

Understanding the Healthcare Staffing Crisis

Hospitals and Ambulatory Surgery Centers (ASCs) are facing critical personnel shortages exacerbated by the COVID-19 pandemic, and this crisis is predicted to worsen.^{1,2} Hospital Chief Executive Officers (CEOs) rated personnel challenges as their highest concern in 2021, pushing financial worries from the top spot for the first time since 2004.³ Personnel shortages involve multiple roles, including physicians and allied health professionals. When reviewing the predicted shortages by role, the numbers are staggering (Table 1).

Table 1: Predicted shortages by role⁴⁻⁷

Physicians	Nurses	Allied Health Professionals*
By 2034:	Between 2020 and 2030	By 2030
National Primary Care Physician shortage: 17,800 to 48,000 positions.	National average annual registered nurse (RN) vacancies: 194,500 positions	Allied health professionals needed in California alone: 1 million positions
National Specialist shortage: 21,000 to 77,100 positions.	National average annual licensed practical nurse (LPN) vacancies: 58,000 positions	

*Defined as physical therapists, physician assistants, medical assistants, lab technicians, nursing aides, cardiovascular technicians, ambulance drivers, emergency medical technicians, dental hygienists and psychiatric aides.

While shortages for all healthcare roles are troubling, the majority of CEOs surveyed cited RN shortages as the priority personnel concern.³ Given that health care delivery requires a multidisciplinary, team-based approach, staffing shortages in one area or role may significantly impact the ability of other roles to effectively provide quality patient care.³ The supply of advanced practice registered nurses (APRNs) and physician assistants (PAs) is expected to double over the next 15 years, and some projections indicating a surplus.⁸ Since APRN roles typically pull from the RN pool, this growth may exacerbate the RN shortage.

Personnel turnover also contributes to the staffing crisis. Approximately half of surveyed ASC leaders noted RN turnover increased in 2020.² In the acute care setting, the national hospital turnover rate reported for January through December 2021 was 25.9%, an increase of 6.4% from the prior year.⁹ Turnover rates vary across roles within the hospital setting, and nursing personnel are among some of the highest (Table 2). RNs with less than one year of experience are particularly vulnerable, with an average turnover rate of 24.6% in 2020⁴ and 31.0% in 2021.⁹

Table 2: 2021 Turnover Rate by Role⁴

Role	Turnover Rate
Nursing Assistants	35%
Pharmacy Technicians	21%
Medical Assistants	21% ⁿⁱ
Licensed Practical Nurses	20%*
Registered Nurses	18%
Nurse Practitioners	15%
Physician Assistants	11%
Pharmacists	10%
Physicians	7%**

*2020-2021; **2020 alone; ni =not indicated

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To complicate matters further, the time required to recruit personnel is increasing, with the average RN time-to-fill at 87 days.⁹ Acute care specialty areas such as critical care and the operating room are increasingly challenged to recruit experienced nursing staff in a timely manner (96 days and 97 days respectively).¹⁰ ASC leaders are seeing similar trends, reporting that recruitment of experienced operating room nurses to the ASC space is becoming more difficult.^{2,9}

The economic and noneconomic costs to providers are alarming. With the average cost of RN turnover ranging from \$28,400 to \$51,700 per RN, hospitals face losing \$3.6 million to \$6.5 million per year.¹¹ The downstream effects of personnel shortages may also include delays in billing and patient care, staffing-related adverse events, increased episodic cost of care, diminished community trust, risks to hospital reputation, exposure to liability, suspension of services, and the inability of an organization to invest and grow.^{2,4} Therefore, understanding the reasons behind all personnel shortages and developing mitigation strategies are critical to the success of any healthcare organization.

HealthTrust is pleased to offer the Collaborative Summit: Addressing the Healthcare Staffing Crisis, a two-day highly interactive workshop targeted to small teams (4-5 leaders) from member health systems.

Participants will:

- Interact with subject matter experts.
- Learn about leading approaches and practices.
- Explore specific response strategies or tactics.
- Network with peers from other health systems.
- Develop a customized action plan to initiate upon returning home.

HealthTrust will provide foundational research and subject matter experts to establish the current state and support discussions and group work. Topics to be addressed include retention strategies, recruitment strategies, alternative practice models, and technology solutions.

References:

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