

Beyond Travel Nursing: Sustainable Staffing Solutions to Address Nursing Shortages

Learn about the impact of travel nursing on the healthcare industry, its evolution in the wake of COVID-19, and sustainable alternatives to address shortages.



During the COVID-19 pandemic, travel nursing exploded in response to a nationwide nursing shortage. A large number of staff nurses were quitting their full-time employment in favor of travel nursing agencies to take advantage of several benefits, including higher pay, housing stipends, flexibility in working hours, and travel opportunities. However, the ongoing nursing shortage crisis continues to plague the healthcare system. Efforts are underway to mitigate this crisis, including a search for alternatives to hiring expensive travel nurses. This guide describes the rise of travel nursing, its impact on the healthcare industry, how it has evolved as COVID-19 wanes, and viable staffing alternatives to travel nursing to address its challenges.

The Rise of Travel Nursing

Travel nursing initially rose in popularity in the 1980s in response to nursing staff shortages but exploded during the COVID-19 pandemic, growing by 35% in 2020 compared to 2019.¹ During the pandemic, 90% of hospitals hired travel nurses to support their teams, and in 2022, the demand for travel nurses rose by 284%.² Part of the reason for this boom has been the incentives that travel nursing offered compared to traditional staff nursing.

Incentives for Travel Nurses during the Pandemic

As an employment option, travel nursing offers nurses numerous perks and benefits, including an opportunity to travel, expand their professional network, and experience different work environments and cultures. However, during the pandemic, travel nurses received certain additional incentives.



35% Growth

of travel nurses in 2020
compared to 2019



284% Increase

in demand for travel
nurses in 2022



Higher Pay

Before the pandemic, hospital nurses earned \$73,300 per year on average, which was about \$1,400 per week. However, in April 2020, national wages for travel nurses rose 25% during the early stages of the pandemic. Travel nurses typically earn more than a staff nurse in the same location, but during the pandemic, some travel nurses even tripled or quadrupled their salary, receiving up to \$5,000 to \$10,000 per week. They also received sign-on and assignment completion bonuses,³ and most of their salary was tax-free, as they were traveling over 50 miles from their place of residence.⁴



Housing Stipends

Travel nursing agencies offered nurses generous housing stipends.⁵ Nurses could also benefit from free or heavily discounted housing options. Often a travel assignment could decrease or even eliminate several expenses associated with daily living, as some travel nursing agencies even covered expenses incurred toward furniture and utilities.



Flexibility

Unlike staff nurses, travel nurses had the flexibility to choose their employment location, setting, schedules, and work hours. They were free to choose when to work, could work as much or as little as they wanted, and could even opt to take several days or weeks off between work assignments. This flexibility gave nurses the opportunity to meet new people and broaden their skill set, as they received exposure to a variety of working conditions and patient populations.



Opportunity to Travel

Travel opportunities for nurses are still available in all states, especially in high-demand locations, and offer nurses a chance to visit new destinations and work in locations that might otherwise be overlooked due to the high costs of living. They also offer nurses the opportunity to serve those in need, such as in rural or underserved areas. The length of assignments can vary based on the needs of the facility, which on average can be 13 weeks or longer,¹⁰ and extensions can be granted depending on the requirements of the healthcare center.

When deciding on a location, nurses may also consider factors such as professional opportunities and leisure activities available in the destination. Some nurses also consider the climate, weather conditions, proximity to family and friends, and the potential to make a permanent move. Nurses can even obtain reimbursement for their travel expenses when transitioning from one contract to another.



Avoiding Burnout

Travel nurses often have fewer professional responsibilities than regular staff nurses and can therefore avoid burnout. Travel nursing can enable nurses to overcome monotony or the feeling of being trapped in a job that is not suitable for them. They typically do not have to be part of hospital committees. They may also not need to obtain additional certifications. Travel nurses only have to focus on offering the best possible care to patients.

The Impact of Travel Nursing on the Healthcare Industry

While hospitals have been grappling with nursing staff shortages, travel nursing agencies have made huge profits. Several travel nursing agency businesses grew by 37% to 58% between 2021 and 2022. Consequently, the higher demand for travel nurses, particularly during the height of the pandemic, created significant cause for concern.

How competitive has it become?

