



An Assessment of Trends in the Job Market for New York's Newly Trained RNs

2005-2012



School of Public Health
University at Albany, State University of New York

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The Center for Health Workforce Studies is a not-for-profit research organization whose mission is to provide timely, accurate data and conduct policy-relevant research about the health workforce. The Center's work assists health, professional, and education organizations; policy makers and planners; and other stakeholders to understand issues related to the supply, demand, distribution, and use of health workers.

PREFACE

This report presents a trend analysis of RN employment and demand for newly trained RNs in New York City and throughout the state as a whole. The study was supported by funding from the 1199 Hospital League Health Care Industry Planning and Placement Fund, Inc., a joint labor-management fund responsible for the education and training of its members.

The Center for Health Workforce Studies at the School of Public Health, State University of New York at Albany, conducted the research and produced this report. The Center is a not-for-profit research organization with a mission to provide timely accurate data and conduct policy-relevant research about the health workforce. Center staff members who contributed to the development of this report are Robert Martiniano and Jean Moore.

EXECUTIVE SUMMARY

Registered nursing is the single largest health profession in the United States. Many factors affect the job market for registered nurses (RNs), including overall economic conditions, the available supply of RNs, demand for health services broadly and within specific health care settings, and health care reimbursement. Recent reports have found that newly trained RNs are having difficulty finding jobs, particularly in New York City. In order to better understand demand for RNs generally and for newly trained RNs specifically, data from a wide array of sources were analyzed to determine whether the supply of RNs, particularly newly trained RNs was greater than demand for them.

The purpose of this study was to assess trends in the new RN job market to answer the following questions of interest:

- Are newly trained RNs facing an increasingly competitive job market for nursing positions?
- Does the education level of a newly trained RN affect the likelihood of securing employment (associate degree nurse [ADN] compared to bachelor's degree nurse [BSN])?
- Has the recent economic downturn or other local factors, such as hospital closures or consolidations, affected the job market for newly trained RNs?

This report presents a trend analysis of RN employment and demand for newly trained RNs in New York City and in the state as a whole. The research was conducted by the Center for Health Workforce Studies at the School of Public Health, State University of New York at Albany.

KEY FINDINGS

Many factors appear to be contributing to a very competitive job market for newly trained RNs, particularly for those holding associate degrees in nursing. These factors are highlighted below.

- The annual number of RN graduates in New York has more than doubled between 2002 and 2012.

- Between 2008 and 2012, the total number of licensed RNs increased by more than 5% statewide and by nearly 9% in the greater New York City area.¹
- The recent recession resulted in job loss in all employment sectors between 2008 and 2011 except for the health care sector, which experienced job growth.
- Between 2005 and 2012, RN jobs throughout New York increased by over 7%, while RN jobs in the greater New York City area² fell by nearly 3% during the same time period.
- Between 2005 and 2011, the number of acute care hospital beds declined by 7.6% for the state as a whole and by 12.1% for New York City.
- Beginning in 2009, a growing number of RN education program directors reported fewer job opportunities for newly trained RNs.
- Between 2007 and 2011, human resource directors of health facilities statewide³ reported each year that they had little difficulty recruiting newly trained RNs, but great difficulty recruiting experienced RNs.
- The majority of hospitals in New York City reported either a policy or a preference for hiring BSN-prepared RNs to fill vacancies.
- Median annual salaries for RNs in New York City¹ and throughout the state of New York increased by 15% and 17%, respectively, between 2005 and 2008, but remained relatively flat after that, growing by an average of less than 1% per year between 2008 and 2011.

The supply of RNs in New York has grown faster than demand for them. Despite steady growth in health sector jobs across the state, RN job growth has lagged, particularly in New York City. As a result, newly trained RNs face a very competitive job market, particularly ADN-trained RNs. The vast majority of hospitals in New York City report a preference or a policy for filling RN vacancies with BSNs. It is possible that the growing number of already licensed RNs pursuing BSNs include ADNs who have not been able to secure employment. There is potential for RN

¹ The greater New York City area includes the five boroughs of New York City; Westchester County, New York; and Nassau and Suffolk counties on Long Island.

² Includes all of New York City, White Plains (Westchester County), and Wayne, New Jersey.

³ Based on an analysis of annual surveys of human resources directors of hospitals, nursing homes, home care agencies, and community health centers across New York.

supply to come into better balance with RN demand as an increasing number of older RNs leave the field, thus creating a greater number of RN job openings.

