Contextualizing the Stanford Nursing Strike

For the first time in 20 years, the union for nurses at Stanford and Lucile Packard Children's hospitals issued a strike letter to hospital administrators. In April, nurses at Stanford took the issue of their pay onto the picket line, demanding higher wages and better benefits after their contract ended in March. Nurses lamented, "The problems that motivate [our] proposals are not new. They did not appear with the pandemic. They got worse with the pandemic. And now [we] are at a breaking point and telling the hospitals what we need" (CRONA, 2022).

The story of how negotiations between Stanford Hospital and the Committee for Recognition of Nursing Achievement (CRONA), the union representing registered nurses (RNs) at Stanford, broke down is documented in both news reports and press releases. However, the role that the nursing supply in California played in shaping the strike deserves closer examination.

Active RNs In California

Nursing supply in California is tracked by The California Board of Registered Nursing (CBRN), which maintains monthly statistics measuring the population of active licensed RNs.

Figure 1

Monthly Active Registered Nurses Licensed by the California Board of Registered Nursing From September 2016 to January 2020 (CBRN, 2022)
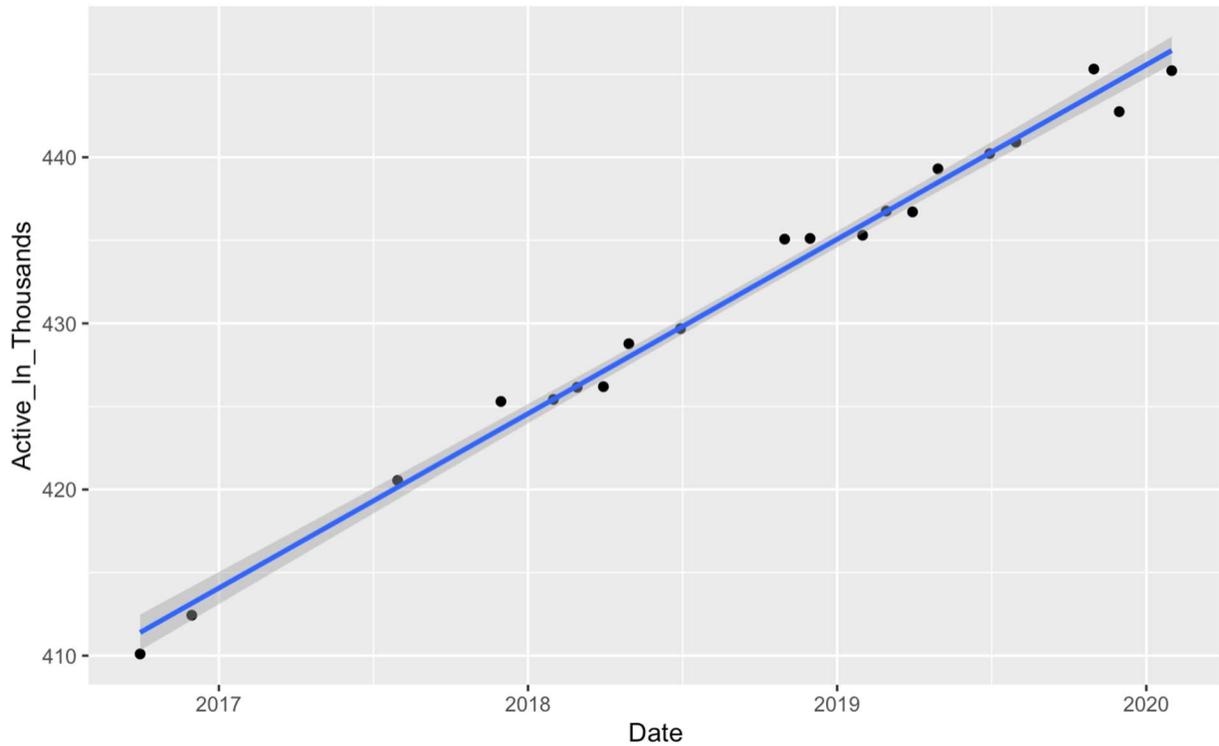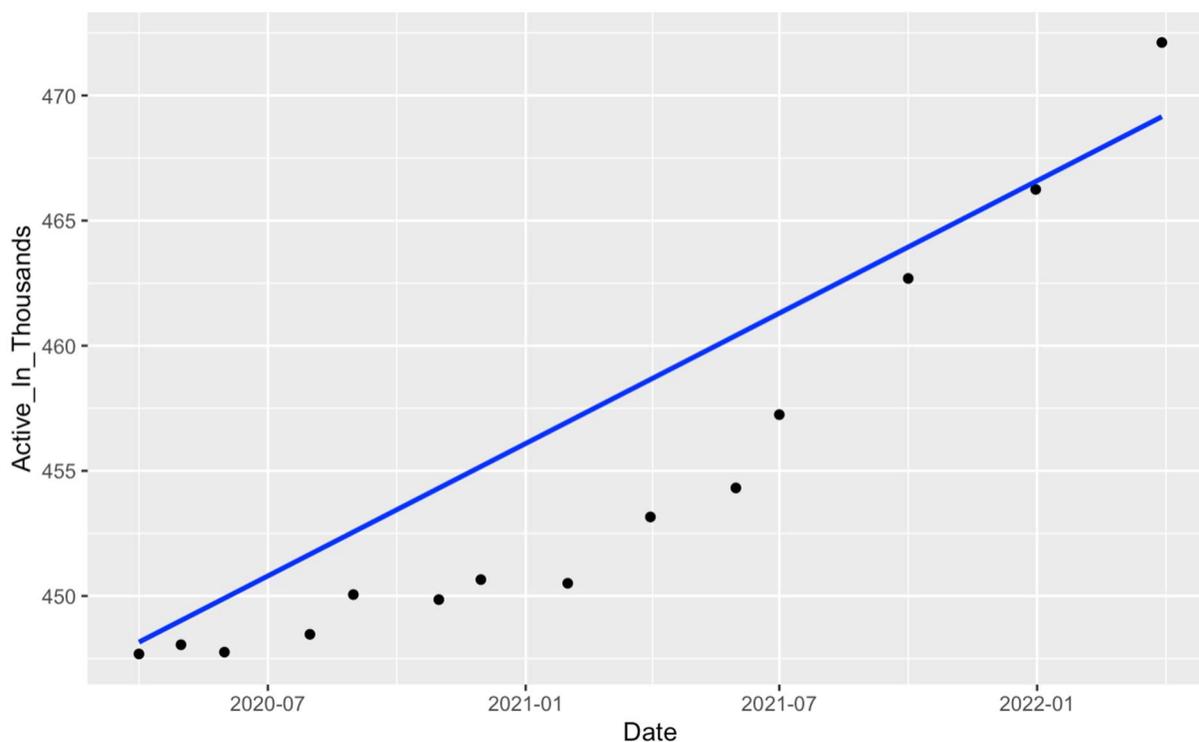
Figure 1 shows the number of active nurses for almost 3 years before the pandemic. The data is strikingly linear—OLS regression analysis reveals that approximately 99% of the variance is explained by date alone.

