES IN OREGON

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INTRODUCTION

Registered nurses (RNs) constitute the largest health care occupation in the United States, with 2.6 million jobs.¹

They treat, educate, and provide advice and emotional support to patients, residents and clients (hereafter referred to as patients) and their families. Nurses document information about patient encounters, help perform diagnostic tests and analyze results, administer treatment and medications, operate and monitor medical equipment, and help with patient follow-up and rehabilitation. Registered nurses work in a variety of clinical and non-clinical settings including hospitals, ambulatory care clinics, nursing homes, community settings, and academic institutions. The typical educational paths to registered nursing start with an associate degree (ADN) or a baccalaureate degree (BSN) in nursing. Advanced practice nurses – nurse practitioners, nurse anesthetists, and clinical nurse specialists – require a master’s degree.

Demand for registered nurses refers to the number of RNs employers are willing to hire. Characteristics of the health care system, population, and economic environment determine demand for nurses. Technological advances, the number of uninsured individuals, the geographic distribution of the population, and nurse wages all directly influence the number of nurses employers will hire.

Overall, job opportunities for registered nurses are expected to be excellent in coming years, but may vary by employment setting and geographic area. Employment of RNs in the U.S. is expected to grow by 22 percent from 2008 to 2018, much faster than the average for all occupations.¹ Growth will be driven by

technological advances in patient care, which permit a greater number of health problems to be treated, and by an increasing emphasis on preventive care. In addition, the number of older people, who are much more likely than younger people to need nursing care, is projected to grow rapidly. Employment of RNs in acute care (hospital) settings is expected to grow more slowly than in most other sectors. Employment of RNs in nursing care facilities and home health care is expected to grow because of increases in the number of older persons, the primary consumers of these services.

The Oregon Employment Department estimates that registered nurse employment will grow by 22 percent between 2008 and 2018 with a projected 6,771 new job openings for registered nurses over this period.² An additional 5,947 replacement openings will be created by RNs leaving the workforce. Surveys of nurse employers conducted by the Oregon Center for Nursing (OCN) in 2004 and 2010 provide additional data that expand the demand picture. Key metrics of nurse demand included in these studies are vacancy and turnover rates. Vacancies are an indicator of the relative ease or difficulty with which employers can recruit personnel. Turnover refers to their ability to retain personnel. The studies also examined employers’ use of contract labor, the level of difficulty they experienced hiring various types of nursing personnel over the past year, and expectations for future hiring. Table 1 presents survey results for the four types of employers of registered nurses included in the most recent study: hospitals/health systems, long term care, home health/hospice, and public health. These results are discussed in detail in the next section.

▼ **TABLE 1**

Results of the 2010 OCN Survey of Nurse Employers

	Hospitals and Health Systems	Long Term Care	Home Health and Hospice	Public Health
Number of respondents	29	41	17	21
Response rate	47%	32%	35%	62%
Employ the following types of nurses:				
Licensed Practical Nurse (LPN)	66%	98%	65%	19%
Registered Nurse (RN)	100%	100%	100%	100%
Nurse Practitioner (NP)	66%	7%	18%	81%
Certified Registered Nurse Anesthetist (CRNA)	48%	0%	0%	0%
Certified Nurse Midwife (CNM)	24%	0%	0%	14%
Clinical Nurse Specialist (CNS)	34%	2%	6%	0%
Registered Nurse Vacancy Rate				
Average	3.3%	4.4%	5.9%	5.1%
Lowest, Highest	4.8%	5.3%	7.7%	5.4%
	0%, 24%	0%, 50%	0%, 25%	0%, 33%
Registered Nurse Turnover Rate				
Average	7.0%	21.6%	24.6%	15.6%*
Lowest, Highest	10.2%	23.9%	39.6%	11.7%
	0%, 27%	0%, 160%	0%, 133%	0%, 67%
Use contract labor to fill registered nurse positions	71%	14%	0%	26%
Nursing positions that are the most difficult to fill	<ul style="list-style-type: none"> • Executive/ Administration • Operating Room RN • Unit-level Nurse Manager 	<ul style="list-style-type: none"> • Residential Care Manager • Staff RN 	<ul style="list-style-type: none"> • Staff RN 	<ul style="list-style-type: none"> • Nurse Practitioner
RN positions being recruited that are available to new graduates	39%	100%	0%	100%
At least one-third of surveyed employers anticipate they will increase hiring of nurses with these credentials in the next two years	<ul style="list-style-type: none"> • New RN graduates • RN with BSN • RN with Master's mgmt/admin • Master's-prepared CNS • CRNA • Nurse Practitioner 	<ul style="list-style-type: none"> • New RN graduates • RN with AD or diploma 	<ul style="list-style-type: none"> • RN with AD or diploma • RN with BSN 	<ul style="list-style-type: none"> • None

* Excluding turnover attributable to layoffs in the public health sector yields a turnover rate of 10.5%.

HOSPITALS AND HEALTH SYSTEMS

Hospitals and health systems[†] employ more nurses than any other type of employer. The majority of these nurses work in hospitals, or the acute care setting. Among Oregon's registered nurses, 60 percent work in hospitals,³ up from 55 percent in 2004.⁴ Hospital/health system employers are also the largest employer of graduate-prepared nurses in the U.S., demonstrating a clear need for highly-educated nurses in this sector.⁵

Acute care nurses provide direct care to patients requiring hospital-level care and are typically assigned to a particular department such as medical, surgical, pediatric, emergency, intensive, or oncologic care. These nurses must make critical decisions associated with the care of very sick, injured, and/or frail patients and work with sophisticated, life-saving equipment. They are expected to use a variety of technological tools and complex information management systems that require skills in the analysis and synthesis of information to improve the quality and effectiveness of care.⁶ Additionally, many nurses work in non-direct

care roles such as leadership and management, human resources, and quality control.

