

Hospitals still struggling to retain talent

Of all the pandemic's impacts still felt today, disruptions to the healthcare workforce and **rising labor costs** may be most impactful to current health system operations. Over the next three editions of the Weekly Gist, we'll be exploring the lingering effects of this workforce crisis, with a focus on nurse staffing and recruitment.

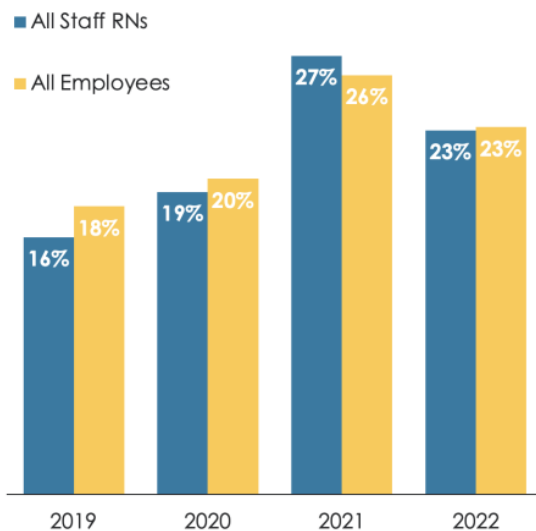
In this week's graphic, we use data from the **2023 NSI National Health Care Retention Report** to show how hospital turnover and vacancy rates have changed over the past several years. **While wage increases helped reduce hospital registered nurse (RN) turnover rates from 27 percent in 2021 to 23 percent in 2022, nurses—along with hospital employees in general—are still changing jobs at higher rates than before the pandemic. Over half of all hospitals still face nurse vacancy rates above 15 percent,** a slight improvement from 2022 but still far more than before the pandemic. While the worst of nursing turnover appears to have passed, the “rebased” of wages (for nursing, 27 percent higher compared to 2019) will provide ongoing pressure to strained hospital margins.

Hospital Turnover and Vacancy Rates Improving, but Worse than Pre-COVID

Over Half of Health Systems Have Nurse Vacancy Rates Greater Than 15 Percent

Staff RN¹ and Hospital Turnover, by Year

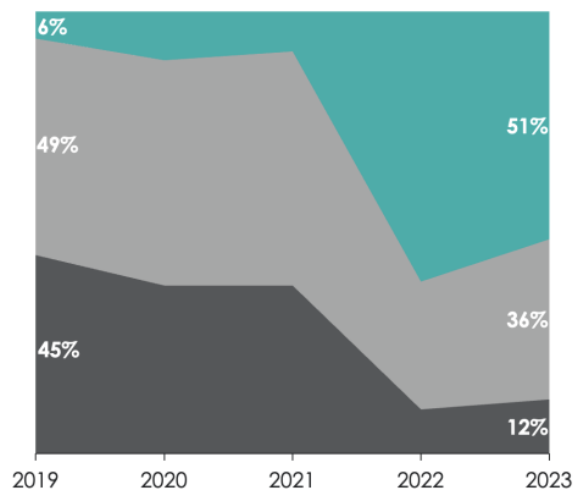
n= 3,000+ health systems; Jan. 2023



Health System Nurse Vacancy Rates, by Year

n= 3,000+ health systems; Jan. 2023

■ Less than 7.5% ■ 7.5% to 14.9% ■ Greater than 15%



1. Registered nurse.

Source: "2023 NSI National Health Care Retention & RN Staffing Report", NSI Nursing Solutions, Mar. 2023; Gist Healthcare analysis.