OVER THE PAST YEAR, there has been ongoing debate in the press and scholarly literature about the extent to which health reform in the United States will cause shortages of health professionals—or worsen current shortages (Cunningham, 2013). Much of this literature has focused on the supply of physicians, specifically primary care physicians. And, many analysts have focused on the potential for nurse practitioners (NPs) and physician assistants (PAs) to play a greater role in meeting primary care needs (Auerbach et al., 2013; Bodenheimer & Smith 2013; Everett et al., 2013).

However, far less attention has been paid to the potential effects of the Affordable Care Act (ACA) on the demand for and jobs held by registered nurses (RNs) who are not in advanced practice. Registered nurses represent the largest profession within the U.S. health workforce, with over 2.7 million RNs employed in 2010 (U.S. Bureau of Labor Statistics [BLS], 2012). The BLS forecasts demand for RNs will result in 3.5 million nursing jobs by 2020, marking a 26% increase over 10 years.

The Affordable Care Act will likely impact the places where RNs work, and the skills they need to be successful in these settings. RNs will be expected to serve as care coordinators, case managers, patient educators, and chronic care specialists. RNs with strong skills will be in high demand in the labor market.

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This is a complex question to answer, but recent work published by the Joint Center for Political and Economic Studies tries to quantify the effect of the ACA. The report by Frogner and Spetz (2013) shows about one-third of the projected increase in RN demand will be derived from the impact of the ACA. The ACA also was estimated to have varying effects across industry sectors. The BLS estimates RN employment in private hospitals will grow by 18.7%; however, only 0.1% of this growth is projected to come from the ACA. In contrast, 10.1% of the estimated 36.4% growth in RN employment in offices of health practitioners is expected to result from implementation of the ACA. These differences have important implications for the future of RN work.

RNs in Hospitals

The number of RNs employed in hospitals will continue to grow, but the relative importance of hospitals as an employer is likely to decline. The BLS forecasts suggest that by 2020, about 58% of RNs will be employed in hospitals, compared to about 60% in 2010. The impact of the ACA on RN hospital-based employment is largely tied to the fact that people’s use of hospital services does not vary much according to whether or not they have health insurance. Those with health insurance tend to get more nonemergency hospital procedures, but those without health insurance use hospitals more for services that could be treated in other settings. Most analysts expect the extension of health insurance to more Americans will have a neutral effect on hospital utilization, and the Joint Center report is consistent with this view.

The ACA mandates the Centers for Medicare & Medicaid Services establish and expand payment programs that reward hospitals for good quality of care, and penalize hospitals with poor patient safety records. It has been argued that for hospitals to achieve quality gains, they will need to employ more RNs and use them more effectively (Kurtzman & Buerhaus, 2008). Hospitals will have growing incentives to employ more highly skilled RNs, to increase their staffing levels, provide them with more support, and offer continuing education that fosters evidence-based practice. At the same time, if quality-improvement initiatives are successful, hospitals also will observe shorter average lengths of stay (because if fewer patients have adverse events, fewer patients will be in the hospital for extra days) and fewer re-admissions. Thus, in the net, the quality incentives in the ACA are not expected to increase the number of RNs employed in hospitals, but will likely result in the hiring of more skilled RNs.
RNs in Ambulatory Care

Employment of RNs in ambulatory care offices, such as physician offices and community clinics, is expected to be comparatively strong. It is widely anticipated the extension of health insurance to millions of people previously uninsured will increase utilization of ambulatory care, and this will have positive effects on overall health status. In addition, the ACA has specific provisions that focus on preventive care, and prior research has reported that much of this care can be delivered by RNs, along with NPs and PAs (Bodenheimer & Smith, 2013). Medical assistants and RNs play significant roles in monitoring the health status of patients, providing health education and referrals, and – for RNs – coordinating care. The work of RNs in medical homes is quite different from their hospital-focused education, and may require RNs to seek additional formal or informal training to maximize their effectiveness in ambulatory care environments. Registered nurse employment in these settings will rise substantially, and thus investments in outpatient-focused education will be important.

Home Care Services

The BLS forecasts RN employment in the home health industry will grow 55% between 2010 to 2020, and account for nearly 230,000 of the 3.5 million RN jobs by 2020. This is in part because the ACA provides incentives for greater use of home and community care services. In these settings, RNs play a key role as care coordinators and in providing home health services. Registered nurses will need solid education in the areas of community health, social and psychological services, and general management to be successful in this rapidly growing sector. They will need to become adept at supervising unskilled health workers, such as home health assistants, who also are central to this industry.

Are There Lessons from Massachusetts?

Massachusetts enacted health insurance reform in 2006, and their statewide program was a model for the ACA. After 2006, there was a notable increase in the demand for health care services in Massachusetts (Long & Stockley, 2010), in particular, physician visits. However, an analysis of BLS employment data from Massachusetts did not find a statistically significant difference in employment growth of health care providers in Massachusetts versus other states (Staiger, Auerbach, & Buerhaus, 2011). This finding may not apply to the rest of the United States, because Massachusetts historically has had higher-than-average per-capita employment of RNs and other health professionals. That state’s workforce may have been sufficiently large to absorb the increase in demand, whereas in other states there may not be enough RNs to meet increases in demand for ambulatory care services.

What Does All This Mean for RN Demand?

The demand for RNs is projected to continue to grow at a high rate, especially compared with other non-health care occupations, but the ACA is likely to have very little effect on overall growth. Demand for RNs is driven largely by population growth, particularly the increasing number of older Americans who will require more health care services. The BLS forecast of 26% employment growth for RNs between 2010 and 2020 is slower than the average for the health care industry. Many health occupations, such as physical therapy assistants, medical secretaries, and personal care aides, are anticipated to have over 40% job growth over the same time period.

The ACA will likely impact the places where RNs work, and the skills they need to be successful in these settings. Registered nurse employment is expected grow most rapidly in outpatient settings – particularly physician offices – and home health care. In these settings, RNs will be expected to serve as care coordinators, case managers, patient educators, and chronic care specialists. Strong skills in these areas can be developed on the job, but many RNs will find that additional formal education, either through certificate programs or degree-offering programs, will be advantageous. Registered nurses can no longer assume they will get their first-choice job immediately upon graduating, unless they want to work in a geographic area that has a deep shortage of RNs. In most parts of the United States, the RN job market will be strong, but the most desirable jobs will go to the RNs with the strongest skills and best education. This is no different than any other occupation; graduates from well-recognized schools usually get better jobs than those from less-highly-regarded schools. At the same time, there are many examples of professionals who have great jobs because they are able to demonstrate their expertise and skills regardless of their educational background. While formal education may help RNs in a competitive market, the match between an RN’s skills and employers’ needs will be the most important factor in future employment.

REFERENCES


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