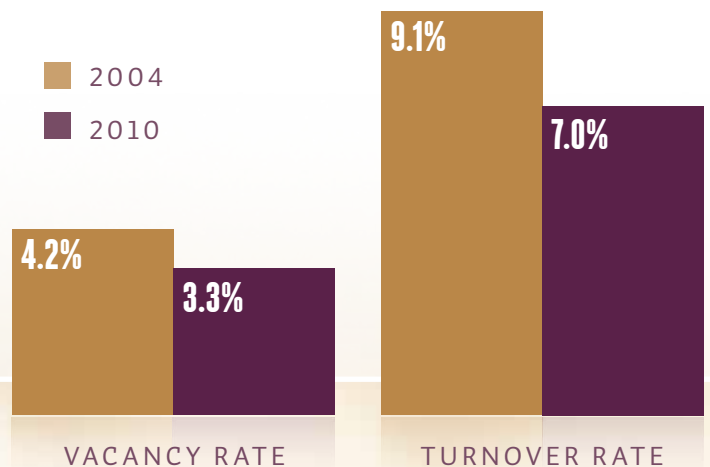
The RN vacancy rate for hospital/health system employers is a relatively low 3.3 percent, down from 4.2 percent in 2004 (*Figure 1*). This is the lowest vacancy rate among the four employer groups included in this report and mirrors the national RN vacancy rate of 4 percent.⁷ The downward trend is also consistent with national statistics that show the RN vacancy rate declined by one-half from 2004 to 2010.⁸ The RN turnover rate, another important indicator of nurse demand, is also lowest within this sector. The RN turnover rate in 2010 was 7.0 percent, down from 9.1 percent in 2004 (*Figure 1*).

Declines in both vacancy and turnover are believed to be due in large part to the current economic downturn which has led many nurses to delay retirement or return to work. This has been the case with all previous recessions when nurses participated in the workforce at a higher rate than when the economy was thriving.⁹ Poor economic times also lead some nurses to

[†] Health systems employ nurses across all levels of care including acute, emergency, ambulatory, and long term care, and home health and hospice settings.

FIGURE 1 ▶
Registered Nurse Vacancy and Turnover Rates among Hospital/Health System Employers, 2004 & 2010

Source: Oregon Center for Nursing, Survey of Nurse Employers.



increase the number of hours they work. In the U.S., full-time employment of registered nurses increased during the most recent recession, rising from 58 percent in 2004 to 63 percent in 2008,⁵ the first increase since 1996. Currently in Oregon, of the estimated 83 percent of RNs licensed by the state who work here, 2 of 3 work full-time.³

Despite high numbers of nurses currently working in the profession, 79 percent of Oregon's hospital/health system employers report they are actively recruiting RNs. They appear to prefer experienced nurses as only 39 percent of available positions in 2010 were open to new graduates. This corroborates anecdotal reports that new nursing graduates find it difficult to secure positions in acute care settings.

It stands to reason that nurses are less likely to exit the workforce or change jobs during poor economic times. While the acute care setting has been affected by the recent downturn, the magnitude of budgetary constraints in this setting has generally been less serious than in other sectors. Lower turnover rates in this sector are also a likely outcome of efforts to improve quality of care, such as Oregon's nurse staffing law which requires committees made up of management and staff nurses to determine appropriate nurse staffing levels. These efforts are thought to have increased nurse

Fast Facts

- Sixty percent of RNs work in hospitals.
- Low vacancy and turnover rates result in a low demand for nurses in this sector.
- Hospital employers are challenged to fill positions requiring nursing experience or leadership skills.

satisfaction levels. The Magnet® Recognition Program, developed by the American Nurses Credentialing Center to recognize health care organizations that provide nursing excellence, has also made a number of hospitals in Oregon especially desirable places to work.¹⁰

Another indicator of nurse demand is the use of contract labor (traveler, agency and per diem personnel) to fill nursing positions. About three-fourths of hospital/health system employers (71 percent) reported using registered nurse contract labor in 2010. However, contract labor accounts for an average of just nine percent of all budgeted RN positions, so the use of agency/temporary staff appears to be limited.

A review of RN positions considered “very difficult” or “somewhat difficult” to recruit by acute care employers provides an indication of where contract labor RNs are likely utilized.

Specifically, operating room, emergency, cardiac care, and adult critical care/trauma positions are considered very or somewhat difficult specialties to fill.

Hiring for positions requiring experience and/or additional education beyond basic entry to practice (e.g., unit-level managers, nurse supervisors, and executive/administrative nurses) is also considered challenging. That these positions are difficult to fill during a down economy, when nurses' participation in the labor force is high, is troublesome. With 65 percent of Oregon's licensed registered nurses poised to retire over the next two decades,³ filling positions requiring experience and advanced education will become even more challenging in the future.

While recessionary times alleviate vacancy and turnover in acute care settings, future expectations concerning the number of budgeted nursing positions may cause vacancy and turnover to increase over the next two years. Most employers anticipate they will hire more nurses with a baccalaureate (BSN) or master's degree. No employers expect to hire fewer RNs with a BSN, but demand for RNs with an associate degree appears to be on the decline (Table 2). This is consistent with the trend among many Oregon employers that are transitioning to an all baccalaureate-prepared RN workforce. Over time, it is expected this will become the educational standard among nurse employers.

▼ **TABLE 2**

Percentage of hospital/health system employers who anticipate the number of budgeted nursing positions to increase/decrease over the next two years, 2004 & 2010

Source: Oregon Center for Nursing, Survey of Nurse Employers

	Increase		Decrease	
	2004	2010	2004	2010
New RN Graduates	NA	41%	NA	0%
RN with Associate Degree or Diploma	46%	15%	6%	26%
RN with Baccalaureate Degree	64%	71%	0%	0%
RN with Master's Mgmt/Administration	55%	60%	4%	4%
Master's-Prepared Clinical Nurse Specialist	65%	50%	0%	0%
Master's Prepared Clinical Nurse Leader	NA	31%	NA	0%
Certified Registered Nurse Anesthetist	42%	35%	0%	0%
Nurse Practitioner	63%	52%	0%	5%

NA: Data not available

LONG TERM CARE

Long term care nurses assess patients' health, develop treatment plans, coordinate care among a variety of health providers, manage and administer medications, provide wound care, and supervise other health care staff. Six percent of Oregon's registered nurses work in long term care,³ which includes assisted living, nursing home, nursing skilled care, rehabilitation care, residential care, and mental/behavioral health settings. Some long term care employers also provide home health and/or hospice care. The majority of nursing personnel working in these settings are certified nursing assistants or licensed practical nurses.³ The number of licensed beds in Oregon's nursing facilities declined from 12,569 in 2004 to 12,403 in 2008 while occupancy increased from 75.6 percent to 77.6 percent over that same period.¹¹

Registered nurse vacancy rates among long term care employers have decreased from 9.2 percent in 2004 to 4.4 percent in 2010 (*Figure 2*). This is the most dramatic decrease in RN vacancy among the four employer types included in this report. Registered nurse turnover rates decreased from 2004 to 2010 as well, from 26.3 percent to 21.6 percent (*Figure 2*).