INTRODUCTION

Registered nursing is the single largest health profession in the United States. Many factors affect the job market for registered nurses, including overall economic conditions, the available supply of RNs, demand for health services broadly and within specific health care settings, and health care reimbursement. Recent reports have found that newly trained RNs are having difficulty finding jobs, particularly in New York City. In order to better understand demand for RNs generally and for newly trained RNs specifically, data from a wide array of sources were analyzed to determine whether the supplies of RNs and newly trained RNs were larger than demand for them.

METHODOLOGY

The purpose of this study was to assess trends in the new RN job market to answer the following questions of interest:

- Are newly trained RNs facing an increasingly competitive job market for nursing positions?
- Does the education level of a newly trained RN affect the likelihood of securing employment (associate degree nurse [ADN] compared to bachelor's degree nurse [BSN])?
- Has the recent economic downturn or other local factors, such as hospital closures or consolidations, affected the job market for newly trained RNs?

This report presents a trend analysis of RN employment and demand for newly trained RNs in New York City and in the state as a whole. The research was conducted by the Center for Health Workforce Studies at the School of Public Health, State University of New York at Albany.

This study examined seven different data sources for analysis:

- The U.S. Bureau of Labor Statistics, Current Employment Statistics: National, New York State, and New York City employment counts by employment sector and health care setting, 2005-2012.
- The U.S. Bureau of Labor Statistics, Occupational Employment Statistics: New York State and greater New York City (the five boroughs of New York City; White Plains in

Westchester County, New York; and Wayne, New Jersey) employment counts of RNs by health care setting, 2005-2012.

- The New York State Department of Health, Hospital Institutional Cost Report, 2005-2012, for analysis of hospital beds, RN full-time equivalents (FTE), and RN hours.
- The New York State Education Department, Office of Professions (OP), License Statistics, 2008-2012, including the analysis of OP Web site statistics as well as data from the licensure files.
- The Center for Health Workforce Studies, Trends in New York Registered Nurse Graduations, 1996-2013, and the graduation data for the greater New York City area (five boroughs of New York City and Westchester, Nassau and Suffolk counties in New York State).
- The Center for Health Workforce Studies' Annual Survey of Recruitment and Retention: New York State and New York City data by health care setting of recruitment and retention issues for RNs.
- The Healthcare Association of New York State, Nursing and Allied Health Workforce Advocacy Survey data.

FINDINGS

A. RN Supply

While RN graduations have slowed in recent years, overall RN production has more than doubled in New York since 2002.

Historically, the production of RNs in the U.S. is characterized by overproduction of new RNs in response to a perceived shortage of RNs, followed by a decline in production of RNs that often precipitates a new shortage. These cyclical “boom and bust” patterns of RN production can, at times, obscure some of the other factors that contribute to RN supply/demand gaps.

In 2012, there were 10,255 graduates from RN education programs in New York, an increase of 92 graduates (or nearly 1%) compared to 2011. Between 2011 and 2012, there was a 2% increase in ADN graduates. While the overall number of BSN graduates decreased slightly, the decline

was in the number of four-year BSN graduates. The number of BSN completers⁴ actually increased by more than 120 between 2011 and 2012.

Between 2002⁵ and 2012, total RN graduations in New York have doubled. Over that time period, total BSN graduates increased by 113%, while ADN graduates grew by 89%. The number of RN graduations in New York in 2013 is expected to grow by more than 450, or by 4.5%, over 2012. ADN graduations are projected to increase slightly between 2012 and 2013, with larger increases in four-year BSN graduates and BSN completers (Table 1).

Much of the recent growth in RN graduations is attributed to an increase number of BSN completers.

Since 2007, there has been steady growth in the number of graduates from BSN completer programs, and as a result, they account for an increasing share of total RN graduates and of BSN graduates. In 2012, BSN completers accounted for just over 36% of total BSN graduates and 17% of overall RN graduates, up from 26% and 11%, respectively, in 2007. It is projected that in 2013, BSN completers will again account for 36% of total BSN graduates and increase to nearly 18% of overall RN graduates (Table 1).

⁴ RNs who already had RN diplomas or associate degrees in nursing who continued their educations to complete BSNs

⁵ 2002 was the last of six consecutive years (1997-2002) of declining graduations. Starting in 2003, RN graduations have increased each year over the previous year.

