

RN Staffing Ratios



Can Hospitals Afford to Provide Safe Staffing?

- From 2001 through 2003, California hospitals reported a total of \$11.7 billion in profits. Nationally, U.S. hospitals recorded over \$230.3 billion in total profits 1986 to 2002, including \$19.3 billion in 2002, the most recent year for which the data was available.
- In California, \$20.4 billion was spent on mergers from 1993–2003, an average price per bed of about \$338,000. Nationally, from 1993 through 2004, \$157 billion was consumed by mergers and acquisitions in the hospital industry — an average of \$402,000 per bed, the highest ever, a sure sign that hospital beds remain a highly desired and lucrative commodity.
- Nationally, hospitals expended \$146.3 billion from 1993–2003 on information technology programs while asserting that costs had to be cut elsewhere.
- In 2003, California allocated \$55.3 million in Medi-Cal funds for private and public hospital additional costs associated with implementing the Safe Staffing Law.

Shorter patient lengths of stays

A 2001 Harvard School of Public Health study cites a 3% to 6% shorter length of stay for patients in hospitals with a high percentage of RNs, reducing costs. (*Nurse Staffing and Patient Outcomes in Hospitals*, bhpr.hrsa.gov/dn/staffstudy)

Johns Hopkins University researchers found that hospitals with fewer RNs in intensive care units at night incurred a 14% increase in costs. (*American Journal of Critical Care*, November 2001)

The Institute for Health and Socio-Economic Policy projects annual savings of about \$2 billion a year for California hospitals just in shorter patient stays that come with better RN staffing. The findings are based on examination of 21.7 million patient discharges in California from 1993–1998 and hospital charges per patient day.

Huge savings on temporary RN staff

Hospitals across the U.S. spent \$7.2 billion in 2001 and were projected to spend \$10.6 billion nationally for temporary employees in 2002. (*New York Times*, July 17, 2001)

Travel nurse companies charge hospitals \$40 to \$50 an hour, and more in high cost cities — sometimes double the average pay rate for staff RNs. (*Albany, NY Times Union*, August 4, 2001)

Cutting RN turnover costs

Hospitals spend about \$42,000 to replace each general medical and surgical unit RN, and \$64,000 to replace each specialty RN. (*Journal of the American Medical Association* October 23/30, 2002)