Nurse Hiring Outlook and Industry Trends:
10 Questions for ANA's Health Care Economist Peter McMenamin, PhD

Q. How is the hiring outlook?

Peter McMenamin: Great. Nursing is a good job. Work satisfaction is high. If you look at the employment in U.S. hospitals for the last decade, month after month, there's only a single month where employment went down. Hospitals have been continuing to hire during the recession.

Q. Will the trend toward an increase in hiring continue?

Peter McMenamin: The Labor Department predicted there would be 712,000 new jobs for registered nurses between 2010 and 2020. Everyone is expecting there are going to be more jobs. We're hoping that there will be enough nurses to fill all of those jobs.

Q. Did hospitals pull back on hiring during the recession?

Peter McMenamin: No. What has happened is that mature nurses have been deferring their retirements. There have been approximately 140,000 new nurses passing the certifying exam for registered nurses every year. We estimated a couple of years ago that 73,000 nurses left the workforce every year. So, new graduates are getting squeezed now. Hospitals have the luxury of being choosy.

But I think why the job prospects are good is there's a big chunk of nurses who got their initial degree in the '70s. They represent 40 percent or more of employed nurses, and they can't defer retirement forever. What's going to happen as the recovery kicks in is those retirements will happen. For hospitals, we can be in a nursing shortage in no time flat.

Q. When might a nursing shortage be felt?

Peter McMenamin: It depends on the economy. In the short run we're in a little bit a bubble. We're producing a lot more new nurses and we need more new nurses. But until those mature nurses start to retire, it's a bit of a backlog. I expect it to change in 2013. In

2014, when [state] health insurance exchanges are actually enrolling people, it should almost certainly have changed.

Q. Will providing insurance coverage to millions of uninsured people and overall demand for health care increase the demand for nurses?

Peter McMenamin: Six [factors are affecting the nursing shortage](): 1) the economic recovery; 2) the Baby Boomers; 3) the Affordable Care Act; 4) employer changes; 5) market changes; and 6) care coordination. These factors will increase the demand for RNs. For example, two to three million Boomers will age into Medicare every year for the next 30 years. That's going to continue to increase the demand for nurses.

Q. What impact will the Affordable Care Act have on nursing employment?

Peter McMenamin: The Affordable Care Act is creating a big group known as the "soon-to-be formerly uninsured." Estimates are that 30 to 32 million additional individuals could receive subsidies through the [state health insurance exchanges]() or qualify for Medicaid.

The uninsured tend to defer care they don't think is important. If they get run over by a bus, they go to a hospital. But if it's keeping up with their meds, getting their annual physical, making sure the kids have their shots -- those are things they put off. It's very sad. But as they get more access, they'll be looking for exactly the kind of services that APRNs and RNs provide. So we need more nurses than we've got.

When more individuals qualify for Medicaid and insurance exchange subsidies, it will get harder to get a timely appointment to see a physician. Private employers can get ahead of that crunch by making sure their insurers credential APRNs in their networks. Employers have a big influence on these networks.

Q. What role will APRNs play for the Medicare population?

Peter McMenamin: In 2011, there were [100,000 APRNs directly participating in Medicare]() -- billing Medicare Part B. They saw 10.4 million Medicare patients, about 30 percent of the population. Figure in nurse practitioners employed by physician's offices and managed care plans, and my guess is a [half to two-thirds of Medicare beneficiaries is receiving APRN services.]()

Q. Are private insurers now reimbursing for visits to an APRN?

Peter McMenamin: Half of the private health insurers credential nurse practitioners. With more new facilities like Minute Clinics and other health care retail clinics, APRNs should be reimbursed for services. These clinics make it easy to get access to primary care and are hiring nurse practitioners. If the insurers cooperate and provide reimbursement, it makes it easier to get access to care. There will be more jobs for APRNs.

Q. What's the outlook for nurses' role in providing care coordination? Is recognition increasing?

Peter McMenamin: Nurses have been doing it all along, but it hasn't really been recognized as a distinct part of clinical practice. If you're running an accountable care organization (ACO), you'll want better care coordination for patients, making sure they don't fall through the cracks or have multiple x-rays or unnecessary tests because of poor documentation. Within many primary care and acute care settings, a registered nurse will be the most appropriate care coordinator. I wouldn't be surprised if RNs wind up taking graduate courses for specific training in care coordination. That could help them make care coordination understandable to patients and implement it within a patient-centered health care team.

Care coordination was recognized as a service eligible for payment in the 2013 Medicare Physician Fee Schedule Rule, specifically "transitional care management." Under certain circumstances, Medicare will reimburse nurse practitioners, nurse midwives, and clinical nurse specialists performing this task.

Q. How will nurses learn how to do care coordination? Will there be a credential?

Peter McMenamin: It's an evolving situation. Clearly, RNs have been doing care coordination. A recommendation in ANA's care coordination position statement is that educational opportunities should be expanded at the undergraduate and graduate levels to better train nurses. As we get into team-based care, nurses have to help physicians better understand the service.