Travel nursing became a highly competitive field within the nursing profession during the COVID-19 pandemic. From January 2020 to fall of 2021, openings for travel nurse positions increased by 500%, and even in 2023 the demand is higher than it was before the outbreak.

As for preferences among nurses themselves, the 2022 NP Covid-19 Experience Survey by Barton Associates asked more than 280 locum tenens nurse practitioners about their work. The survey showed that 60% of locum nurse practitioners who elected to practice as registered nurses opted to work as travelers rather than staff nurses. Of that majority group, 73% revealed they earned higher wages and 72% experienced either less stress or no changes in their stress level compared to staff nursing.⁶ These preferable work conditions, along with the ongoing demand for traveling nurses, has made travel nursing a coveted position.



500% Increase

in travel nurse positions from
January 2020 to fall 2021

How costly has it become?

Staff retention, furloughs, and layoffs among nursing staff continue to pose a significant challenge, and hospitals have spent nearly \$24 billion since the pandemic to mitigate the nursing staff shortage. Many are leaving their full-time employment as staff nurses in favor of travel nursing opportunities. These nurses may subsequently earn considerably more, at times even thrice more, than what they made as staff nurses. Hospitals are now losing a large number of staff nurses and are forced to pay travel nursing agencies exorbitant rates to secure nurses. As a result, the financial stability of the healthcare industry is further jeopardized.



\$24 Billion

spent by hospitals to mitigate
the nursing staff shortage

What other downsides have arisen?



Price Gouging

Several travel nursing agencies have been accused of price gouging. Lawsuits prompted a group of senators and representatives to urge the White House COVID-19 Response Team coordinator to investigate allegations of price gouging by travel nursing agencies. At the state level, Pennsylvania proposed a law that aimed to establish maximum rates for travel nurses temporarily employed in assisted living residences, nursing homes, and personal care homes to end the practice of gouging taxpayers and the Medicaid program. In Illinois, Massachusetts, and Minnesota, travel nursing agencies face wage caps, and can only charge up to 150% of the average median wage rate over the last three years. Illinois is striving to abolish travel nursing agencies' non-compete clauses, which can require clients to sign a contract for up to eight weeks of work, even if they only require staff for three shifts.



Temporary Fix to an Ongoing Crisis

Although travel nursing may not be viable in the long term due to high costs, the nursing profession was already in decline, even before the pandemic. Travel nursing was merely a temporary fix to an existing crisis. In fact, there may be a shortage of up to 450,000 registered nurses within the next three years in the United States, despite aggressive recruiting attempts by the government and healthcare providers.⁷



Long-Term Vacancies, Particularly in Rural Areas

Travel nursing has been seen to transpose nurses from underserved areas to areas with better-paying opportunities. Many rural nurses in particular appear to be leaving their staff jobs for travel nursing jobs, which can pay over 10 times more than their regular salaries. As a result, rural hospitals are now grappling with staffing shortages.

In 2020, a record number of hospitals were closed in rural areas after a persistently low patient volume, and 216 more rural hospitals were at increased risk of closure. In rural and underserved hospitals, most of which lack adequate resources, the reliance on travel nurses is now exacerbating the existing nursing staff shortage crisis due to long-term vacancies.

How Travel Nursing Contributes to Staff Shortages

The rise of travel nursing has intensified a longstanding staffing problem in the industry. Even before the COVID-19 pandemic, hospitals across the country faced staff shortages as nurses were becoming increasingly dissatisfied with poor working conditions in hospitals, high patient volumes, clinician fatigue, operating room backlogs, and leaves of absence—concerns that remain today and which many experts predict are unlikely to be resolved anytime soon.

The Rise of the COVID-19 Crisis

When the pandemic hit, COVID-19 rates and hospitalizations rose, and there were insufficient nurses to attend to patients. The American Nurses Association even demanded that the Department of Health and Human Services declare the nursing staff shortage a national crisis. At the same time, the pandemic prompted the closures of many nursing schools, colleges, and training centers as well as imaging and clinical laboratories in an effort to prevent the spread of the virus. As a result, the pipeline of nurses dissipated for about two years, further choking an already limited supply.⁸

