

David Burda:

Welcome to the 4sight Health Roundup podcast, 4Sight Health's podcast series for healthcare revolutionaries; outcomes matter, customers count, and value rules. Hello again, everyone. This is Dave Burda, news editor at 4sight Health. It is Thursday, May 9th. We are in the middle of National Nurses Week. It started Monday, May 6th and runs through Sunday May 12th, which also is Mother's Day. My wife is a nurse and she is the mother of our three kids. So it's a pretty big stretch for us here at the Burda household. I'm on my best behavior until Father's Day, look out. In honor of Nurses Week, we're going to talk about what's up with nurses with Dave Johnson, founder and CEO of 4sight Health, and Julie Murchinson partner at Transformation Capital. Hi Dave. Hi, Julie. How are you two doing this morning, Dave?

David W. Johnson:

Nurses week and Mother's Day, Dave, that's quite a one two combination in our world. Today is my wife, Terry's birthday. It always falls in and around Mother's Day, which makes buying her flowers especially difficult. So it's a good week in our house too.

Burda:

Thanks, Dave. Julie, how are you?

Julie Murchinson:

Well, I'm home, which is very exciting, and we are getting ready for summer over here. It is. Feeling good.

Burda:

Thanks, Julie. Now, before we talk about what's up with nurses, I wanted to get your favorite nurse story. Dave, tell me about an incident with a nurse that stands out to you, good or bad.

Johnson:

I don't have a specific incident, David. I'm going to blow up it a little bit. Terry and I are getting our care at Mayo these days, which just every encounter shows the benefits of Team-based care, and for me it's nurses are

the ones who make the engines run, sharing the information, doing the scheduling, answering questions, and Mayo does an incredible job of using the higher order nursing profession, advanced practitioners, physician associates. So as we're sitting here in nurses week, I think we should rebrand nurses week as top of license week and let the nurses go forth and revolutionize healthcare delivery.

Burda:

There you go. A market-based response. Thanks.

Murchinson:

Hear hear.

Burda:

Yeah. Julie, any specific experience with a nurse you can share?

Murchinson:

Well, I think I've shared this before, but I was on bedrest with my son and unfortunately in the hospital for five weeks, which is a little unexpected and not welcomed, but if the nurses made that entire experience, I think I might've gone mad if it hadn't been for a couple of those nurses and they were so amazing. And on the other hand, I had a nurse very early into my time there, wake me up at two o'clock in the morning to take blood and I said, no, I think we decided we don't need to do this. And she said, well, it's in the orders. So the degree of just order taking it was not necessarily healthy. So pros and cons, but the heart of the system for sure.

Burda:

I think I've mentioned this before too, but it does bear repeating. It was the nurse who told me where I can get a tetanus shot for \$30 instead of her out of network, urgent care center for \$300 or my in-network hospital emergency room for who knows how much. So she screwed her revenue cycle people out of 300 bucks cash if they only knew. Now that's a patient advocate. Okay. Let's talk about what's up with nurses. Courtesy of two new surveys of nurses. The first is a survey of about 2,500 nurses by nurse.org, the online

community of nurses. The second is a survey of about 50,000 nurses by the US Health Resources and Service Administration or HRSA. Let me give you some of the top line findings of each survey and get your reaction. First, the nurse.org survey, 52% of the nurses said they were happy. They chose nursing as a profession. That's up from 36% in 2022. 46% said they are satisfied at work. That's up from 28% in 2022 and 57% said they were burned out at work. That's down from 81% in 2022. Now, the HRSA survey, 28% of the nurses said they were extremely satisfied with their jobs in 2021. That's down from 40% in 2017. The number one reason nurses said they're considering leaving their job is burnout cited by 66% of the respondents. The number one reason nurses said they're considering remaining in their job is balanced schedule and hours cited by 54% of the respondents, obviously, when the surveys were conducted could explain the differences in the results. HRSA did theirs in 2022 and 23. nurse.org did theirs in 2023 and 2024. But what are some other big takeaways from the surveys? Dave, you go first. Anything surprise you about the results? Did any other finding catch your eye and what can we do from a policy perspective to help the work environment for nurses?

Johnson:

Let's talk first about the timing and obviously the results of the nurses.org survey were a whole lot more positive than the one done by HRSA. And to me it shows that the marketplace is working. The HRSA study which was 2022, had some pretty good demographic information and there are 400,000 more nurses in 2022 than there were in 2017. My guess is that number is up. The nurses as a profession are younger, more male, more diverse, they look more like America. All of those are great things. And my guess is that as I just mentioned, I think these trends have continued on the burden front given the higher levels of job satisfaction, pride in the profession, lower burnout, more optimism about the future. I got to believe that the employers, nursing employers have been listening and are doing a much better job of scheduling flexibility using technology to make life easier for nurses. So that's all good. I think, as I say, the marketplace is working when we let the market work place do its magic, it actually comes through. The other thing that is interesting to me, as I said, is who did the studies? HRSA is a federal organization, the Health Resources and Services Administration. They did the massive study,

