

RN-to-Patient Ratios A Cost Effective Solution for Hospitals



RN-to-patient ratios have been demonstrated to produce significant long term savings for hospitals by reducing patient care costs. By improving staffing conditions, ratios also help hospitals cut RN turnover and reliance on nurse registries. Data also shows that most hospitals can afford to employ sufficient numbers of RNs to provide safe ratios.

- **RN understaffing** in hospital intensive care units increases the risk of pneumonia and other preventable infections that can add thousands of dollars to the cost of care of hospital patients — *Critical Care*, July 19, 2007.
- **Raising the proportion of RNs** by increasing RN staffing to match the top 25% best staffed hospitals would produce net short term cost savings of \$242 million — *Health Affairs*, January/February 2006.
- **Improving RN-to-patient ratios from 1:8 to 1:4** would produce significant cost saving and is less costly than many other basic safety interventions common in hospitals, including clot-busting medications for heart attacks and PAP tests for cervical cancer — *Medical Care, Journal of the American Public Health Association*, August 2005.
- 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.
- Harvard researchers cite 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*, Harvard School of Public Health, 2001 report.
- **Hospitals spend about \$42,000 to replace each general medical/surgical unit RN, and \$64,000 to replace each specialty RN** — *Journal of the American Medical Association*, October 23/30, 2002.
- **Travel nurses typically cost hospitals at least 20% more than a nurse employee even when benefits are factored in**, says Carol Bradley, chief nursing officer for California for Tenet Health System — *USA Today*, June 9, 2005.
- **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.
- **Aggregate hospital profits in 2004 nationally climbed to an all-time record of \$26.3 billion**, with net profit margins at a six year high — *Modern Healthcare*, November 7, 2005.
- 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.