During the peak of the pandemic, some states attempted to fill staff shortages by waiving nursing licensure, while others accepted temporary licenses.⁹ Additionally, many nurses who did not possess the required expertise were accepted even though they were not

appropriately qualified.¹⁰ In Chicago, for example, many hospitals lowered their hiring standards to the extent that they brought on nurses with associate degrees or less, whereas they'd previously sought candidates with at least a bachelor's degree. And according to Therese Fitzpatrick, a Senior Vice President at a healthcare consultancy, such easing of standards is a "pervasive trend ... across the country."¹¹

So, with hospitals overrun with patients and the absence of sufficient relief, not to mention repeated surges in the number of COVID-19 cases as the pandemic raged, existing nursing staff worked longer hours and bore more responsibilities, leading to greater distress and higher rates of burnout, which in turn motivated many nurses to quit hospital employment, exit the workforce, or retire early.¹²

Others, given the financial advantages and other incentives, approached travel nursing agencies for employment. These nurses received higher pay than staff nurses. They received bonuses that staff nurses weren't offered. Learning about the pay discrepancy subsequently left many staff nurses displeased. As human resources departments struggled to hire and retain nurses to ensure adequate staffing, decreasing morale among the existing staff led to resignations and other departures that hospital units could ill afford.

The Pandemic's Long-Term Impacts on Nursing

Today, the nursing workforce continues to face labor shortages, and competition for nurses remains fierce during disease outbreaks and natural calamities. Such situations prompt staff nurses to consider lucrative travel opportunities, enacting a cycle of exacerbation.

The repercussions emanating from this cycle are serious. A widespread shortage of nurses is linked to high rates of morbidity and mortality among patients, as it disrupts the patient-to-nurse ratio. Furthermore, many nurses no longer see a future for themselves in the profession. According to findings from a 2021 survey of over 6,500 participants by the American Association of Critical-Care Nurses, 92% of respondents felt their careers would be shorter than intended, and 66% reported they were considering abandoning the profession following their COVID-19 experiences.¹³

Meanwhile, because of the influx of travel nurses, hospitals are now less inclined to invest in their regular nursing staff. In the long run, this shift in priority to travel nurses may potentially



66% are considering abandoning nursing

according to findings from a 2021 survey of over 6,500 participants

disrupt the quality of healthcare services and workflows, as travel nurses typically do not obtain the extent of training the regular staff receives and are not employed at a location long enough to develop effective relationships with patients. Moreover, the frequent substitution of nursing team members may lead to errors in the delivery of healthcare services owing to miscommunication, further impacting the quality of care.

There are still insufficient graduating nurses to replace those who are leaving the profession.¹⁴ On average, it can take about three or four years to complete a Bachelor of Science in nursing program, which can cost between \$40,000 and \$80,000. Hence, the cost and time taken to complete a nursing education also prohibit some individuals from entering the profession.

Effects of the COVID-19 Decline

As the pandemic wanes and hospitalization rates are relatively stable, travel nursing has now evolved as relief funding depletes. Pay rates have been reduced and fewer travel nursing jobs are now available.¹⁶ However, there are lingering concerns in the nursing profession, namely continued burnout and the shortage of nursing staff.

Relatively Stable Hospitalization Rates

COVID-19 hospitalization rates are now relatively stable across the country following vaccination and other prevention strategies, including physical distancing and masking.¹⁶

Travel Nursing Continues to Evolve

Many hospitals now find hiring travel nurses increasingly unaffordable. They have discovered that furloughing nurses early during the pandemic was a mistake and that they should have instead invested in them as crucial workers. Hospital and nurse leaders are now forced to seriously consider the nursing staff situation.



Reduced Pay Rates

Travel gigs are not as highly paid as they were during the pandemic. Two years after the pandemic, rates have dropped, even as much as 50% mid-contract. Unlike during the peak of the pandemic, hospitals now cannot sustain paying exorbitant rates. Hospitals are trying to negotiate lower rates with travel nursing agencies.



Fewer Travel Nursing Jobs

As the rate of hospitalizations and deaths due to COVID-19 waned, the demand for travel nurses began to decline. Additionally, as state and federal COVID relief funds exhaust, travel nursing jobs that were once abundant and lucrative are now fewer. In fact, the demand for travel nurses fell 42% from January to July 2022, as hospitals now focus on recruiting permanent, full-time nurses. Some travel nurses are now drawn by large incentives and stability that full-time positions offer and are returning to regular roles.

