

Issue Brief – Nursing Recruitment & Retention

UTAH STATE HOSPITAL

NUMBER DHS-07-08

NURSING RECRUITMENT AND RETENTION

The Utah State Hospital (USH) is requesting a supplemental appropriation for FY 2006 of \$213,600 with \$158,100 from one-time General Funds, \$12,800 from dedicated credits, and \$42,700 from federal Medicaid funds. In addition, the USH is requesting an appropriation for FY 2007 of \$640,900 with \$474,300 from General Funds, \$38,400 from dedicated credits and \$128,200 from federal Medicaid funds to recruit and retain Registered Nurses (RNs) and Licensed Practical Nurses (LPNs).

OBJECTIVE

The patients at the USH have chronic mental illnesses. The goal of the USH is to provide a safe treatment environment for both the patients and staff.

DISCUSSION AND ANALYSIS

The USH complements the local mental health centers by providing services not available in the community setting. These patients require care 24/7.

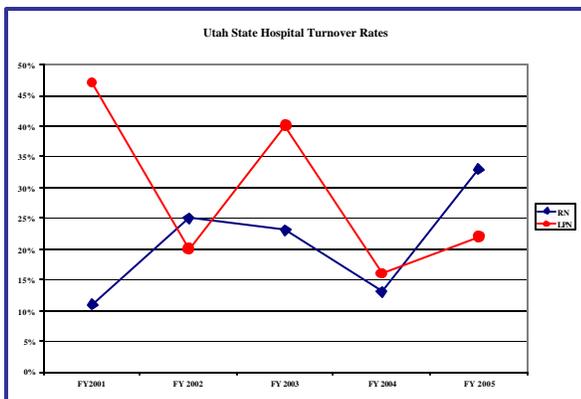
The request for additional funding is because USH has experienced a difficult time recruiting and retaining nurses. Some of the causes are a nursing shortage, high turnover rates, and the compensation package.

Nursing Shortage

Nationally there is a nursing shortage with Utah being no exception. For FY 2005, the State Hospital had a turnover rate of 14 percent. The national turnover rate averages 10 to 15 percent. Because of the vacant positions, the USH could only staff 10 of the 13 wards. In FY 2005, there were over 450 open nursing positions in Utah. In addition, the State Hospital must compete with the local health care industry for nursing services.

High Turnover Rate

USDC has experienced a high turnover rate because of the working conditions, i.e. difficult patients, shift work, overtime, and low pay. The following graph shows the turnover rate:



Compensation Package

USH is unable to competitively recruit for nurses because of the salary scale and the shortage of nurses in the State. Since September of 2004, the State Hospital interviewed 133 applicants with only 8 hires (2 of which were terminated soon after being hired). Most of the applicants declined the position because of salary. The following table shows the average monthly salaries for western states which shows Utah in 4th from the bottom of the salary survey (information from the Western Psychiatric State Hospital Association):

Average Monthly Salary of RNs at State Hospitals	
Montana	\$2,918
South Dakota	\$3,490
North Dakota	\$3,504
Utah	\$3,508
Idaho North	\$3,597
Idaho South	\$3,689
Washington East	\$3,883
Oregon	\$3,985
Wyoming	\$4,039
Nevada	\$4,084
Arizona	\$4,424
Average Salary	\$3,738

RECOMMENDATION

The Subcommittee may want to consider prioritizing this request for FY 2007 of \$640,900 with \$474,300 in General Funds, \$38,400 in dedicated credits and \$128,200 is federal Medicaid funds and a Supplemental appropriation for FY 2006 of \$213,600 with \$158,100 from one-time General Funds, \$12,800 from dedicated credits and \$42,700 from federal Medicaid funds for the recruitment and retention of nurses.