Table 1
New York RN Education Programs Graduations, by Degree Type, 1996-2013

Graduations		Degree Type					Totals
		ADN	BSN			Diploma	
			Total	4-Year	Completer		
Actual	2002	2,877	2,248	1,208	1,040	3	5,128
	2003	3,323	2,189	1,303	886	3	5,515
	2004	3,780	2,334	1,427	907	11	6,125
	2005	4,211	2,745	1,714	1,031	14	6,970
	2006	4,640	3,183	2,266	917	8	7,831
	2007	4,918	3,426	2,535	891	9	8,353
	2008	4,750	3,837	2,742	1,095	6	8,593
	2009	5,156	4,121	2,919	1,202	9	9,286
	2010	4,959	4,391	3,023	1,368	14	9,364
	2011	5,341	4,813	3,190	1,623	9	10,163
	2012	5,442	4,797	3,052	1,745	16	10,255
Projected	2013	5,477	5,233	3,336	1,897	11	10,721

Over the last five years, New York has issued new licenses to nearly 14,000 RNs each year.

In the past five years, New York has issued licenses to nearly 14,000 new RNs each year, increasing the total number of RNs licensed in the state by slightly more than 5%. In the greater New York City area,⁶ the number of licensed RNs has increased by almost 9% (Table 2).

Table 2
Number of RNs Licensed In New York, Overall and New, 2008-2012.

	2008	2009	2010	2011	2012
Total Licensed New York State	259,694	265,964	272,267	272,801	272,870
Total Licensed Greater New York City	86,765	89,430	91,803	92,572	95,053
Newly Licensed New York State	14,496	14,143	13,572	13,480	14,297

Source: New York State Education Department, Office of the Professions, Licensure Statistics

⁶ The Greater New York City area includes the five boroughs of New York City; Westchester County, New York; and Nassau and Suffolk counties on Long Island.

B. Economic Factors

1. Overall Employment

The recent recession has had much less effect on health care sector jobs than on jobs in other employment sectors.

Nationwide, employment outside of the health care sector fell slightly by more than 2% between 2005 and 2012, while employment within the health care sector grew 15% during the same time period. The loss of employment outside of the health care sector was most evident between 2007 and 2010, declining by more than 7%, while employment within the health care sector increased by nearly 6% during the same time period (Table 3).

Table 3
National Employment, 2005-2012

Employment	In Thousands							
	2005	2006	2007	2008	2009	2010	2011	2012 (1)
Non-Health Care	120,798.7	122,901.3	124,071.6	122,917.4	116,675.0	115,518.4	116,740.8	118,009.7
Health Care	12,904.3	13,184.7	13,526.4	13,872.6	14,132.0	14,355.6	14,618.2	14,897.3

(1) Monthly average through October, 2012. Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

New York State and New York City experienced less overall job loss compared to the nation as a whole. Between 2005 and 2007, employment outside of the health care sector grew by nearly 2% for New York State and by slightly over 6% for New York City. During the same time period, employment within the health care sector grew by 11% and 13%, respectively, for New York State and New York City. Between 2007 and 2010, employment outside of the health care sector declined for both New York State and New York City (3% and 2%, respectively), while jobs increased within the health care sector by approximately 5% for both New York State and New York City (Table 4).

Table 4
New York State and New York City Employment, 2005-2012

Employment	In Thousands							
	2005	2006	2007	2008	2009	2010	2011	2012 (1)
New York State								
Non-Health Care	7,601.9	7,671.1	7,770.3	7,813.6	7,559.0	7,553.5	7,654.8	7,742.8
Health Care	935.2	947.4	963.9	979.2	996.7	1,013.5	1,028.6	1,041.2
New York City								
Non-Health Care	3,196.4	3,252.1	3,321.1	3,365.6	3,256.5	3,264.7	3,333.7	3,390.1
Health Care	406.9	415.2	423.5	428.7	436.9	446.6	452.3	459.1

(1) Monthly average through October, 2012. Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

2. Employment in the Health Care Sector

Employment in all health care settings increased between 2007 and 2012 for both New York State and New York City.

Statewide, employment in home health care, other ambulatory care (practitioner offices, community health centers, and other clinics), and hospitals all increased between 2007 and 2012 by 59%, 14%, and 5%, respectively. During that same time period, employment in nursing homes remained the same. There was, however, a slight decrease in employment in hospitals between 2009 and 2010 (Table 5).

Table 5
New York State Employment by Health Setting, 2005-2012

	In Thousands							
	2005	2006	2007	2008	2009	2010	2011	2012 (1)
Home Health	80.0	87.7	93.4	96.4	105.0	114.4	122.4	127.1
Nursing Homes	170.5	168.6	168.2	168.7	169.4	170.4	171.0	170.5
Other Ambulatory	270.3	274.8	281.3	286.2	291.5	298.3	303.0	309.1
Hospitals	414.4	416.3	421.0	427.9	430.8	430.4	432.2	434.5

(1) Monthly average through October, 2012. Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

Similarly, New York City experienced an increase in jobs in home health (82%), other ambulatory settings (15%), and hospitals (1%), but saw a decline in nursing home employment (3%). Between 2009 and 2011, employment in hospitals in New York City also declined by slightly more than 1% (Table 6).