Fast Facts

- Six percent of RNs work in long term care.
- Long term care employers struggle to recruit and retain RNs.
- An increased need for nurses with Master's degrees in management/administration is expected for this sector.

One explanation for these decreases may be that long term care employers' ability to hire more registered nurses has improved as a result of an oversupply in acute care. Low demand for contract labor provides further evidence that long term care employers have experienced less hiring difficulty in recent years. Just 14 percent reported using RN contract labor in 2010.

Long term care employers continue to struggle with high RN turnover which is costly and can have a negative impact on quality of care. Some of this turnover may be related to nurses moving to the acute care sector

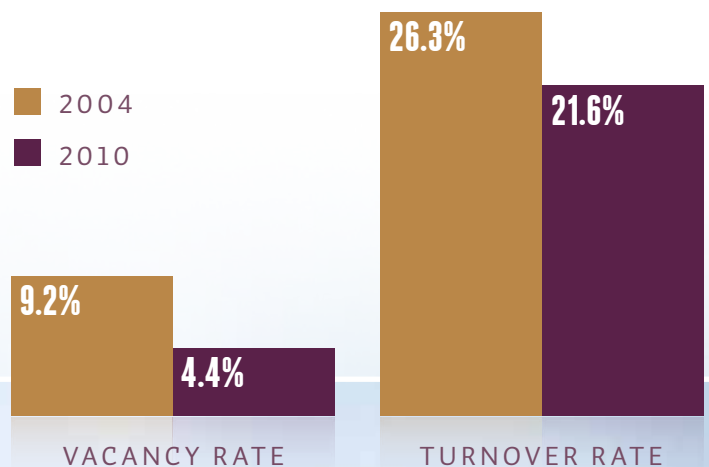


FIGURE 2 ▶

Registered Nurse Vacancy and Turnover Rates among Long Term Care Employers, 2004 & 2010

Source: Oregon Center for Nursing, Survey of Nurse Employers

after they attain experience in the workforce. Furthermore, it is widely accepted that registered nurses are inadequately prepared to care for the elderly in general and to practice in long term care settings in particular which may also explain turnover experienced in this sector. Additionally, long term care facilities are highly regulated, and many are part of large corporate systems with top down management that has been shown to result in high nurse turnover.¹² Nurses in long term care settings are also responsible for supervising large numbers of unskilled direct care staff and must manage multiple transitions of the patient population between home, hospital, and skilled nursing facilities, neither of which they learn or experience as part of their educational preparation.¹³ Turnover among nursing home administrators likely contributes to difficulty with nurse retention in this sector. About 40 percent of these professionals leave their jobs each year,¹⁴ which may exacerbate turnover among registered nurses.

Long term care employers report residential care manager and staff RN positions are the most difficult to fill. They characterize recruitment of new registered nurse graduates as “somewhat difficult” yet are eager to hire new nurses (see *Table 1, RN positions being*

recruited that are available to new graduates). Anecdotal reports suggest many new RN graduates find it difficult to secure a nursing position in an acute care setting, so it is unfortunate that long term care employers continue to have difficulty recruiting and hiring these potential candidates. While higher pay and better benefits offered by hospital employers can explain some of this difficulty, common belief indicates there is a stigma surrounding nursing in long term care settings, particularly among new graduates. Some suggest new nurses fear that acute care employers are reluctant to hire RNs whose only past experience is in long term care. Members of the Oregon Center for Nursing’s Long Term Care Leadership Workgroup are currently working on a study to learn more about this issue by elucidating new graduates’ perceptions of long term care nursing and acute care employers’ views of hiring registered nurses from long term care settings. Results are expected to be published in winter 2012.

Long term care employers anticipate increases in the number of most budgeted nursing positions in the next two years (*Table 3*). Nearly one-half expect to hire more RNs with an associate degree or diploma, and about one-third expect to hire more new graduates and

those with a BSN. Seventeen percent anticipate they will hire more nurses with master's degrees in management/administration.

This stands in sharp contrast to expectations reported in 2004 when no long term care employers anticipated hiring more master's-prepared nurses for positions as managers or administrators. Few long term care employers anticipate they will decrease hiring of registered nurses in the next two years.

Aging baby boomers, combined with an increase in life expectancy and a decrease in the relative number of younger persons, means older adults will make up a much larger percentage of the U.S. population than ever before. In Oregon, seniors (65 years of age and up) currently account for 13 percent of all residents. This group is expected to make up

18 percent of the state's population by 2030.¹⁵ The oldest segment of this demographic (people aged 85 years and up) is projected to increase by 50 percent over this same period.

Older Americans use considerably more health care services than younger Americans, and their health care needs are often complex.¹⁶ In 2008, nearly 9 of 10 Oregon nursing facility residents were aged 65 or older.¹¹ This aging population surge has been predicted for years, yet still a small percentage of Oregon's registered nurses work in long term care settings and just three percent report gerontology as their practice area.³ While much of the care of older adults has shifted from long term care facilities to community settings and homes, there is much to be done to prepare the nurse workforce for practice in this sector.

