

# THE NURSING SHORTAGE IN FLORIDA: FACTORS THAT INFLUENCE SUPPLY AND DEMAND

## INTRODUCTION

REPORT 06-01: MAY 2006

Concern is growing that Florida's current nursing shortage may soon reach unprecedented levels. The continued growth of the state's older adult population combined with the availability of more advanced diagnostic and treatment options is expected to rapidly accelerate the demand for healthcare services during the coming decades. At the same time, a disproportionately large number of Florida's registered nurses (RNs) are nearing retirement age and will soon be leaving the workforce.

Fueling this heightened sense of unease is the knowledge that, for years, almost two out of every three RNs licensed in Florida came from outside the state. As a net importer of one of the most critical sectors of its healthcare workforce, Florida remains in a precarious position, uniquely susceptible to forces that might cause significant, unexpected disruptions in the nursing supply. Such volatility was evidenced most recently when 37 percent fewer out-of-state nurses sought Florida licensure between July 2003 and 2004.<sup>1</sup>

All the while, an unprecedented number of aspiring nurses from within the state are being forced to wait, at times, years, before gaining access to a nurse training program. Capacity constraints, in the number of qualified nursing faculty, classroom seats, and clinical sites have created a bottleneck in the production of qualified nursing professionals within the state—constraints which appear to be at the core of Florida's inability to close the intractable gap between the supply and demand for qualified nursing professionals.

## FUTURE DEMAND FOR REGISTERED NURSES

Demographics are one of the most important factors to consider when gauging the future need for healthcare professionals, particularly projections of state population size, age, etc. In Florida, the population is not only growing, but graying. According to the U.S. Census Bureau

- Florida's total population is projected to increase by 89 percent by 2030, to over 28.7 million people
- Along with Texas and California, Florida will account for nearly half (46%) of all U.S. population growth by 2030
- By 2011, Florida will surpass New York to become the nation's third most populous state.
- Florida's 65 and older population is projected to increase by 177 percent by 2030, to over 7.6 million
- More persons age 65 and older will reside in Florida than in any other state in the nation in 2030.
- More than one in every four Florida residents will be age 65 and older in 2030.<sup>2</sup>

Further, these older adults are expected to possess greater wealth than their counterparts today—resources they will be more likely to spend on advanced diagnostic and treatment options that will improve and prolong their quality of life.<sup>3</sup>

<sup>1</sup> National Council of State Boards of Nursing. Research Briefs, Nurse Licensee Volumes and NCLEX Examination Statistics (v20). Available at [http://www.ncsbn.org/testing/psychometrics\\_nclexlicensure\\_examstats.asp](http://www.ncsbn.org/testing/psychometrics_nclexlicensure_examstats.asp).

<sup>2</sup> *State Interim Population Projections by Age and Sex: 2004 – 2030*. Table 6: Total population for regions, divisions, and states: 2000 to 2030. U.S. Census Bureau updated projections—April, 2005. Available at <http://www.census.gov/Press-Release/www/releases/archives/population/004704.html>

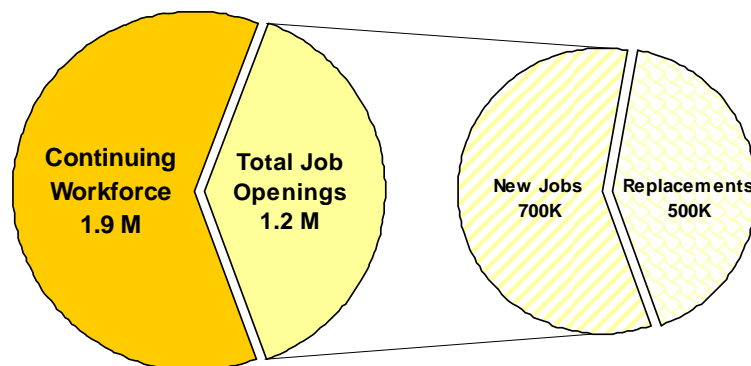
<sup>3</sup> Hecker, Daniel. *Employment outlook: 2004–14*. Occupational projections to 2014: Retiring boomers. Monthly Labor Review. November, 2005. U.S. Bureau of Labor Statistics.