Lingering Concerns in the Nursing Profession

While many nurses tripled their income during the COVID-19 pandemic by moving from job to job, there are lingering concerns in the nursing profession, as some nurses are now considering leaving the profession altogether.



Continued Burnout

Working as a travel nurse during the pandemic was emotionally exhausting for some nurses. Many travel nurses experienced loneliness as they were forced to leave their children and families while moving from one gig to the next. They also witnessed the deaths of many patients under their care. So, after two traumatic years of tending to patients during the pandemic, many travel nurses are now back home and declining travel job offers. They are reluctant to accept enticing, high-paying gigs that would have thrilled them pre-pandemic, which they now believe are not worth it.



Continued Shortages

Many former travel nurses are also now reluctant to return to regular staff nursing jobs. Nurses are leaving the bedside at an alarming rate owing to inadequate resources to create a safe work environment (like a lack of N95 masks or personal protective gear), high nurse-to-patient ratios, fatigue, stress, burnout, lack of clear or consistent communication from management, and lack of measures to retain experienced staff.

Across the country, as nurses are quitting in large numbers, hospitals still struggle to maintain adequate staff to cover shifts. Over 200,000 open registered nurse positions are now available, more than twice the number that were available just before the pandemic. Although hiring travel nurses appears to be an obvious solution, at least for the short term, costs are prohibitive even as salaries fall.

Sustainable Alternatives to Travel Nursing

The best alternative to travel nursing is finding and recruiting local, long-term talent by using assessments to screen candidates to identify those who are most likely to be a good fit for the existing team and leveraging partnerships with nurse staffing agencies.

Finding and Recruiting Local, Long-Term Talent

Although expensive, reliance on short-term, premium nursing staff is essential to fill vacancies to ensure stable delivery of healthcare services. However, healthcare centers, particularly hospitals, should plan how travel nurses can be incorporated into their workforce. Management should constantly communicate to full-time nursing staff that hiring travel nurses is only a temporary fix that is necessary at times to avoid disruption of services, particularly to reduce the workload of existing staff. They should also emphasize that the organization is aiming to convert travel nurses to full-time staff.

Hospitals should expect some of their nursing staff to take advantage of the financial incentives of joining travel nursing agencies. However, they should consider maintaining the employment status of these nurses and encouraging them to return after their contract expires. Hospitals can also create programs aimed to establish a positive work environment, in which travel nurses who return work cordially and effectively with existing staff.

While many nurses seek flexibility in their schedules, some may even prefer a flexible work location for personal reasons. Some healthcare systems are now developing their own in-house agencies to meet their nurses' location needs, while better competing on compensation with traditional travel nursing agencies. Such flexibility can help hospitals retain nurses interested in travel opportunities, reduce reliance on contract staff, and ensure nurses in the system remain familiar with the culture and protocols.

Using Assessments and Leveraging Technology to Screen Candidates

Hospitals should consider using personality assessments to screen nursing candidates and identify those who are most likely to be a good fit for the existing team to build a pipeline of nurses. They should then build nurturing relationships with potential recruits. To expedite recruitment, hospitals should consider leveraging technology to analyze the nursing talent pool, identify qualified candidates, and initiate outreach using a variety of sourcing platforms.

Leveraging Partnerships with Nurse Staffing Agencies

Although travel nurses may keep hospitals functioning, management must realize that they are unsustainable and only a temporary solution to nurse staffing issues. Relying on travel nurses alone will not stabilize the nursing workforce in the long run. Other opportunities that hospitals can consider include leveraging a partnership with nurse staffing agencies.

Benefits of Partnering with Nurse Staffing Agencies

The benefits of partnering with nurse staffing agencies include avoiding expensive travel nurses, especially if an organization is not considering hiring permanent nursing staff but is eager to fill full-time positions. These nurse staffing agencies can tailor the recruitment and screening process specifically to the organizations' needs. Since they hire local talent, they can maintain lower rates than those of travel nursing agencies, which also have to pay stipends and additional bonuses to nurses. They can also help to fill nursing positions in the inpatient setting.

Medix even offers try-before-you-buy talent to ensure they're going to be the right fit for you and meet your expectations. For more insights on alternatives to travel nursing, [talk to a Medix expert](#) who can help you plan for the road ahead.

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