▼ **TABLE 3**

Percentage of long term care employers who anticipate the number of budgeted nursing positions to increase/decrease over the next two years, 2004 & 2010

Source: Oregon Center for Nursing, Survey of Nurse Employers

	Increase		Decrease	
	2004	2010	2004	2010
New RN Graduates	NA	33%	NA	0%
RN with Associate Degree or Diploma	45%	44%	4%	3%
RN with Baccalaureate Degree	26%	30%	0%	3%
RN with Master's Mgmt/Administration	0%	17%	0%	0%

NA: Data not available

HOME HEALTH AND HOSPICE

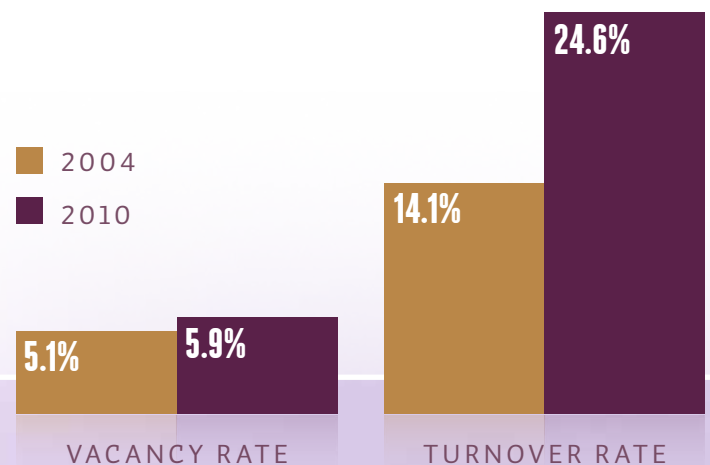
Home health nurses provide a variety of nursing services for both acute but stable and chronically ill patients, as well as their caregivers, in patients' homes. They care for a broad range of patients such as those recovering from illnesses, accidents, and childbirth. Nurses who see patients outside of the hospital are responsible for assessing the patient, delivering care as needed, and organizing and managing a patient's plan of care. They must be able to work independently.^{17,18} Hospice nurses work in collaboration with other health providers, such as physicians, social workers, or chaplains, within the context of an interdisciplinary team. Composed of highly qualified, specially trained professionals and volunteers, the team is often required to blend their strengths to anticipate and meet the needs of the patient and family facing terminal illness and bereavement.¹⁹ Five percent of Oregon's registered nurses report they work for a home health/ hospice employer.³

There is currently a significant shortage of home health nurses nationally, which may harm access to cost-effective home health care, particularly among underserved and high-risk populations. In a national study, fifty-nine percent of

surveyed Visiting Nurse Associations (VNAs) indicated they must decline patient referrals on a weekly basis.²⁰ An aging population, the increasing prevalence of chronic disease, longer life spans, and the general preference to live as independently as possible at home will create an unprecedented demand for home-based care during the next several decades. Demand for home health nurses is expected to increase 109 percent by 2020.²¹ Such care is consistently cited as a cost-effective alternative to institutional care. National average per-beneficiary spending by Medicare for those with at least one chronic condition during the last two years of life is \$2,262 for home health care, \$7,257 for outpatient care, and \$25,376 for inpatient care.²²

Registered nurse vacancy rates among home health/hospice employers remained stable from 2004 (5.1 percent) to 2010 (5.9 percent) (*Figure 3*). Registered nurse turnover rates have increased considerably from 14.1 percent in 2004 to 24.6 percent in 2010 (*Figure 3*). Home health/hospice employers report the highest turnover for registered nurses among the four employer types included in this report.

FIGURE 3 ▶
Registered Nurse Vacancy and Turnover Rates among Home Health/Hospice Employers, 2004 & 2010



Source: Oregon Center for Nursing, Survey of Nurse Employers

The only position for which these employers report difficulty recruiting is staff RNs which one-third describe as “somewhat difficult” and one-fourth describe as “very difficult” to fill. Employers also report they hire few if any new graduates. According to the Hospice and Palliative Nurses Association, most home health/hospice employers require one year of acute care experience.¹⁷

Home health and hospice employers anticipate hiring more RNs at all levels of education (Table 4). The anticipated increases are similar in both survey years, with the exception of a greater need for master’s-prepared nurses in 2010.

Demand for home health nurses is expected to increase as the number of long term care beds declines, lengths of stay in both hospitals

Fast Facts

- Five percent of RNs work in home health and hospice.
- Demand for RNs in this sector is expected to increase 109 percent in the U.S. by 2020.
- High turnover and the need for experienced RNs make recruiting in this sector difficult.

and long term care facilities decrease, and much of the care delivered to seniors shifts to community settings. The growing need for home health/hospice services among a graying population is expected to add to the recruitment and retention difficulties currently being experienced within this sector.

▼ **TABLE 4**

Percentage of home health/hospice employers who anticipate the number of budgeted nursing positions to increase/decrease over the next two years, 2004 & 2010

Source: Oregon Center for Nursing, Survey of Nurse Employers

	Increase		Decrease	
	2004	2010	2004	2010
New RN Graduates	NA	0%	NA	8%
RN with Associate Degree or Diploma	60%	63%	6%	0%
RN with Baccalaureate Degree	55%	53%	2%	0%
RN with Master’s Mgmt/Administration	10%	20%	0%	0%

NA: Data not available

PUBLIC HEALTH

Fast Facts

- Almost 3 percent of RNs work in public health.
- Nearly one-half of public health nurses are nearing retirement.
- The lack of state funding has seriously impacted the public health nurse workforce.

Public health nurses focus on the health of populations. They work with communities and the individuals and families who live in them. Their practice is multifaceted and emphasizes disease prevention and health promotion. With increasing demands on public health systems to respond to issues such as emergency preparedness, new emerging infections, and increased incidence of chronic illnesses, the need for public health nurses continues to grow.

During the past 20 years, Oregon's investment in public health has eroded and has become increasingly reliant on federal support.²³ The majority of federal dollars do not provide discretionary funding. They are typically targeted to specific activities. This limits the ability of the public health system to address the particular needs of Oregonians.