## EMPLOYMENT PROJECTIONS

The U.S. Bureau of Labor Statistics projects that as a consequence of these demographic trends, by 2014, over 700,000 new jobs will be created for RNs nationally. This represents an average annual growth rate over 2.9 percent. During the same time period, however, over a half

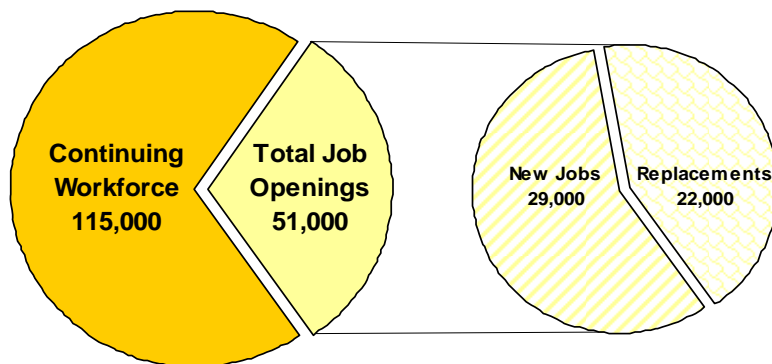
million RNs are expected to retire, change occupations or become deceased. In total, over 1.2 million RN openings will be created throughout the United States by 2014.<sup>3</sup>

**2004 - 2014**  
**Total Number**  
**of Registered**  
**Nurses: U.S.**  
**3.1 Million**



Employment of RNs in Florida is projected to grow from approximately 137,000 to over 166,000 by 2013. This represents an annual average rate of over 2.6 percent (3,564 new openings each year). During this time period an additional 22,000 RNs are projected to retire, change occupations or become deceased. Collectively, over 51,000 job openings are projected for RNs in the State of Florida between 2005 and 2013.<sup>4</sup>

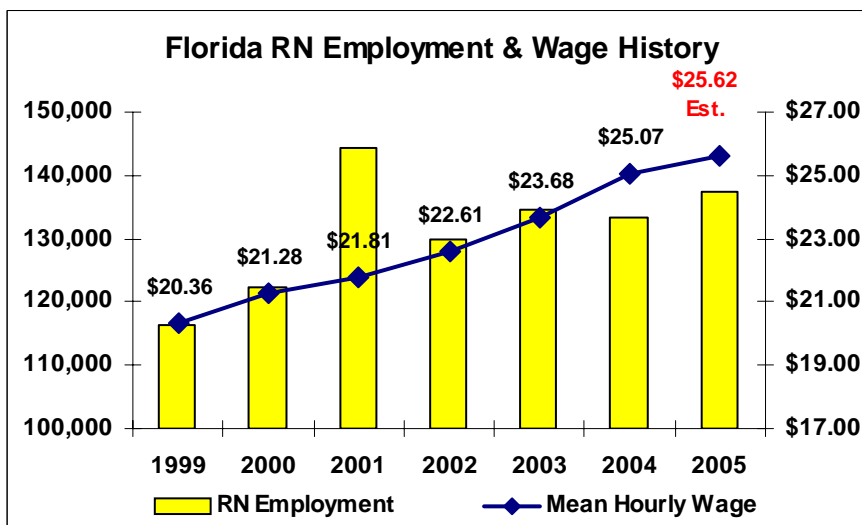
**2005 - 2013**  
**Total Number**  
**of Registered**  
**Nurses: Florida**  
**166,000**



## EMPLOYMENT AND WAGES: PAST TO PRESENT

Employment of RNs in Florida has increased by approximately 17,000 between 1999 and 2004, or at an average annual rate of 3.16 percent. The average hourly wage for RNs outpaced employment growth, increasing at an average annual rate of 4.26 percent during this time period.<sup>5</sup>

All else being equal, these divergent growth rates are characteristic of an occupational labor shortage. The Florida Agency for Workforce Innovation (FAWI), for example, estimated that there were almost 6,000 vacancies for RNs in 2005.<sup>6</sup> The Florida Center for Nursing (FCN) combined these vacancies with current labor market projections in suggesting that the current need for RNs in the State of Florida exceeds 13,000.



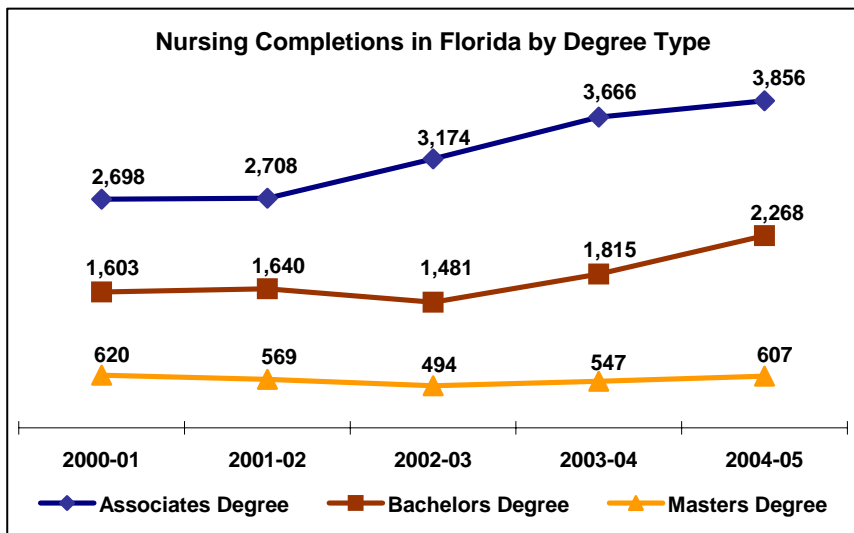
<sup>4</sup> Employment Projections to 2013. Florida Agency for Workforce Innovation. Available at <http://www.labormarketinfo.com/library/ep.htm>.

<sup>5</sup> Occupational Wage Estimates, 1999-2005. Florida Agency for Workforce Innovation. Available at <http://www.labormarketinfo.com/library/oes.htm>

<sup>6</sup> Florida 2005 Job Vacancy/Hiring Needs Survey. Florida Agency for Workforce Innovation. Available at <http://www.labormarketinfo.com/library/pubs/vacancy/statewide.pdf>

## EDUCATION AND TRAINING<sup>7</sup>

The story is mixed regarding the number of nursing graduates produced by Florida's public and private postsecondary institutions. While associate and baccalaureate degree completions have each increased over 40 percent during the last five years, the number of master degrees awarded has actually declined.

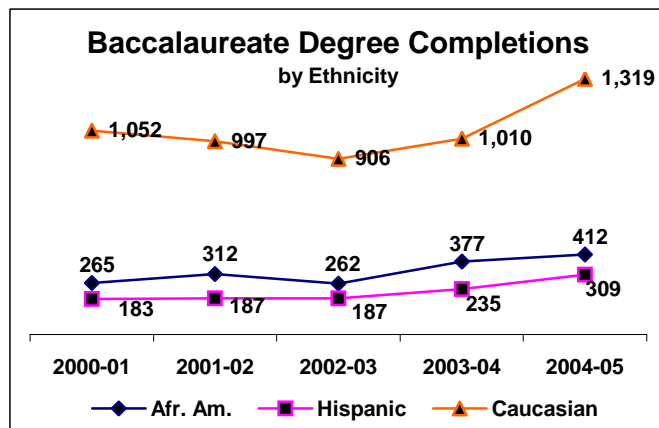
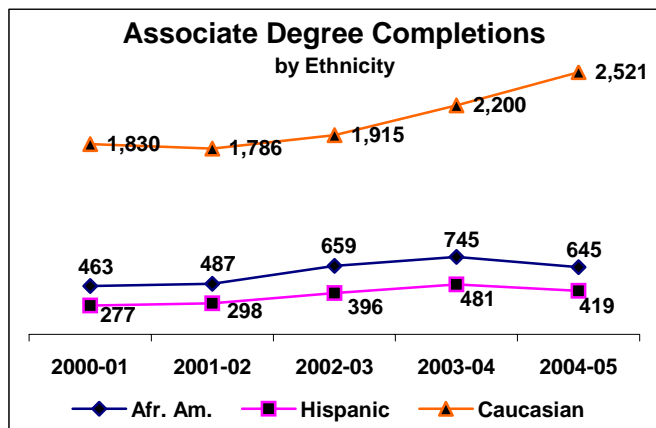
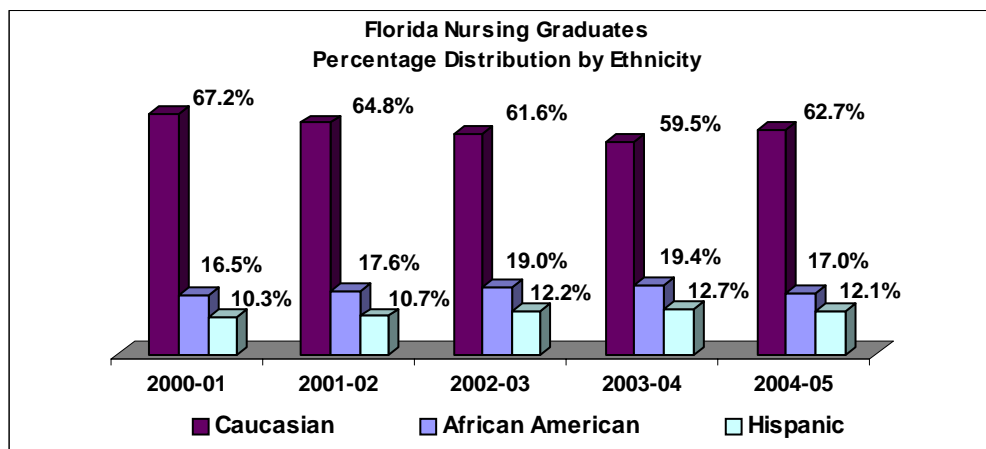


Further, no more than 26 doctorate degrees were awarded in any one year. As the primary means of preparing nursing faculty, the decrease in the number of advanced degree graduates is particularly troubling.

*Master and doctoral-level programs in nursing are not producing a large enough pool of potential nurse educators.*

Steady gains were made in the percentage of nursing degrees earned by African American and Hispanic students through 2003-04. Last year, however, this trend reversed. It appears this was due, in part, to a decrease in the number of associate degree completions awarded to minority students.

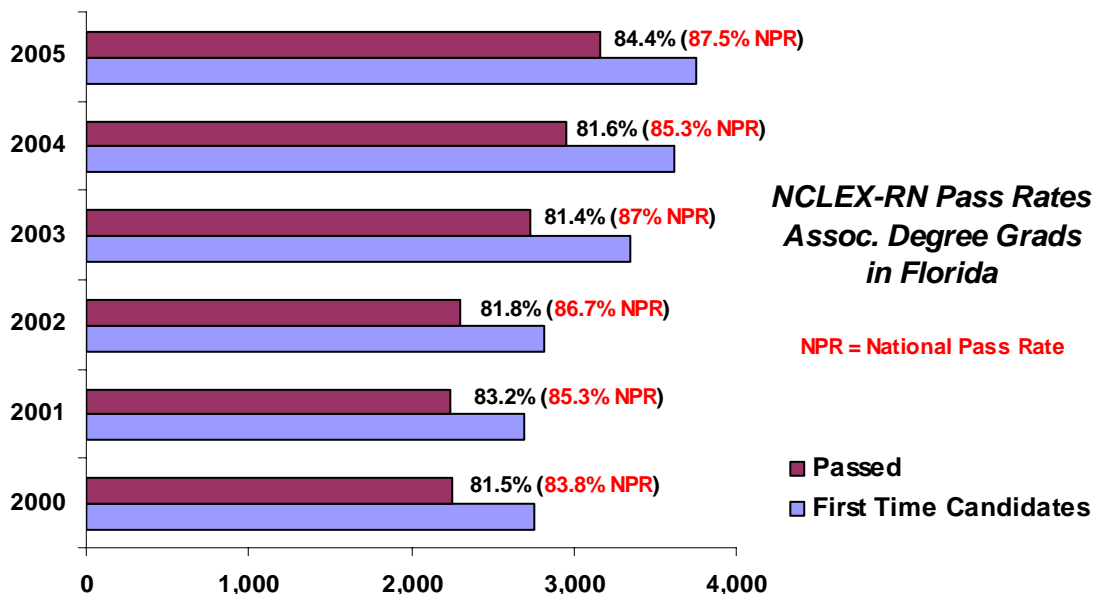
Moreover, while the total number of baccalaureate degrees awarded to those in the ethnic minority continued to increase during 2004-05, the rate of increase was not as large as it was for Caucasian students.



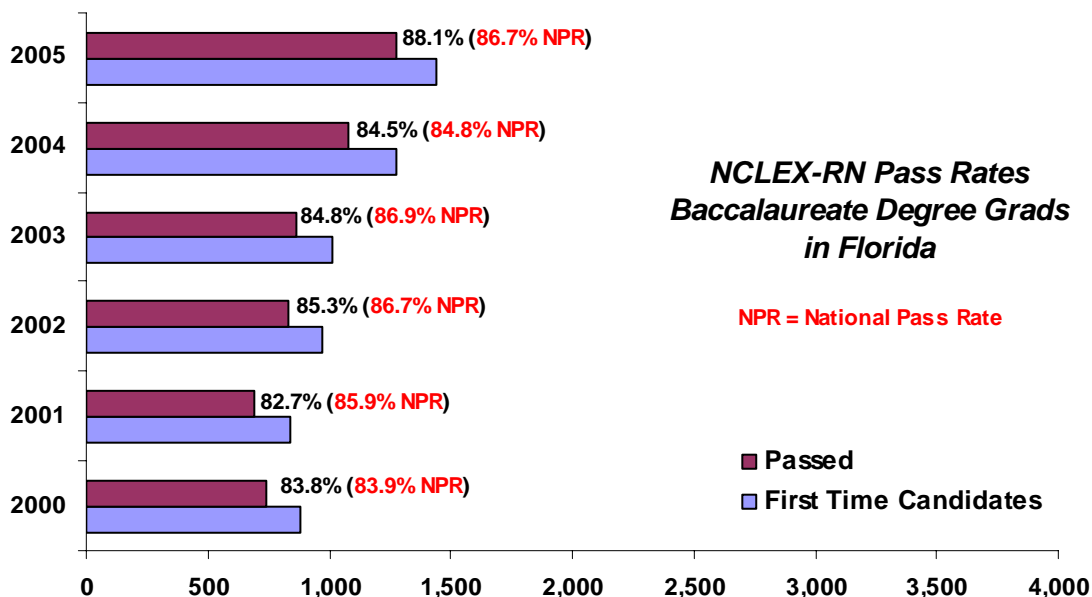
<sup>7</sup> IPEDS. Degree Completions by Degree Level and Ethnicity. Institute of Educational Sciences, National Center of Education Statistics. US Department of Education. AY2000-2004.

## NCLEX-RN EXAMINATION PASS RATES <sup>8</sup>

National Licensing Exam data for RNs provide indications as to the supply of recently trained RNs, and represents one measure used to evaluate, collectively, the effectiveness of Florida's RN training programs. The NCLEX-RN pass rates for first-time Florida RN candidates who completed an *associate's degree* have been lower consistently compared to the national average pass rates for this educational sector. In 2005, however, the pass rate for Florida's associate degree graduates increased by almost three percentage points—the largest annual gain in over six years.



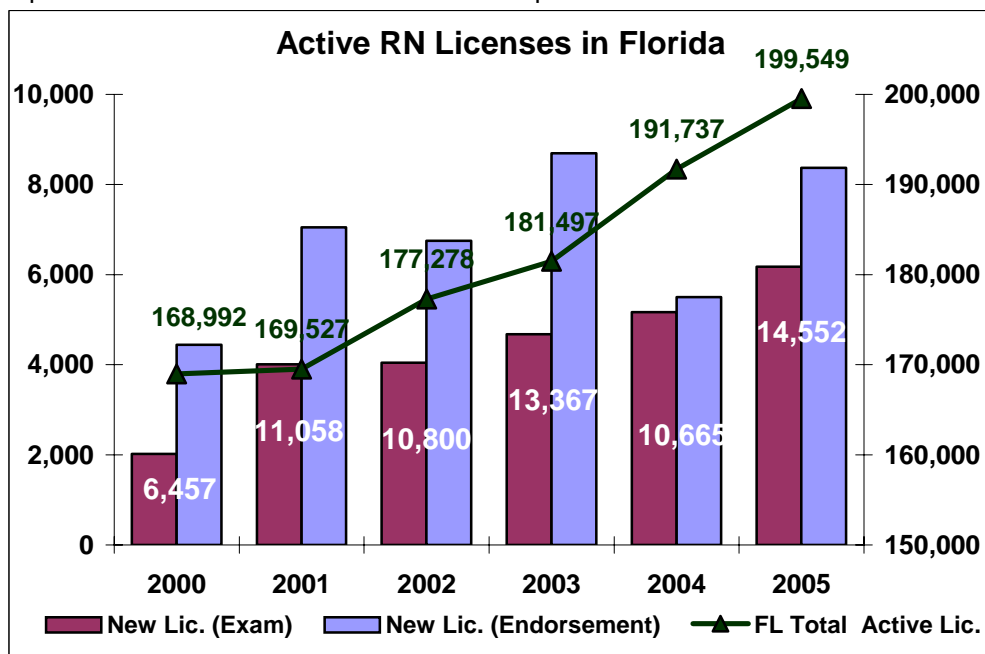
NCLEX-RN pass rates for first time Florida RN candidates who first completed a *baccalaureate degree* made disproportionately large gains between 2004 and 2005, surpassing the national rate for the first time in six years.



