

# Temporarily eases nursing shortage

Staffing levels frozen; older workers stay put

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Until about a year ago, the governor and hospital administrators were expressing concern about California's protracted and gaping shortage of nurses.

Efforts to fill as many as 30,000 vacancies included offers of higher wages and hefty signing bonuses, a \$90 million expansion of nursing school programs, recruitment of foreign nurses and reliance on expensive travel nurses.

But around January, the openings started evaporating as the recession took hold of the health care industry.

Hospitals have frozen staff sizes after being hit by rising numbers of uninsured patients and a drop in elective surgeries. Older nurses have put off retirement while they wait for their 401(k) accounts to rebound.

Other nurses aren't switching to out-of-state hospitals because they would have to sell their homes at a loss in the weakened real estate market. And many vacancies are being filled by former nurses or part-timers returning to full-time work after their spouses were laid off.

The change marks a dramatic shift for a profession that had become an attractive career choice. It also is a shock to new nursing school graduates, who had expected a flood of hospital job offers.

"We have made them critically aware that they are going to have to think outside of the box . . . if they want to be employed," said Debbie Yaddow, Grossmont College's associate dean of nursing. The school will graduate 88 students June 3.

Jessica Levitan, 29, of Ocean Beach was surprised to still be hunting for a job with less than a month to go before she graduates with an associate degree in nursing from San Diego City College.

She thought her résumé would make her a strong applicant. She has a 3.6 grade point average and has worked for the past 12 years at a medical billing company.

"I can't even get an interview," Levitan said. "I'm hearing, 'Thank you, but at this time we're choosing somebody else.'"

The graduates are having to apply for lower-paying positions at nursing homes, community clinics, home-health agencies and prisons.

Some are seeking employment in other states. Others are walking away from their newly earned degrees, at least for now, and looking for positions outside



San Diego City College nursing students Laura Dorrance (left) and Jessica Levitan watched Ensign Chelsea Hicks, a nurse intern, examine a newborn at the San Diego Naval Medical Center. (Howard Lipin / Union-Tribune) -

health care.

Although the shrunken nursing market is a national phenomenon, it's most striking in California because the state's nurse-to-patient ratios had triggered a critical shortage of nurses for several years.

Health industry analysts expect hospitals' demand for nurses to return to previous levels once the economy recovers.

"The dilemma we're facing now is making sure the new nurses that we've invested in for the last few years don't just disappear," said Catherine Toderò, director of San Diego State University's School of Nursing.

Previously, Sharp HealthCare posted hundreds of nurse openings each year for its four hospitals in the county. It had to fill some slots with temporary nurses because there weren't enough candidates for permanent employment.

In February, Sharp posted notices for only about 80 jobs. More than 600 people called about the positions in a week, said Joyce Stewart, director of work force development and recruiting for the nonprofit company.

"We have reduced the number of clinical nurse positions significantly," Stewart said.

As a result, Sharp managers aren't holding open houses in the spring for nursing applicants for the first time in more than a decade.

The five local hospitals operated by Scripps Health have a 3 percent vacancy rate among the 3,000 nurses they employ, half of what the vacancy rate was a year ago, said Vic Buzachero, the nonprofit company's senior vice president for human resources. Nearly all of the slots are for highly skilled positions in emergency rooms and intensive care units for which few nurses qualify.

"What you're seeing in San Diego is happening throughout the state," said Jan Emerson, spokeswoman for the California Hospital Association.

In past years, freshly minted nurses had the luxury of finding work in specific hospital departments, such as the maternity ward. Current graduates are taking whatever offers they can get, Toderò said.

"I'm telling them . . . that they're not in the driver's seat anymore," she said. "They are going to have to be more open to job opportunities that might not be their ideal job and work their way up."

The nursing supply shift also has bruised AMN Healthcare Services in San Diego, the nation's largest company that provides temporary nurses to hospitals and other medical facilities.

Yesterday, AMN executives said demand for their travel nurses fell significantly in late 2008 and early 2009 at hospitals. The average number of temporary nurses working assignments for the company in the first quarter fell 20 percent compared with the same period a year earlier.

In a 2004 study, the federal Health Resources and Services Administration had projected that the United States would be short 406,000 nurses by 2010 and 1 million by 2020. The agency hasn't updated those estimates.

For California, the nursing shortage was expected to climb to about 30,000 vacancies this year based on earlier calculations by Joanne Spetz, an associate professor of health economics at the University of California San Francisco School of Nursing.

Health providers had compensated for the labor deficit by assigning overtime shifts to their permanent nurses and hiring temporary staffers.

The state government also stepped in and was making strides toward reducing the shortage even before the recession took effect.

In 2004, Gov. Arnold Schwarzenegger launched the California Nurse Education Initiative. The program pumped \$90 million in public and private money into community colleges and universities.

The number of students graduating annually from nursing programs in the state increased by 69 percent between 2003 and 2008, from 5,623 to 9,526, according to a February report commissioned by the California Board of Registered Nursing.

The increase was even greater in San Diego and Imperial counties, where 864 students graduated last year – a 65 percent jump from 523 in 2003.

With many current graduates having trouble finding jobs and California's fiscal crisis putting pressure on higher-education budgets, state officials and school administrators might be tempted to cut back funding for nurse training programs.

That would be a mistake, Spetz said.

When the recession ends, the conditions that created the nursing shortage will be back in full force, she said. If anything, the deficit could jump sharply as nurses who put off retirement leave the work force in a single, crippling wave.