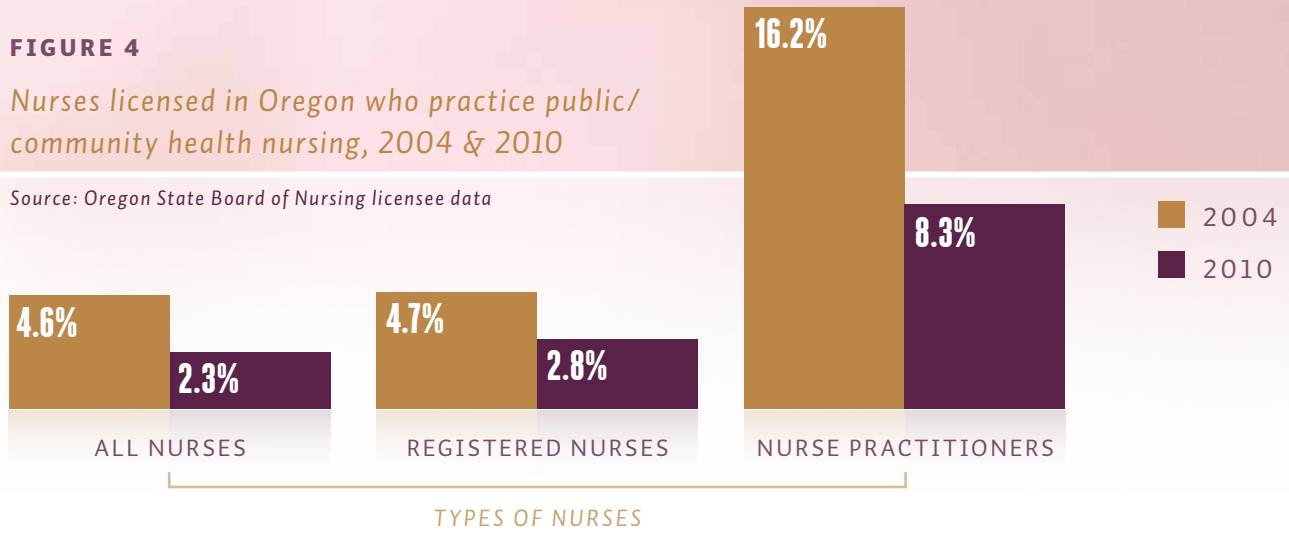
County health departments are a key part of the public health system. They provide services targeting communicable diseases, immunizations, preventive services for children and women, health promotion, and inspection of food and water systems. A recent report published by the Oregon Health Authority states that "after years of underinvestment [public health departments are] in a serious state of disrepair."²⁴ The report goes on to say Oregon's local health departments are funded at just 57 percent of the level needed to be fully functional based on a recent assessment using nationally recognized standards. In state-by-state comparisons, Oregon consistently ranks in the bottom ten for state funding for public health. For the fiscal year 2009-2010, state funding per capita (\$15.67) was nearly half that of the national median (\$30.61).²⁵

Cuts to public health spending appear to have had an impact on the public health nurse workforce. In addition to inadequate funding, factors such as reduced and/or eliminated public health nursing positions, bureaucratic hiring practices, limited public health advocacy, a lack of nursing faculty adequately prepared to teach public health nursing, and low visibility of the importance of public health nursing among the general population

▼ **FIGURE 4**

Nurses licensed in Oregon who practice public/ community health nursing, 2004 & 2010

Source: Oregon State Board of Nursing licensee data



have a negative impact on the ability to recruit and retain public health nurses required to ensure the health of Oregonians.²⁶ An examination of data from the Oregon State Board of Nursing shows nurses who report they practice public/community health has decreased over time. Among all licensed nurses, the proportion has declined by one-half (*Figure 4*).

Registered nurse vacancy rates among public health employers rose slightly from 2004 to 2010 (*Figure 5*). Most employers (52 percent) had a vacancy rate below 4 percent. One-third (33 percent) had a vacancy rate of more than 8 percent. Turnover rates among RNs increased markedly from 2004 to 2010. However, indicative of the funding issues

facing the public health system, some turnover experienced by these employers is attributable to layoffs. Excluding turnover due to layoffs yields a turnover rate of 10.5 percent (*Figure 5*).

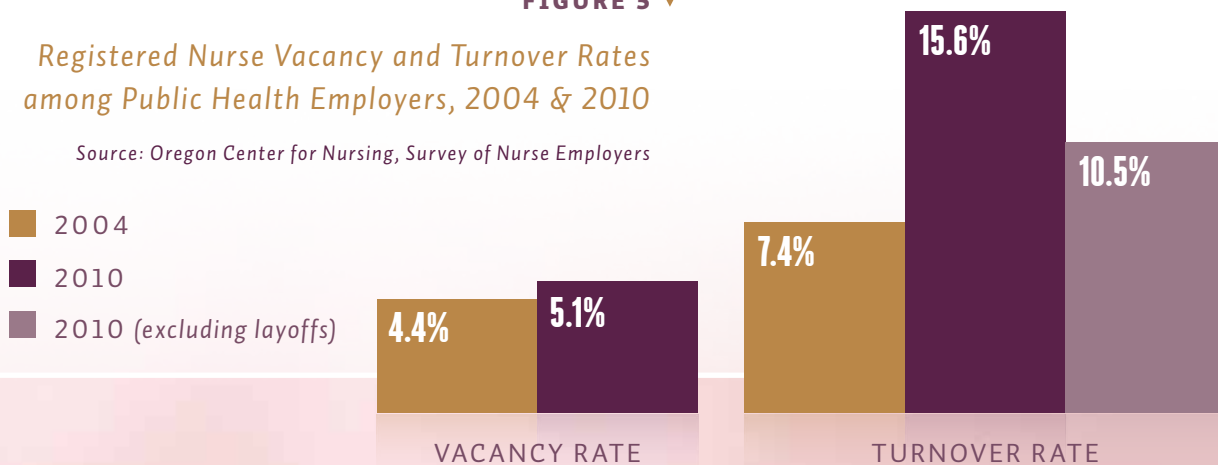
Despite workforce reductions, public health employers continue to report recruiting difficulties. Recruiting nurse practitioners is particularly challenging. Sixty-seven percent characterized their recent hiring experience as “very difficult” and 25 percent as “somewhat difficult.” Public health employers also cite community outreach nursing (27 percent “very difficult,” 45 percent “somewhat difficult”) and staff RN (46 percent “somewhat difficult”) positions as tough to fill.

