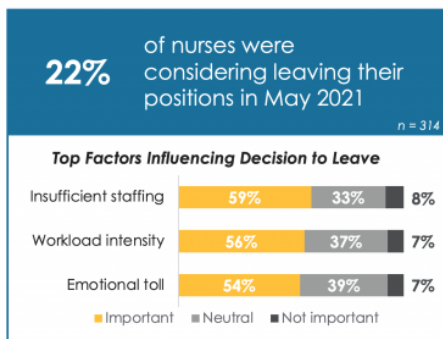


A bidding war for critical nursing talent

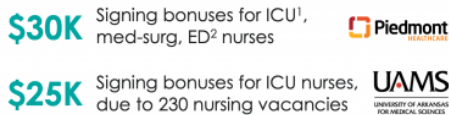
As the pandemic rages on, hospitals across the country are experiencing significant **labor shortages** for critical clinical roles. In the graphic below, we highlight the shortage of nursing talent, perhaps the most sought-after role for which health systems are struggling to hire. Even before the current COVID surge, many nurses reported feeling dissatisfied or feeling burned out. In a May 2021 survey, **more than one in five nurses said they were considering leaving their current jobs**, citing insufficient staffing, workload, and the emotional toll of the work. Many health systems are offering lucrative incentives, such as five-figure signing bonuses, to fill immediate critical care needs, and to address the growing backlog of patients returning for delayed care. As more nurses quit or retire from their permanent positions, health systems are being forced to fill workforce gaps by luring temporary talent at much higher costs (now cresting \$8K a week to fund a single travel nurse in **some** parts of the country). **Travel nurse demand reached an all-time high in August, up almost 40 percent from the previous peak in December 2020.** As they struggle to fill essential openings, hospital leaders must also focus on keeping the current nursing staff engaged—a challenge that only gets harder as staff nurses compare their salaries to those paid to the temporary colleagues working alongside them.

COVID Response, Nursing Shortage Creating Need for Temporary Labor

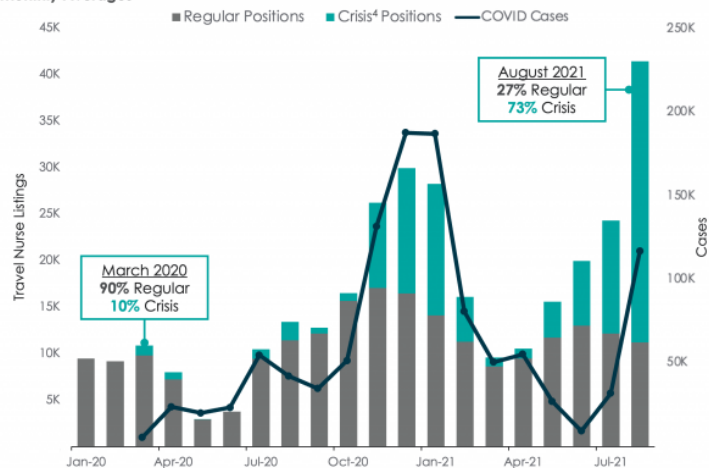
"Travel Nurse" Demand Reaches Peak as One in Five Nurses Consider Quitting



Health Systems Targeting Critical Hires



Travel Nurse Demand³ and COVID Cases Monthly Averages



1. Intensive care unit.
 2. Emergency department.
 3. Based on Aya Healthcare data including direct contracts, managed service contracts, and support of third-party staffing programs.
 4. Part of any crisis, surge, rapid response profile or are above a \$100 bill.

Source: Nursing in 2021: Retaining the healthcare workforce when we need it most." McKinsey, 11 May 2021; "National Travel Nursing Job Volume." Aya Healthcare, 31 Aug. 2021; "State of Nursing Shortage." Becker's Hospital Review, 11 Aug. 2021; "Burnout, delta variant boost demand for traveling nurses again." Healthcare Dive, 18 Aug. 2021; Gist Healthcare analysis.