the one from a couple of years ago. Nursing.org is owned by a media company and calls itself the largest onsite forum for nurses, has millions of people that interact with it. And when you look at the two studies themselves, the one from nurses.org was much more eye catching, easier to get through and so on. And so which organization do you think has its pulse a little closer to the heartbeat of the nursing profession? So I'm kind of intrigued that we've got such a major media organization really in tune with nurses and putting out these types of studies, and I trust the information from that study more than I do the one from the federal government. And now to the policy question; I do not believe and have never believed that professionals should organize, whether it's teachers or doctors or graduate students or nurses on this, despite rhetoric to the contrary, unionization shifts the focus from the profession and the customers they serve to protecting the profession's members. It's just fundamentally a bad shift. And I saw a lot of coverage of the nurses study, which wasn't done by the big nurses, union National Nurses United, really making a hard push for mandated staffing levels. Now only 5% of nurses in the country are unionized 225,000 out of 4.3 million. And yet they do seem to have a disproportionate impact on the legislative agenda. So as far as I'm concerned, all of these measures to impose staffing limitations and so on top down are a mistake. They basically lock in antiquated practice mechanics at a time when the profession and the industry is just changing way too fast. Honestly, we should be focusing on goals or outcomes, not on process measures. These are things like preventable medical errors, avoidable complications, falls, injuries, pressure sores, longer hospital stays, higher numbers of hospital readmissions than necessary and death. And reward organizations that do a good job of that and punish those that don't through transparency and if necessary, fines. On the policy front, what I'd really like to see, and this won't surprise anyone, is a full on push for liberalizing licensing so that all professions in healthcare can practice at the top of their license. They can cross state lines, they don't have to do stupid things that benefit incumbent practices. They can actually move their professional activities in the way that the marketplace is moving. And in terms of the things that surprised me, and it really ties to my last point there, is that ambulatory community health and non bedside nurses were the ones that had the highest levels of job satisfaction. That's where the marketplace is going. 29% [00:29:00] of nurses that are doing a secondary gig, they're also starting to fill into the cracks of where the marketplace is going, which is toward

democratized and decentralized delivery of whole person health. So let's not get in the way, let's have our policies support that movement, not block it.

Burda:

Thanks Dave. Julie, any questions for Dave?

Murchinson:

Yeah, Dave, I read a lot in these surveys that caught my eye. So question for you. Which of these two stats surprises you more that 67% of nurses in this country are white or that 46% of RNs who completed their degree more recently between 16 and 2020 completed part of their degree online versus less than 20% years ago,

Johnson:

Which surprises me more? I know the percentage of white nurses is going down overall, I guess I'm a little surprised that it's that high. So they both surprise me in a little bit. That surprises me in a negative way. Your second one surprises me in a remarkably positive way, which shows that the education of nurses is moving to much more flexible platforms, which I believe will not only lower the cost, but will make it more accessible to a more diverse supply of future nurses so that we can work against that first statistic that you brought up.

Burda:

Yeah, asynchronous learning. That's great. It's something we learned during the pandemic, so it's great to see that applied to nursing. Julie, now it's your turn. Did anything surprise you about the results? Were there any sleeper findings that say something new or profound in what would you do to improve the work life of nurses from a market innovation perspective?

Murchinson:

Well, these two are not the only surveys in town. I saw that AMN also did their annual survey and two headlines from the last few years of these types of surveys leave me wanting to feel more positive about where we're headed. So in November of 2022, the headline was half of nurses consider leaving the

profession survey fines, but then by May, 2024, it's more than a third of nurses extremely likely to change jobs in 2024. So the percentages are coming down. I'm trying to be optimistic, Dave. I was also struck by this stat, I'll talk a little bit differently, about 29% of nurses who had a secondary form of income. It's kind of amazing when you think about it, right? Working per diem makes sense to me. I can see plenty of non-nursing side hustles that people can come up with working over time makes sense to me, was kind of surprising to read for a second there that nurses with a higher level of education are more likely to have a secondary source of income. But I guess that makes sense if you can get more shifts or work more flexible per diem somewhere. So what it does say to me is that our nurses are not making what they need to make or they're bored. I'm not quite sure, but we shouldn't have a profession with a third with a side hustle. That's how I feel about that. It wasn't surprising to me that, and I think I said something like this a couple weeks ago when we last talked about nurses, the quote I read around ambulatory community health and non bedside nurses report the highest levels of job satisfaction. And this basically goes to show that there's no shortage of nurses, but only a shortage of nurses willing to work at the bedside. That was what one person said. So I'm a nurse, do I want to work where someone is really sick and potentially facing death or maybe in a lot of pain, or do I want to work at the med spa or the ambulatory surgery center? I mean, there's so many more options these days and with the way healthcare is trending, nurses can go to a lot of nicer environments. So why wouldn't they do that? So I do think that these surveys lose the forest through the trees of where nurses are today and what their opportunities look like and really understanding where the crux of the issues are. It's no surprise to me that burnout is worse among the younger generation. I think that's actually a societal trend and not something that is particular to nurses. Some of these jobs that people have held for the last 50 years are hard and they're hard on your work-life balance, and they're hard intellectually and physically. And some of the younger generation, frankly, I'm not so sure that they want to hack it. So I also think the survey results are skewed in that direction. But I'll just say I've been talking to a number of HR leaders and nursing leaders in health systems for the past couple of years. And obviously a few years ago their main challenges were high vacancy rates and hiring and every innovative staffing company was running at full steam and in innovative staffing models were sprouting up all over the place. But fast forward to