Overall, public health employers anticipate little change in the number of budgeted nursing

FIGURE 5 ▼

Registered Nurse Vacancy and Turnover Rates among Public Health Employers, 2004 & 2010

Source: Oregon Center for Nursing, Survey of Nurse Employers



▼ **TABLE 5**

Public health employers who anticipate the number of budgeted nursing positions to increase/decrease over the next two years, 2004 & 2010

Source: Oregon Center for Nursing, Survey of Nurse Employers

	Increase		Decrease	
	2004	2010	2004	2010
New RN Graduates	NA	20%	NA	13%
RN with Associate Degree or Diploma	29%	0%	4%	12%
RN with Baccalaureate Degree	28%	14%	10%	10%
RN with Master’s Mgmt/Administration	21%	12%	5%	6%
Nurse Practitioner	30%	22%	7%	6%

NA: Data not available

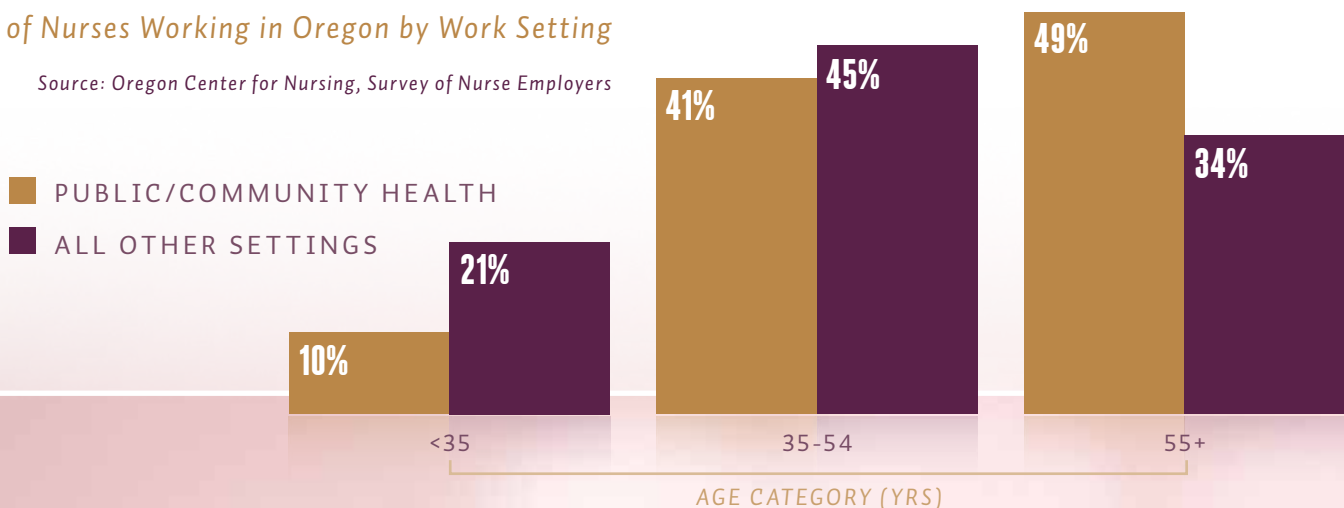
positions over the next two years (Table 6). More employers expected to increase hiring of registered nurses and nurse practitioners in 2004 than do currently. Public health employers anticipate some need for undergraduate-level RNs but only those with baccalaureate degrees. In Oregon, nearly one-half of nurses working in a public health setting are at or nearing retirement age (Figure 6). This compares to just one-third of nurses working in other settings. An aging nurse workforce has long been

recognized as a key factor in determining the supply of nurses.²⁷ The problem is particularly pronounced among registered nurses and nurse practitioners who make up the overwhelming majority of the public health nurse workforce. Older nurses are less likely than their younger colleagues to work in nursing full-time which further exacerbates the problem.²⁸ Attracting younger nurses to public health practice will be an essential part of reinforcing the nurse workforce in this sector.

FIGURE 6 ▼

Age of Nurses Working in Oregon by Work Setting

Source: Oregon Center for Nursing, Survey of Nurse Employers



SUMMARY AND RECOMMENDATIONS

Current projections indicate an annual demand for 1,272 registered nurses statewide through 2018.² In 2010, Oregon's nursing programs graduated 1,314 RNs (associate degree programs: 616; baccalaureate degree programs: 698). An additional 121 associate degree RNs completed their baccalaureate in nursing.³ These figures suggest we should be able to meet employer demand in the short term, although it is important to note these projections do not include RNs needed for many nursing positions such as executive and management positions. Oregon's graduate nursing programs conferred 65 master's degrees and seven doctorate degrees in 2010.³ Whether this will meet demand for graduate-prepared nurses remains to be seen.

Hospitals and health systems are able to recruit and hire most of the nurses they need and have lower vacancy and turnover rates in 2010 than in 2004. Nonetheless, these employers would be wise to focus on nurse retention to maintain an experienced RN workforce. As the economy recovers, nurses will have more choices about the number of hours they will work or if they will work at all. As Peter Buerhaus, a foremost nurse workforce researcher, points out, during the past two recessions more than three-quarters of the increase in the employment of registered nurses is accounted for by nurses over age 50, and the cohorts of younger nurses are still vastly outnumbered by their older baby boom colleagues. Thus, low vacancy and turnover rates may last only as long as the recession.⁹ A survey of Oregon nurses found RNs working in hospitals are least satisfied with their benefits, relationships with management, and the safety

of their work environment.²⁸ Attention to these areas may improve retention rates.