Table 6
New York City Employment by Health Care Setting, 2005-2012

	In Thousands							
	2005	2006	2007	2008	2009	2010	2011	2012 (1)
Home Health	47.0	54.9	59.5	60.8	67.6	75.4	81.7	85.5
Nursing Homes	50.9	50.2	50.0	50.2	50.0	49.9	49.3	49.2
Other Ambulatory	95.0	96.0	98.7	100.3	102.1	105.5	107.1	109.6
Hospitals	207.9	208.2	209.6	212.1	212.3	210.9	209.4	210.1

(1) Monthly average through October, 2012. Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

3. Hospital Beds

Since 2005, the number of hospital beds in the state and in New York City has steadily declined.

There has been a steady reduction in the number of beds in non-federal acute care hospitals since 2005. Between 2005 and 2011, the number of hospital beds in acute care hospitals has declined by 7.6% and 12.1% for New York State and New York City, respectively (Table 7).

Table 7
Number of Hospital Beds, 2005-2011

	2005	2006	2007	2008	2009	2010	2011
New York State	64,333	62,429	62,352	61,852	60,059	59,518	59,457
New York City	30,454	28,505	29,227	28,613	27,287	27,351	26,752

Source: New York State Department of Health, Institutional Cost Reports, 2005-2011

C. RN Employment

Between 2005 and 2011, RN jobs increased statewide but fell in New York City. Between 2005 and 2011, RN jobs across the state rose by over 7%. Conversely, RN jobs in New York City and surrounding areas⁷ fell by nearly 3% during the same time period. New York State experienced a decline in RN jobs between 2008 and 2009, but saw increases in RN employment between 2009 and 2011, including a 4% increase in RN jobs between 2010 and 2011. In contrast, New York City experienced a slight decline in RN jobs between 2010 and 2011. While the number of RNs statewide was higher in 2011 than in 2005, the number of RN jobs in New York City was lower in 2011 than in 2005 (Table 8).

⁷ Includes all of New York City, White Plains (Westchester County), and Wayne, New Jersey.

**Table 8
RN Employment, 2005-2012**

	2005	2006	2007	2008	2009	2010	2011
New York State	164,370	164,970	166,990	168,850	165,730	169,710	176,180
New York City	99,010	96,720	96,560	97,790	95,290	96,270	96,210

Source: U.S Bureau of Labor Statistics, Occupational Employment Statistics

After four years of substantial growth, the median annual salary for RNs remained relatively flat after 2008, increasing by an average of less than 1% per year between 2008 and 2011.

Between 2005 and 2008, salaries⁸ for RNs in New York City¹ and New York State increased by 15% and 17%, respectively. In contrast, however, the median annual salaries increased by less than 1% annually for both New York State and New York City between 2008 and 2011 (Figure 1).

**Figure 1
RN Median Annual Salary, 2005-2012**



Source: U.S Bureau of Labor Statistics, Occupational Employment Statistics

⁸ Median annual salary was calculated by multiplying median hourly salary by 40 hours per week and 52 weeks per year.

D. Demand for Newly Trained RNs

Beginning in 2009, a growing number of RN education program directors reported fewer job opportunities for newly trained RNs.

A significantly lower percentage of RN education program directors in 2012 reported “many” job⁹ openings for newly trained RNs, both statewide and in New York City, than in 2005. While 90% of program directors reported “many” job openings for newly trained RNs between 2005 and 2007, that percent dropped to less than 50% statewide and to 25% in New York City in 2009, and it continued to decline in 2010. A lower percentage of associate degree program directors reported “many” job openings than did bachelor’s degree program directors. Since 2009, a smaller percentage of program directors in the greater New York City area reported “many” job openings compared to program directors throughout the state as a whole (Table 9).

Table 9
Percent of RN Education Program Directors Reporting “Many” Jobs for Their Graduates 2005-2012, By Degree Type

New York State	2005	2006	2007	2009	2010	2012
Associate Degree	89.8	92.7%	94.8%	42.4%	20.7%	32.8%
Bachelor's Degree	94.7	93.2%	93.5%	43.8%	28.9%	46.5%
	90.8	92.9%	94.2%	43.0%	24.3%	38.6%
Greater New York City Area¹⁰						
	2005	2006	2007	2009	2010	2012
Associate Degree	100.0	100.0%	95.2%	25.0%	0.0%	0.0%
Bachelor's Degree	100.0	95.2%	86.4%	25.0%	25.0%	30.0%
	100.0	97.4%	90.7%	25.0%	13.5%	15.0%

Source: Center for Health Workforce Studies

Between 2005 and 2007, a higher percentage of RN education program directors reported “many” jobs in hospitals both statewide and in the greater New York City area than in either nursing homes or home health agencies. However, in 2009, a smaller percentage of program directors reported “many” jobs in hospitals for newly trained RNs than in either nursing homes or home health agencies. The percentage of program directors that reported “many” jobs in each of the different health care settings continued to remain low in 2010 and 2012 (Table 10).

