

WHY HIRE NURSES AS “YOUR EMPLOYEES”?

A Comparative Analysis of Hiring TRAVEL VS. CORE STAFF RNs

Recruitment. Retention. Results.

- The current average RN **Vacancy Rate is 9.0%**. CNOs believe vacancy rates will continue to deteriorate, further increasing nursing demands.
- According to the “2019 Hospital Executive Level Priorities–CNE” survey, Retaining Talent/Employee Turnover and RN Recruitment continue to be in the top five priorities for Nurse Executives. *(NSI Nursing Solutions, Inc.)*
- As the economy expands, staffing will increasingly become harder and more costly, affecting cash flow, margins, continuity of care, quality, and employee morale.
- Currently, the average **RN Recruitment Difficulty Index** stands at **81 days** and ranges from 65 – 115 days, given specialty. *(2020 National Health Care Retention & RN Staffing Report)*

- The Bureau of Labor Statistics estimates there will be more than a million RN openings by 2024, twice the rate seen in previous shortages. It is a crisis far worse than in the past. Currently, the projected shortage ranges from 180,000 to 300,000 RNs.
- Hospitals face tough choices when it comes to filling nursing jobs and are engaging travel nurses rather than risk patient safety or closing beds or units.
- Compared to Travel Nurses, **Employed Nurses** are more committed to the organization, have greater productivity, experience higher patient satisfaction scores and **“cost 200% less.”**

Staff RNs are more cost effective than Travel Nurses:

- According to Columbia University School of Nursing “...use of employed more experienced RNs give higher quality of care.”
- The study showed the use of overtime as more cost effective “since the use of overtime fostered continuity of RN staffing, over the use of agency staffing nurses.”
- Shorter LOS indicates not only better quality, but greater cost containment when comparing overtime to agency usage.
- Unfortunately, excessive overtime use to resolve vacancies increases stress and RN turnover, while negatively impacting cost and quality.
- Since contract nurses increase labor costs by **as much as 200%**, hospitals must look at return on investment for each position.

Hospitals to pay more for contract labor.

- **It's no longer a buyer's market.** Recruitment difficulties coupled with rising wages and sign-on bonuses is increasing costs. Hospitals should expect to pay more for contract labor.
- Nationally, the cost for travel nurses alone nearly doubled over the past three years to \$4.8 billion and rose another 6% in 2019. *(Staffing Industry Analysts)*
- The national average **travel nurse fee has risen to \$78/hr, ranging to \$120/hr**, pending specialty and geography.
- Feeling the financial stress, close to half (45.7%) of hospitals would like to decrease their reliance on travel staffing. *(2020 National Health Care Retention & RN Staffing Report)*

“Employed” vs. Travel Nurse ROI:

	Hourly Rate	Annual Cost
Travel Nurses Average Fee:	\$78.00	\$162,240
<u>Hospital Average RN Salary:</u> <i>(includes 28% for benefits)</i>	<u>\$43.50</u>	<u>\$90,480</u>
Average Savings Per Eliminated Travel RN:	\$34.50	\$71,760

- For every 20 Travel RNs eliminated, the average hospital can save **\$1,435,000.**

Recruitment. Retention. Results.

- NSI is a high volume nurse recruitment firm; that only recruits within the continental U.S. for “**Experienced RNs**”, as **your** core staff.
- NSI utilizes a full service recruitment model.
- Focus is on cultural fit and core competencies to enhance retention capacity. NSI **first year retention rate of 94.4%**.
- Founded in 2000, NSI continues to lead the industry:
 - Proven success rate with an average **time-to-fill of 32 days**.
 - High quality; with an 82% interview-to-offer rate and an average **RN experience rate of 14+ years**.
 - **One (1) year replacement guarantee**.
- All NSI engagements are “**Risk Free**” since you must hire the nurse **before** NSI is paid.
- Call **Michael Colosi at (717) 575-7817** to discuss how NSI can help you!