Long term care employers anecdotally state they are pleased to have been able to hire more registered nurses in recent years, and a marked decrease in RN vacancy rates from 2004 to 2010 supports such reports, but high turnover continues in this sector. There are challenges specific to this care setting related to the recruitment and retention of registered nurses that must be tackled. Stereotypes persist about caring for older patients,¹⁶ and anecdotal reports suggest new graduates worry they will be poorly perceived by acute care employers if they choose long term care as an entry point to the nursing profession. Furthermore, compensation for nurses in long term care is lower than that for nurses in acute care settings. Inadequate preparation of nurses in the areas of geriatric care and practice in long term care settings also need to be addressed, as do the regulatory burdens and top down management styles typical of this sector.

Home health/hospice employers face many of the same recruitment and retention challenges

Fast Facts

- Demand for nurses varies by sector.
- Relatively low vacancy rates may be reversed by an improving economy.
- Experienced nurses and those with advanced education are in high demand.

as long term care: little to no preparation for the regulatory and reimbursement environment, less pay and benefits, lack of preparation for management of unskilled direct care staff, and top down management. Home health and hospice nurses also work in a variety of facilities, facing extensive travel, care environments that may be threatening, unpredictable hours, extensive paperwork, and variable levels of reimbursement. An upward trend in vacancy rates and a sizeable jump in turnover rates during a recession are troublesome. Better preparation and support of nurses working in this sector are essential to create a robust nurse workforce.

Public health nursing is facing a crisis. Decreased funding has resulted in the loss of experienced nurses, and the aging of the

public health workforce is such that retirements will intensify sooner than in other sectors.

This is occurring at a time when the need for public health services is growing due to cuts to programs in both the public and private sectors. Public health nurses serve more vulnerable, diverse and underserved populations than other nursing specialties, and these populations are expanding. Health care reform, with its greater emphasis on prevention and community-based care, will also increase the demand for public health nurses. There is little preparation for public health nursing other than through experience and continuing education, and decreasing the pipeline of new public health nurses now will likely create a marked shortage

as retirements accelerate. Recruitment into public health nursing is further challenged by lower salaries compared to hospital-based nurses. Investing in public health and public health nursing is a cost effective method of improving the health of Oregonians.

While some issues facing the nurse workforce are sector-specific, there are many issues that cross sectors. All employer types anticipate

hiring more registered nurses, especially those with a baccalaureate nursing degree. A recent report by the Institute of Medicine/Robert Wood Johnson Foundation on the future of nursing recommends increasing the proportion of BSN nurses in practice to 80 percent.⁶ Associate degree RNs would make up the remaining 20 percent. Oregon's employers are already on the path to

hiring more BSN nurses, perhaps because of the Magnet® status of several health systems.

Some employers have stated a preference for hiring baccalaureate-prepared nurses. In recognition of this, Oregon's BSN nursing programs expanded significantly. Enrollment doubled in recent years.⁴ BSN completion programs are available and accessible, and the Oregon Consortium of Nursing Education, with its seamless transition from ADN to BSN education, will surely go a long way toward meeting anticipated demand for baccalaureate-prepared nurses. Further gains will require we put in place incentives that encourage nurses to complete their BSNs and graduate degrees. The need for graduate-prepared nurses in

“A well-educated nurse workforce must be developed, nurtured and retained to support the transformation of health care in Oregon.”

management and administration as well as advanced practice is significant and projected to grow because of approaching retirements and changes that will accompany health care reform.

The critical need for nurse faculty to educate all levels and types of nurses will also place demands on graduate degree programs.²⁹

Funding for graduate-level nursing education is required to meet this need. In 2009, the Oregon Legislature passed SB701, creating a Faculty Loan Repayment Program. While this program was funded, the allocation of \$200,000 over two years provided assistance to seven of 48 applicants. Additional funding is needed to build the Oregon graduate nurse workforce which is critical to educating the next generation of nurses.

Nurse workforce issues cannot be solved through education alone. It is also essential that we retain currently practicing nurses. Flexible work schedules are very important to nurses of all ages as are salary and benefits.¹⁰ Oregon's registered nurses have voiced dissatisfaction with their benefits and relationships with management.²⁸ Employers would be wise to listen to nurses and focus on ways to retain them. *Wisdom at Work*, a study by the Robert Wood Johnson Foundation, identifies strategies for retaining older employees.³⁰ While no single strategy worked for all employers, several identified the following reasons for their success: a sustained commitment by company leaders to retain older workers; corporate cultures that value the experience of older employees; ongoing data collection and analysis to address concerns of senior employees; opportunities for older employees to transfer to less demanding roles; compensation packages that reward longevity; and benefits aimed at older employees such as phased retirement options, flexible work

arrangements, and help with in-home care for parents and spouses.

Transition to practice programs (internships and/or residencies) that help new nurses shift from academic to real world practice settings are needed for all nurses, especially new graduates. Such programs will also benefit experienced nurses who switch specialties or sectors. Establishing transition to practice programs across sectors will acculturate and educate nurses to successfully practice in whatever setting they choose.

Along with transition to practice programs, formal education including nursing program elective coursework and continuing education are needed to prepare nurses for specialty positions across all sectors. Continued emphasis on preparing nurses for leadership and management positions is also essential. Presently, employers bear most of this burden. With distance education readily available, such education could be delivered via a collaborative effort among schools of nursing and employers. These programs would increase efficiency and effectiveness by ensuring nurses are prepared to practice to the full extent of their education and training.

Oregon's nursing community continues to demonstrate its ability to work collaboratively to solve problems and develop creative, innovative solutions to the challenges facing the profession. Much has been done to increase the supply of nurses through the expanded capacity of Oregon's pre-licensure nursing programs and educational opportunities available to registered nurses with practice experience. Sustaining and growing these efforts is essential. A well-educated nurse workforce must be developed, nurtured, and retained to support the transformation of health care in Oregon.

METHODS

The Oregon Center for Nursing (OCN) conducted a survey of nurse employers between August and November 2010 to gather current data regarding vacancy and turnover rates, use of contract labor, experiences with nurse recruitment and hiring, and anticipated future demand for nursing personnel. The survey was sent to 275 nurse employers across the state representing the employment settings described below. Several follow-up surveys were sent to non-responders to strengthen the return rate. A total of 108 useable surveys were returned (response rate: 39 percent).