⁹ RN education program directors are asked annually to assess the job market for newly trained RNs based on a Likert scale, with 1 being many jobs and 5 being no jobs, for health care jobs overall and for specific health care settings. For purposes of this report, program directors indicating 1 or 2 were identified as reporting “many” jobs.

¹⁰ The Greater New York City area includes the five boroughs of New York City; Westchester County, New York; and Nassau and Suffolk counties on Long Island.

Table 10
Percent of RN Education Program Directors Reporting “Many” Jobs for their
Graduates 2005-2012, By Health Care Setting

New York State	2005	2006	2007	2009	2010	2012
Hospitals	88.7	93.8%	90.3%	38.3%	29.4%	33.3%
Nursing Homes	76.3	67.0%	80.6%	50.0%	27.5%	34.3%
Home health	79.1	64.9%	63.7%	46.7%	23.5%	29.4%
Greater New York City Area¹²	2005	2006	2007	2009	2010	2012
Hospitals	97.4	97.3%	88.4%	22.7%	11.1%	19.5%
Nursing Homes	76.3	70.3%	76.7%	43.2%	19.4%	29.3%
Home health	73.7	81.1%	69.0%	43.2%	16.7%	17.1%

Source: Center for Health Workforce Studies

Between 2007 and 2011, human resource directors reported more difficult recruiting experienced RNs than newly trained RNs.

Human resource directors at various health care settings reported significantly more difficulty recruiting experienced RNs than recruiting newly trained RNs.¹¹ This held true statewide as well as for New York City. According to human resource directors, it was easier to recruit newly trained RNs in hospitals statewide and in New York City than to recruit newly trained RNs in nursing homes and home health care agencies (Table 11).

¹¹ A survey was sent to human resource directors at the various health care settings requesting information on their difficulty recruiting and retaining health care workers for specific health occupations. They were asked to respond based on a scale of 1 to 5, with 1 being the easiest to recruit and 5 being the most difficult to recruit. Numbers represent an average of four years of data (2007, 2008, 2010, and 2011).

¹² The Greater New York City area includes the five boroughs of New York City; Westchester County, New York; and Nassau and Suffolk counties on Long Island.

**Table 11
Recruitment of RNs 2007-2011**

Hospitals	Type of RN	Hospitals	Nursing Homes	Home Health
New York State	Experienced	3.9	3.9	4.0
	Newly Trained	2.3	3.5	2.7
New York City	Experienced	3.8	3.9	3.9
	Newly Trained	2.0	2.9	2.5

Source: Center for Health Workforce Studies

The vast majority of hospitals in New York City reported either a policy or preference for hiring BSN-trained RNs to fill vacancies.

Nine percent of hospitals in New York City and surrounding areas¹³ reported a policy requiring the hiring of BSN-trained RNs. No hospitals upstate reported a policy requiring the hiring of BSN-trained RNs. In New York City and surrounding areas, slightly more than 82% of hospitals reported a preference for hiring BSN-trained RNs, but only half of hospitals in upstate New York reported a preference for hiring BSN RNs.

CONCLUSION

The supply of RNs in New York has grown faster than demand for them. Despite steady growth in health sector jobs across the state between 2008 and 2010, RN job growth has lagged, particularly in New York City. In 2008, 90% or more of RN education program directors statewide in New York reported “many” jobs for their graduates. However, in 2009, less than 50% of program directors reported “many” jobs for their graduates and the percent of program directors reporting “many” jobs fell even lower in 2011 and only slightly rebounded in 2012.

Clearly, beginning in 2009, newly trained RNs faced a very competitive job market, particularly ADN-trained RNs. Today, the vast majority of hospitals in New York City report a preference or a policy for filling RN vacancies with BSNs. It is possible that the increasing number of already

¹³ New York City, Long Island, and Westchester County. Data collected as part of HANYS study of RNs and Allied Health, 2013.

licensed RNs pursuing BSNs include newly trained ADNs who have not been able to secure employment.

The recent recession is thought to have delayed in the retirement of older workers.

Consequently, there is potential for RN supply to come into better balance with RN demand as an increasing number of older RNs leave the field as the economy begins to improve, resulting in more RN job openings and a greater demand for RNs.