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The National Forum of State Nursing Workforce Centers, the nurse workforce experts from 30+ states, is concerned about a recent study conducted by Economic Modeling Specialists, Inc. (EMSI) suggesting that the nation is currently over-producing RNs. We offer remarks on the study's data sources and on the possible consequences of publicizing misleading information. The original study can be found at <http://www.economicmodeling.com/2010/06/11/comparing-the-output-of-nurses-with-estimated-demand/>

Regarding the data:

- Supply-side estimates of new nurse production are based on data from the federal Integrated Postsecondary Education System (IPEDS). IPEDS data do not separate pre-licensure from post-licensure students, so it is not possible to count new nurses separately from post-licensure students returning to complete a higher degree (baccalaureate, master's, or doctorate). Additionally, IPEDS counts are produced using a program-to-occupation crosswalk that may misclassify some educational programs whose graduates typically go into other fields.
- A better measure of new entrants to the profession comes from the National Council of State Boards of Nursing NCLEX examination statistics. Even if IPEDS were a good source for data on the number of pre-licensure graduates, new graduates cannot legally practice until they pass the NCLEX-RN exam. A comparison of the two sources shows the extent of the discrepancy:
  - EMSI # of "nursing completers" in 2009: 190,615
  - NCSBN # of people passing NCLEX in FY 2009: 148,266
  - **Difference: 42,349, an overestimate of 28.6%**
- Demand-side projections of job openings due to growth and replacement *seem* to be based on Bureau of Labor Statistics employment projections, though the exact source of data for these estimates is not clearly stated on EMSI's website. BLS projections of nurse demand have a number of limitations. In fact, federal forecasts of nurse demand produced by the Health Resources and Services Administration (HRSA) use a completely different forecasting method.
  - BLS projections of employment assume a labor market in balance; labor shortages or surpluses are not modeled. They are projections of employment, not necessarily total demand for nurses. Since *unmet* demand for nurses (in the form of vacancies) exists in the historical employment trends projected forward, BLS may be underestimating the total demand for nursing labor.

- BLS occupational projections use a methodology designed to maximize accuracy across the many industries they study. This allows broad comparisons across industries that are useful for understanding the nature of national economic growth in the coming years, but the method is not specific enough to the nursing profession to produce accurate projections of total demand. Like IPEDS, BLS uses a crosswalk to convert industry employment to occupational employment. The process is subject to error.

National nurse workforce experts have consistently projected a shortage of RNs owing to an aging population and eminent retirements from the aging nurse workforce. The recession has temporarily eased the current nursing shortage by increasing the supply (more licensed nurses are working in the field) and decreasing the demand (fewer vacancies in healthcare facilities). The long-term drivers of shortage, however, are still in place. Peter Buerhaus and colleagues (2009) project that a national shortage will re-emerge by 2018 and grow to approximately 260,000 RNs by 2025. To prevent that shortage, funding decisions must acknowledge the coming problem. When researchers who are not experts in the field create and publicize projections that not only deny the coming shortage but posit that a *surplus* of nurses is in our future, dangerous funding decisions may be made. For example:

- Reducing the capacity of our nursing education system now may have long-term consequences for our efforts to prevent a nursing shortage. Nursing programs cannot start and stop on a dime; it takes years for the flow of a curriculum to become established and the production of quality graduates to be achieved. If we reduce funding for nursing education now, our education system will not be able to produce the nurses we need in the future.
- Employers have been incentivized by the recent shortage to explore improvements in the nursing work environment. Nursing turnover – both job turnover and professional attrition – is impacted by factors such as workload, participation in organizational decision-making, and opportunities for career advancement. Changes to the work environment can be costly and time-consuming, but they pay off for organizations through reduced turnover expenditures and retention of valuable experiential knowledge. If focus on the work environment is shifted because of employer perception that nursing labor will be easy to find, the result will be an intensified nursing shortage owing to high levels of professional turnover.

The National Forum of State Nursing Workforce Centers encourages those involved in nurse workforce policymaking to consult national and state-level *nurse workforce experts* for information on nursing workforce availability and demand. Our subscriber state centers are typically the best state-level source for information. Visit our interactive map at <http://www.nursingworkforcecenters.org/WorkForceCenters.aspx> to find your state center for nursing.

Reference: Buerhaus, P., Auerbach, D., and D. Stiger. (2009). The recent surge in nurse employment: causes and implications. *Health Affairs*, 24(4), w657-w668.

*For more information about the Forum of State Nursing Workforce Centers visit [www.NursingWorkforceCenters.org](http://www.NursingWorkforceCenters.org).*

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