OCN conducted a similar survey of nurse employers in 2004. In addition to the four types of employers surveyed in 2010, the 2004 survey was also sent to school health employers. Unfortunately, it was not feasible to survey all nurse employers in the state, but the employer types included in these studies employ an estimated 75 percent of nurses working in Oregon. Details concerning the mailing lists and survey administration for the four employer types surveyed during both years are outlined in Table 6 (*page 19*). Table 7 (*page 20*) shows the numbers of surveys mailed, useable responses and response rates for both years.

Separate survey instruments were developed for each employer group to reflect relevant clinical services and types of nursing personnel. The 2010 versions of the questionnaires were designed to

be distributed, completed, and returned electronically. Surveys were mailed via U.S. Postal Service to 32 long term care and six home health/hospice employers for whom e-mail addresses were not available.

Respondents were asked to provide raw data necessary to calculate vacancy and turnover rates for registered nurses and licensed practical nurses. Health system employers were asked to provide this information by level of care (e.g., acute care, long term care, etc.). However, some respondents were unable to stratify their responses and provided totals for all levels of care combined. For cases where information was reported by level of care, these values were totaled into single, combined variables to standardize data elements across respondents.

OCN calculated registered nurse vacancy and turnover rates for all employer types. Licensed practical nurse vacancy and turnover rates were calculated for long term care employers only due to small sample sizes within other employer types. The survey also included items about employers' use of contract labor, the level of difficulty they experienced hiring various types of nursing personnel over the past year, and expectations for future hiring (e.g., if the number of budgeted nursing positions for various types of nursing personnel will increase, decrease, or remain unchanged over the following two years).

The overall response rate in 2010 (39 percent) was lower than in 2004 (55 percent). We

▼ **TABLE 6**

Mailing list and survey administration details, 2010 & 2004 OCN Survey of Nurse Employers

	2010	2004
Hospital/Health System		
Survey directed to:	nurse executives at all hospitals in Oregon	nurse executives at all hospitals in Oregon
Sent via:	e-mail	USPS
Mailing list obtained:	by contacting individual hospitals and verifying who should receive the survey	from the Oregon Association of Hospitals and Health Systems
Notes:	included a large psychiatric hospital	included a hospital in southwest Washington that serves the Portland metropolitan area
Public health		
Survey directed to:	directors or senior nursing staff at all public health departments in Oregon	nursing directors at all public health departments in Oregon
Sent via:	e-mail	USPS
Mailing list obtained:	by using the State of Oregon Department of Human Services website to obtain contact information for individuals within local county health departments	from the Oregon Health Division
Notes:	Indian Health Service facilities, Federally Qualified Health Centers, and other community health centers were not surveyed	Indian Health Service facilities, Federally Qualified Health Centers, and other community health centers were not surveyed
Long term care		
Survey directed to:	directors of nursing at all licensed nursing facilities in Oregon	directors of nursing at all licensed nursing homes/long term care facilities in Oregon
Sent via:	e-mail & USPS	USPS
Mailing list obtained:	from the State of Oregon Department of Human Services Seniors and People with Disabilities Department; names and contact information were obtained through phone calls to each individual facility	from the state agency responsible for licensing these facilities
Notes:	acute care employers who also provide LTC received a combination acute care/long term care survey and are included in the Hospital/Health System category	acute care employers who also provide LTC received a combination acute care/long term care survey and are included in the Hospital/Health System category
Home health/ Hospice		
Survey directed to:	directors of nursing at all licensed home health and hospice agencies in Oregon	nursing directors at all licensed home health/hospice agencies in Oregon
Sent via:	e-mail & USPS	USPS
Mailing list obtained:	from the State of Oregon Department of Human Services Seniors and People with Disabilities Department; names and contact information were obtained through phone calls to each individual facility	from the state agency responsible for licensing home health/hospice agencies
Notes:	acute care employers who also provide home health/hospice care received a combination acute care/long term care survey and are included in the Hospital/Health System category	acute care employers who also provide home health/hospice care received a combination acute care/long term care survey and are included in the Hospital/Health System category

were pleased with the response to the 2004 survey given the burdensome nature of this questionnaire, and the response in 2010, while lower than we had hoped, was not unexpected. Some survey items require considerable investigation on the part of the respondent to gather necessary information and may involve consultation with key informants within the organization. Also, while we made every effort to ensure surveys were directed to the correct contact person, this may not have been the case in every instance. Lastly, some organizations may have considered the requested information confidential and, thus, chose not to participate.

Sufficient representation within employer groups is important to produce reliable results. In 2010, we looked at representativeness among hospital/health system employers (based on staffed beds),

long term care employers (based on licensed capacity), and public health employers (based on the urban/rural county designations Metropolitan Statistical Area (MSA), Micropolitan (M), or Nonmetro (NM)). Home health employers were not examined due to the lack of a logical classification schema. Among hospital/health system employers, the number of staffed beds did not differ statistically between responders (mean: 117; median: 48) and non-responders (mean: 94; median: 42). Among long term care employers, licensed capacity did not differ statistically between responders (mean: 82; median: 80) and non-responders (mean: 94; median: 91). Among public health employers, counts by urban/rural classification did not differ statistically between responders (MSA 38.1%, M 42.9%, NM 19.1%) and non-responders (MSA 23.1%, M 23.1%, NM 53.9%).

▼ **TABLE 7**

Surveys mailed (N), useable returns (n), and response rates (RR), 2010 & 2004 OCN Survey of Nurse Employers

	2010			2004		
	N	n	RR	N	n	RR
Hospital/Health System	62	29	47%	70	37	53%
Long Term Care	130	41	32%	135	56	42%
Home health/Hospice	49	17	35%	69	52	75%
Public Health	34	21	62%	35	29	83%
School health	NA	NA	NA	20	8	40%
Overall	275	108	39%	329	182	55%

NA: Data not available

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