Figure 2

Monthly Active Registered Nurses Licensed by the California Board of Registered Nursing From March 2020 to March 2022 (CBRN, 2022)

Contrast this linear growth with what happens during the pandemic—Figure 2 demonstrates that for almost a year, from March 2020 to February 2021, active nurses licensed by the Board remained below or near 450,000, with March 2021 marking the first month when we would see a consistent increase in the number of nurses licensed by the board. The blue line, which represents the predicted active RNs in thousands based on an OLS regression performed on the pre-COVID data, demonstrates that the quantity of active RNs was below expectation until almost January 2022. Data from March 2022 suggests that there has been a large rebound in the number of active RNs, but it remains unclear if this is enough to offset more than a year of shortage. Given that experts were projecting shortages as early as 2018, these statistics paint an even more dire picture (Spetz, 2018).

Estimates of Full-Time Equivalent Nurses

Using the number of active licensed RNs is a rather simplistic measure of RN supply in California. The trends described in the previous section do not necessarily imply that the supply of nurses in California remained constant for the first year of the pandemic—in March 2020, the Emergency Medical Services Authority adopted policies that allowed nurses to practice within California without an official license from the Board. Furthermore, not all licensed nurses are employed or reside in California. Historically, 80 to 85% of active nurses reside within California, and 82 to 87% are employed in nursing in California (Spetz 2018, 2020; DCA Public Records, 2022). In 2020, the percent of California-resident RNs reached 81.7%—an increase of 0.3 percentage points from 2018. This is consistent with the 82.3% of actively licensed RNs who had Californian addresses in March 2022.

