Best Practices For Managing A Nursing Shortages

API Healthcare recently issued a set of best practices to help hospitals of all sizes effectively prepare for and manage the challenging repercussions of healthcare reform legislation. Industry experts expect this legislation to generate millions of new patients, create a severe nursing shortage and have a significant financial impact on hospitals and other healthcare providers.

Operating under the tightest budgets in years, hospitals across the United States are facing even tougher conditions as healthcare reform threatens to reduce Medicare and Medicaid reimbursements, and the most severe nursing shortage since the mid-1960s looms around the corner. In addition, imminent Electronic Health Record requirements could add even greater financial strain.

As the number of Americans eligible for healthcare coverage rises from 83 to 95 percent, hospitals will need to handle a major influx of new patients needing care. However, as that demand increases, the number of nurses available to care for them will decrease due to the retirement of baby boomers and the difficulties in attracting and retaining new nurses to the profession.

With this in mind, API has outlined five initiatives that every hospital should implement in preparation for healthcare-reform-driven changes:

- Controlling Overtime. Many hospitals rely on overtime to meet staffing demands, and some have mandatory overtime policies to address the labor shortage. Overtime can be financially burdensome and studies have shown that the likelihood of a nurse making a mistake was three times higher when a shift was longer than 12.5 hours. Getting overtime under control can help protect hospitals, budgets and patients.
- Nurse retention should be a top priority. It typically costs hospitals $40,000 to hire and train one nurse, and up to five percent of operating expenses can be attributed to turnover. In addition to directly impacting a hospital's bottom line, turnover can jeopardize the stability of the nursing workforce and negatively impact the quality of care that patients receive.
- Nurse empowerment can improve staff satisfaction and patient outcomes. The Magnet Recognition Program developed by the American Nurses Credentialing Center is a formal program that recognizes healthcare providers that develop and promote nursing excellence. That program yields tangible results, with Magnet-recognized hospitals realizing lower staff burnout rates, higher job satisfaction and lower patient mortality.
- Flexible solutions, such as self-scheduling, reducing or eliminating overtime by relying more on contingent staffing, and using internal float pools can be effective ways hospitals can appeal to nurses, increase staff satisfaction and achieve better patient outcomes. These solutions can also have a positive

impact on a hospital's bottom line.
- Data-driven decision-making. From productivity measurements to patient safety outcomes and staff satisfaction metrics, healthcare executives must be focused on tracking and managing complex variables. Hospitals that use business analytics to make data-driven staffing decisions can optimize their most valuable resource: their talent pool. Organizations that invest in a robust talent optimization solution, and encourage system usage and compliance, will be able to utilize real-time data to make better decisions regarding their valuable workforce teams.

More detail, including an in-depth analysis of the healthcare workforce landscape, is available in the complete whitepaper at www.apihealthcare.com/reform_paper [1]. API Healthcare is recognized as one of the largest healthcare-specific vendors of workforce management solutions.

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