

2004

Review of Temporary Healthcare Staffing Trends



a new direction in allied professional staffing



Summary Report

2004 Review of Temporary Healthcare Staffing Trends

Overview

This report marks the third Review of trends in temporary healthcare staffing with an emphasis on the temporary mid-level industry, presented by Med Travelers. The purpose of this Review is to identify current issues in traveler staffing, trends affecting the industry, and perceptions of both providers and administrators regarding the role of travelers in the workplace. The data presented in this Review will provide a useful benchmark for imaging technologists, therapists and healthcare administrators alike.

The 2004 Review is based on search assignments through staffing firms, searches conducted by healthcare facilities, and survey data collected from travelers and those responsible for hiring travelers at healthcare facilities—labeled in this study as “administrators.” In many cases, administrators overseeing different departments at the same facility were surveyed. For the 2004 Review, we contacted 14,000 administrators at hospitals, group practices, and other facilities nationwide, and received 1,156 completed surveys, for a response rate of 8.2 percent. We contacted 21,750 imaging technologists and therapists known to have worked temporary assignments from 2001 through 2003 and received 1,240 completed surveys, for a response rate of 5.7 percent. The data from search assignments was gathered during the 2003 calendar year, with survey forms completed between February 2 and February 27, 2004.

The breakdown by region and modality:

Healthcare facilities surveyed

Northeast (167) Southeast (228) Southwest (168) Midwest (356) West (237)

Travelers surveyed

RT (160) RT/CT (187) RTSP (32) NMT (212) USS (41) MAM (44) MRT (64)
UTVE (42) UVT (52) CTT (93) ECC (117) PT (82) RST (71) RTH (43)

RT=Radiologic Technologist RT/CT=Trained RT and CT RTSP=RT Special Procedures NMT=Nuclear
Medicine Technologist USS=Ultrasound Sonographer MAM=Mammographer MRT=MRI Technologist
UTVE=US/Vascular Technologist UVT=Vascular Technologist CTT=CT Technologist ECC=Echo
Cardiographer PT=Physical Therapist RST=Respiratory Therapist RTH=Radiation Therapist

Part I - The Traveling Mid-Level Industry

Quantifying the traveling mid-level industry is an uncertain process at times. The heavy use of overtime and part time staff obscures some of the demand. Travelers filling one assigned shift and then working overtime affects data regarding shifts filled. It is evident that reliance on overtime (38.5 percent of all assignments nationwide accumulated overtime) overstates the dip in demand during 2003. Yet the industry indeed cooled between the beginning of 2002 and the end of 2003 as healthcare facilities reacted to rising costs and inconsistent service.

The average traveler fills almost 4 shifts during an assigned week, not including overtime. They work just over 4 assignments per year—and very few expect to take a permanent position in the foreseeable future. This steady base of professional travelers boosted fill rates to 75 percent, up from 39 percent in 2001. The industry is become more necessary and more efficient, even as concerns persist.

Filled Shifts, Average Cost Per Day	2003: \$824*	2002: \$801*
Unfilled Shifts, Average Per Day	2003: 1,116	2002: 3,332
Shifts Filled By Travelers, