FOR IMMEDIATE RELEASE



Contact Information: Mary Lou Brunell Executive Director 407-823-0980 brunell@mail.ucf.edu

Florida's nursing workforce has large economic impact on the state

A recent study by the Florida Center for Nursing, the state entity responsible for nurse supply, demand, and education information in Florida, found that vacant nursing positions have a large economic impact on the state of Florida (<u>The Economic Impact of Florida's Nursing Workforce</u>). Although the number of vacant nursing positions has decreased as a result of the recession, as of 2009 there were still an estimated 7,200 vacant nurse (registered nurse and licensed practical nurse) full-time equivalent (FTE) positions, representing an estimated \$30 million in state and local tax revenues that could have been collected if these vacant nursing positions were filled. The Center's recently released nurse supply and demand forecast report projects that without improvements in retention and increases in the number of new graduates, the nursing shortage may be more than 50,000 RN FTE positions in 2025. A shortage of this magnitude translates into an estimated \$226 million in state and local tax revenues that would not be collected because nursing positions are vacant.

Despite the recession, turnover of nurses is still high, and there were an estimated 29,500 separations from nursing positions from July 1, 2008 through June 30, 2009. These separations translated to an estimated negative economic impact for the state of Florida of over \$1.4 billion. Position turnover is costly for employers in multiple ways: lost productivity, increased payments for overtime or agency personnel, recruiting and hiring expenses. If nurse turnover were decreased, the facility-level cost savings could lead to higher quality, less expensive healthcare.

"These results are especially concerning at a time when Florida has a high unemployment rate of 11.9% and a declining state budget", said the Center's Executive Director, Mary Lou Brunell, RN, MSN. "Vacant nursing positions result in a higher nurse workload, which can have a negative impact on the patients. Conversely, studies have shown that increased nurse staffing has been associated with fewer adverse outcomes for patients both in hospitals and in long-term care nursing facilities. Filling vacant nursing positions would have a positive impact on both state and local tax revenues and on patient outcomes."

The Center advocates a two-pronged strategy to address the nursing shortage and high turnover rates. Nursing education program expansion is one method to increase the supply of new nurses, but is hampered by clinical space limitations and nurse faculty shortages. Prioritizing the retention of nurses through workplace initiatives such as the implementation of effective retention practices, creating an improved work environment, and applying ergonomic improvements, can decrease nurse turnover.

For more information on the Florida Center for Nursing, and to view a full copy of our economic impact report, please visit <u>www.FLCenterforNursing.org</u>.

###

The Florida Center for Nursing is the definitive source for information, research, and strategies addressing the dynamic nurse workforce needs in Florida.