today, I'm hearing a more evolved story. One training and onboarding related to the influx of all these new grads to get them where they need to be is a number one for most health systems. And number two is related to that, which is in a program internal content creation employee that really helps develop nurses as a profession, helps them progress. That's not a system that is a well honed thing in healthcare today. And the third issue I'm hearing most about is a course driving pipeline. They've been talking about pipeline for a long time. HC owns their own nursing school. MultiCare is involved in an international program. Many health systems have relationships with local nursing schools. Geisinger has created their own program to try to deal with their rural issues. So you've seen a lot of pipeline development initiatives over the last decade, but it still continues to be a massive issue. And there are a lot of market solutions that are starting to focus on these issues. One, I don't call out specifically, not a company that we're invested in, but a company called Claudio that is developing a platform that Dave you'll love. This uses artificial intelligence and other analytics to basically look at important drivers of the culture, engagement and retention and looking for staff members at risk for turnover and trying to help nursing leaders manage more proactively. And when you think about the data that can be had in society today, I mean there's just a whole different way you can be looking at retention and development. So I don't know, there's, there's a lot going on in nursing and workforce development in general that where technology can play a huge role and I think we are barely scratching the surface.

Burda:

Yeah, risk stratification, right? In nurse recruitment and retention. That's fascinating. Thanks Julie. Dave, any questions for Julie?

Johnson:

Given the high level administrative burden that nurses must fulfill in current working circumstances, there are a few professions today that are as labor intensive as nursing is. How different will the professional responsibilities and day-to-day activities of nurses be in 10 years than they are today?

Murchinson:

You're already seeing efforts to remove the administrivia from nurses and put that work into the hands of either lower level clinical workers or virtual nurses. Administration is a big place where virtual nurses is being used. So you're seeing the top of the license Dave happening in some places on the inpatient side. I don't know if you've stayed at a hotel or seen the robots at some of the hospitals yet, but I think robots will replace a lot of the needs for nurses to deliver meds and in some cases and other activities. So gosh, professionally nurses are probably headed towards much more of a segmentation of workflow than we've ever known for them before. They've just been lumped into doing just about everything at the bedside. So overall, I think nurses will have much better options going forward and not be the dumping ground for everything in healthcare. And we'll be able to automate a lot of tasks, whether on-Prem or virtually to really give them a lot of support. But we are a ways from that today. I know a few hospitals that are experimenting with the robots, but it's like Star Trek right now in health systems. So sit tight.

Burda:

Thanks, Julie. And I do think the interest in nursing is high, but I saw something, an interesting stat. We turned away more than 55,000 qualified applicants from nursing schools last year because of nursing school capacity issues. So I think that's one root cause of the problem. So let's start with fixing that. Now let's talk about other big news that happened this week. It wasn't all bad, was it, Julie? What else happened that we should know about?

Murchinson:

Well, one of my friends and CEOs from Blue Cross Shield of Louisiana, Steve Uberhigh has stepped down. And Brian Cameron Link, who has been a great leader on that team for a number of years is stepping into the CEO role. And I think this might be the final nail in the coffin for the BCBSLA Elevance deal. I'm not sure.

Burda:

That's an interesting transaction on again, off again on again, so we'll see what happens. Dave, what other news is worth mentioning?

Johnson:

What caught my eye were the headlines that coming out of Steward's bankruptcy proceedings that they're planning to sell all 31 of their hospitals. They have \$9 billion in debt, so a lot of debt to on those hospitals. So one that's happening, but the most interesting thing is it's really not steward selling the hospitals because they don't own the hospitals anymore, the REIT MPT does. And they've actually provided 75 million in debtor financing to Steward to keep the hospitals up and running while they go out and try to find new tenants for the hospital. So Steward is an operator, it's not an owner of its hospitals. And if we think about hospitals as a shrinking asset class, which it is, this type of mechanism for finding new operators and reconfiguring the operations of hospitals, I think could be remarkably effective. Unfortunately, most hospitals are owned and operated by the same entity, so we don't have as clear a mechanism for working out the reorganization of facilities that are in trouble.

Burda:

I think putting the words 40 million yacht in the headline is going to sell a lot of newspapers. Thanks, Dave. Thanks, Julie. That is all the time we have for today. If you'd like to learn more about the topics we discussed on today's show, please visit our website at 4sighthealth.com. You also can subscribe to the roundup on Spotify, Apple Podcast, YouTube, or wherever you listen to your favorite podcasts. Don't miss another segment of the best 20 minutes in healthcare. Thanks for listening. I'm Dave Burda for 4sight Health.