Therefore, experts like Joanne Spetz use full-time equivalent (FTE) employment (i.e., how many full-time nurses would be needed to equal the number of hours worked by all RNs in California) to estimate the working supply of RNs. With the information above, it is possible to compare pre- and early-pandemic forecasting of RN supply.

Figure 3

Projected Supply of RN Full-Time Equivalent Employment With 2022 Estimate, 2021–2035 (J. Spetz, personal communication, April 22, 2022)
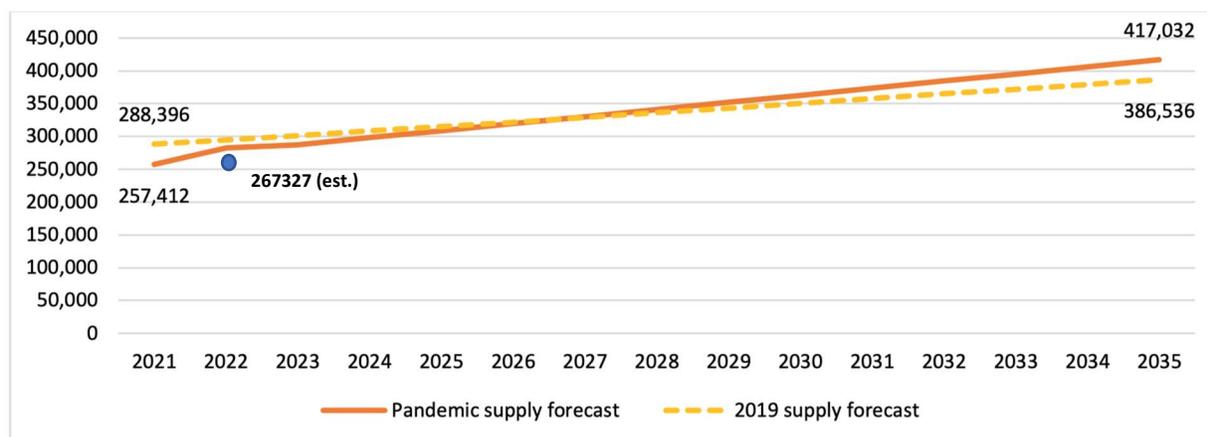
Figure 3 shows the projections of California nursing supply from Spetz et al. (2021). The blue point represents an estimate of full-time nursing supply assuming no change in average number of hours worked and no change in the percent of California-based nurses working. This estimate is more conservative than the pandemic supply forecast and the 2019 supply forecast, both shown in Figure 3 as well. It is unclear if the actual supply of nurses will be this low, but the estimate does reaffirm the key takeaway from our discussion on active licenses—the pandemic has caused a large RN workforce slowdown.

Bay Area Supply

When looking at nursing supply specific to the Bay Area, the region clearly appears to be facing stiffer supply challenges. The population of California resident RNs increased by 3.5% from 2018 to 2020 and then by 4.5% from 2020 to 2022 (J. Spetz, personal communication, April 22, 2022). Population growth in the Bay Area was half that: 1.6% from 2018 to 2020 and 2.2% from 2020 to 2022. Furthermore, while the proportion of nurses aged 25-35 has increased across the state from 20.3% to 21% from 2018 to 2022, the proportion has declined from 19.2% to 19% in the Bay Area (J. Spetz, personal communication, April 22, 2022).

Of course, it is important to remember that RNs in the Bay Area are, on average, some of the highest paid in the whole country (Incredible Health, 2022). RNs at Stanford have an average salary of roughly $133,000 (Indeed, 2022). Given how expensive the services of RNs are in the Bay Area, hospitals in the region have historically let RNs go or started using contract nurses in order to cut costs (Aiken et al., 2013). Hospitals have also leveraged their market power to keep RN wages lower than would be expected (Staiger et al., 2010), but with unions like CRONA calling for change and the shortage in California radically altering the nursing landscape, the dynamics of power are shifting: RNs are now demanding more.

Overall, the nursing shortage coupled with the growing influence of unions like CRONA have fueled nurses' discontent with the status quo. Importantly, the Stanford strike is evidence that nurses are not waiting for the market to solve what they perceive as problems caused by the shortage. Policymakers and hospital administrators alike must view the shortage affecting nursing in California as both acute to the pandemic and endemic to the profession.

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