

2011 FINAL:
LABOR MARKET SUPPLY-DEMAND ANALYSIS FOR PATIENT-CARE REGISTERED NURSES
NORTHEAST ECONOMIC DEVELOPMENT REGION (EDR)

Demand:

1. Determine current/base year occupational employment and projected growth rate.

a. Reconcile with other data sources (e.g., IDFPR licensure data).

Number of licensed RNs, 2011 (IDFPR) = 104,543

Percentage of licensed RNs retired = 6.5%

Percentage of RNs in non-patient-care industries = 10.9%

Number of licensed APNs, working as APNs = 4,476

Number of patient-care RNs = (licensed RNs) less (% RNs retired) less (% RNs in non-patient-care industries) less (licensed APNs, working as APNs)
= 81,877

Number of RNs, 2011 (IDES estimate) = 82,575

* Current Occupational Employment, Registered Nurses = 82,225

b. Compare IDES projections to national growth rates and industry studies.

Employment trends in the State of Illinois in Healthcare over the last 5 years:

- the annual growth rate for Healthcare jobs has ranged from 1.4% to 2.4% (and from 1.5% to 2.7% for the Northeast EDR):
 - within just Ambulatory Health Care (32% of Healthcare employment), from 3.0% to 3.9%;
 - within just Hospitals (34% of Healthcare employment), from -0.9% to 1.4%; and,
 - within just Nursing & Residential Care Facilities (20% of Healthcare emp.), from 1.1% to 2.6%.
- (Note: the annual growth for all jobs in the State of Illinois has ranged from -4.9% to 1.2%.)

Projected (BLS/IDES) growth rates for this occupation:

Nation = 2.2%

State = 2.1%

* Consensus occupational growth rate = 2.3% = 1,891 new RN positions per year

2. Account for possible adjustments to separation/replacement rates based upon occupational- or industry-specific studies of vacancy rates and turnover rates.

- The IDES replacement rate = 1.58% (includes separations from the occupation due to retirement, death, occupational transfer and for family or health reasons).
- Data on planned years until retirement from the IDFPR Nursing Workforce Survey Report indicate an annualized retirement rate that ranges from 2.3% in the first year to 3.5% in 6 to 10 years in the Northeast EDR.
- MCHC Vacancy Surveys from 2008 to 2011 (conducted each January and July) indicate vacancy rates for RNs ranging from 2.5 % to 5.2%. (The MCHC vacancy rate includes separations, retirement, turnover and job growth.)

* Consensus occupational replacement rate = 2.8% = 2,302 RN positions per year due to replacements

* (Current Employment) X (consensus growth rate) + (Job Replacement Openings) =

Regional Demand for Registered Nurses = 4,193 RN job openings per year

Supply:

- 3. Account for all sources of education and training.**
 - a. Create a data base of program completers.**
 - b. Calculate an average annual supply by program level - best-fit supply trend/projection.**
 - c. Utilize administrative files to adjust supply figure (e.g., licensure rates from IDFPR).**
- 4. Supply adjustments needed to account for leakage, e.g., from IL (leaving the state for employment); from the industry (RN employed in non-healthcare occupation); and, from labor force (further education, not working).**

- 5-year (2006-2010) avg., educ. completers (public & private), both ADNs and BSNs = 2,805.
- # of graduates steadily increased from 2,364 (in '06) to 3,212 (in '10) = up 36% over 5 years.
- Generic BSN completers (did not get an ADN first): 5-year avg. = 72%.
- Over those same five years:
 - 94.0% of completers were tested.
 - of those tested, 90.0% passed.
- Based upon licensure data from IDFPR, from 2006-2010 (the same 5 years):
 - annual number of newly licensed RNs has increased from 4,521 to 4,965.
 - 66% were trained at Illinois educational institutions, 18% were domestically trained (outside IL), and 14% were foreign trained. (Note: 2% undetermined.)
- In this region, from 2001 to 2010, there were 29,509 newly licensed RNs. 14% are not working in any industry in IL. (> 8% are working in non-healthcare industries, majority of those are in Personnel Supply, Misc. Services, Education, and Government industries.)

Projected Annual Regional Supply of Registered Nurses =

Based upon recent trends, New Active Licensed RNs each year = 4,975
(less) avg. leakage rate of 32.5% = (less 1,617) = 3,358

Estimated Annual Supply-Demand Balance of RNs = (through 2018)

Demand (less) Supply = 4,195 – 3,360
= 835 Shortage

Data Sources:

- Illinois Department of Employment Security
- Illinois Department of Financial and Professional Regulation (e.g., 2007 Nursing Workforce Survey Report)
- U.S. Department of Labor, Bureau of Labor Statistics
- Illinois State Board of Education
- Illinois Community College Board
- Illinois Board of Higher Education and Illinois Shared Enrollment and Graduation Data Files
- Illinois Department of Commerce and Economic Opportunity (e.g., Critical Skills Shortage Database)
- Other (e.g., Department of Defense data on military separatees to IL; ISBE summary data on private business and vocational schools)