

Center for Health Workforce Planning

Issue Brief: Nursing Supply and Demand

In 2000, the national supply of full-time equivalent registered nurses was estimated at 1.89 million while demand was estimated at 2 million, a shortage of 110,000 or 6 percent. The shortage is expected to grow relatively slowly until 2010 when it will have reached 12 percent. At that point, demand will begin to exceed supply at an accelerated rate, and by 2015, will have almost quadrupled to 20 percent. If not addressed, and if current trends continue, the shortage is projected to grow to 29 percent by 2020. Several factors are driving a growth in demand. These include an 18 percent increase in population, a larger proportion of elderly persons requiring more care, and medical advances that increase the need for nurses and nursing assistive personnel.

In Iowa, the driving forces behind supply and demand reflect every national trend, including a high percentage of nurses who are approaching retirement, a diminished supply of new nurses and projections of over 2,000 RN vacancies at any point in time. Factors unique to Iowa include the following:

- The economic challenges of a rural state with small, independent farming communities;
- A declining population between the ages of 18 and 24;
- A relatively high percentage of elderly Iowans with multi-system and accessibility needs;
- A growing population of new Iowans employed in low income jobs who are not enrolling in nursing programs;



- A significant tuition and loan burden for students in pre- and post-licensure education programs;
- Low pay in the health fields related to reimbursement rates in Iowa;
- Departure of newly licensed registered nurses in pursuit of higher wages; and
- Aggressive recruitment of students and nurses by states experiencing acute shortages.

Healthy Iowans 2010, Iowa's Health Agenda for the New Millennium, identifies the following goals to achieve accessible, high quality health services:

- Increase the supply of health professionals in underserved communities;
- Increase funding for education of health professions and allied health disciplines; and
- Increase funding for health-profession education by 5 percent annually throughout the decade through new models of financing and the involvement of employers.

Recommendation #3 of the 2001 Governor Vilsack's Task Force on Nursing Shortage is "to create a program of state and private sponsored nursing scholarships and loan forgiveness in order to expand the overall pool of nurses. Special attention should be given to shortage areas requiring special nursing needs, e.g. the training of nursing educators, intensivists, acute care nurses, geriatric nurse specialists and others."

On April 26, 2002, Governor Tom Vilsack signed legislation to create a Registered Nurse Recruitment Program and Fund to be administered by the Iowa College Student Aid Commission. State funding was not appropriated in 2002 or 2003 to implement Iowa Administrative Code 261.23 that would provide forgivable loans and tuition scholarships for students, and loan repayments for registered nurses. It is anticipated that subsequent collaborative efforts among public and private partners will provide a nursing education loan repayment program for registered nurses and nursing faculty beginning in 2004.

On September 15, 2003, the Center issued a white paper that calls for action to expand the current and future pool of qualified nurses and nursing faculty to meet the demand in the next decade.

Actions recommended by the Center include the following:

- Initiatives to recruit and retain qualified nurses in Iowa;
- A sustainable program administered through the Iowa College Student Aid Commission to fund scholarships, forgivable loans and loan repayment to prepare new nurses, and support nurses seeking advanced education to teach and practice in Iowa;
- Formal partnerships between schools of nursing and employers that support joint faculty-clinical appointments and new student clinical experiences.
- Programs that recruit new Iowans and special populations into nursing and other health fields.
- Collaboration among agencies that address public health, economic development, education and workforce development.
- Participation in national incentives to designate professional shortage areas for nursing and expand nursing education loan repayment.

The Center for Health Workforce Planning was created in the Iowa Department of Public Health, Bureau of Health Care Access, to assess and forecast health workforce supply and demand, address barriers to recruitment and retention, support strategies developed at the local level that prevent shortages, and engage in activities that assure a competent, diverse health workforce in Iowa. Funding for the center, fueled through the efforts of U.S. Senator Tom Harkin, is administered through the Bureau of Health Professions, Health Resources and Services Administration, U.S. Department of Health and Human Services.

http://www.idph.state.ia.us/hpcdp/workforce_planning.asp