<sup>8</sup>National Council of State Boards of Nursing. Research Briefs, Nurse Licensee Volumes and NCLEX Examination Statistics (v14-20). Available at [http://www.ncsbn.org/testing/psychometrics\\_nclexlicensure\\_examstats.asp](http://www.ncsbn.org/testing/psychometrics_nclexlicensure_examstats.asp).

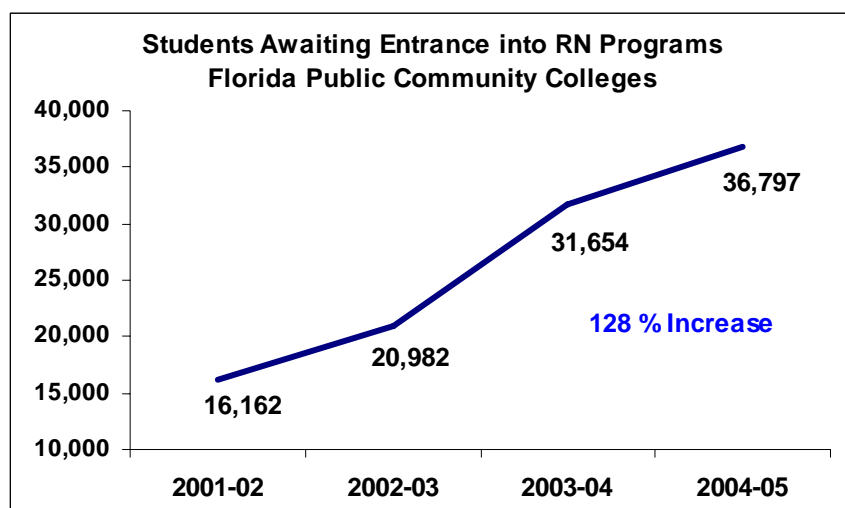
## STATE LICENSURE

The supply of RNs in Florida comes from graduates of the state's public and private colleges and universities, as well as through the net in-migration of previously trained and licensed RNs from outside the state. Until 2004, Florida imported about two RNs for each one it produced—the total number of annual endorsements being greater than any other state except California. While endorsements continue to represent the majority of all newly issued licenses, those resulting from in-state examination have increased over 200 percent since 2000. The encouraging news here is that Florida appears to be decreasing its dependency on outside sources for its nursing workforce. In other words, the potential dangers associated with being, what essentially is a net importer of a scarce resource, are diminishing to a certain degree.<sup>8</sup>



## CAPACITY CONSTRAINTS

It is important to recognize, however, that the nursing shortage does not stem from a lack of interest in the nursing profession. In Florida's community college system, for example, thousands of students currently aspire to a career in nursing. The problem is that there are insufficient resources available to serve them all in a timely fashion. According to the Florida Education and Training Placement Information Program, the number of students who are currently "awaiting" entry into a nursing program within Florida's community colleges has increased 128 percent over the last five years.<sup>9</sup> Many of these students have completed their prerequisite courses but, unfortunately, are having to wait years before being admitted to a program of study. In a survey of approximately 88 percent of all Florida associate of science and baccalaureate and above degree programs in nursing, the Florida



Center of Nursing (FCN) reported that in fall 2004, only 4,630 out of almost 11,000 qualified applicants were admitted.<sup>10</sup> This appears consistent with what is happening in other areas of the nation. According to the National League for Nursing (NLN), an estimated 147,000 applicants were denied entry into two and four-year nursing programs last year.<sup>11</sup>

<sup>9</sup> Florida Department of Information. Community College Student Database, 2001-02 thru 2004-05

<sup>10</sup> Florida Center for Nursing. Nurse Education in Florida. January 2005 Survey. Available at <http://www.FLCenterForNursing.org>.

<sup>11</sup> National League of Nursing. Press Release dated December 9<sup>th</sup>, 2005. *Despite Encouraging Trends Suggested by the NLN's Comprehensive Survey of All Nursing Programs, Large Number of Qualified Applications Continue to Be Turned Down*. Available at <http://www.nln.org/newsreleases/nedsdec05.pdf>

There is wide agreement that capacity constraints—insufficient numbers of faculty, clinical sites and financial support—are at the heart of this bottleneck and ultimately, are responsible for the lack of progress being made in alleviating the growing shortage of nurses. Addressing these issues is of critical importance if the state is to close the gaps between the supply and demand for nursing professionals. If left unresolved, a chronic shortage of trained nursing professionals will eventually undermine access to high quality, affordable healthcare and by extension, the general welfare of the state. Inarguably, the prosperity of Florida is linked inextricably to the health and well-being of its citizens.

## NOTES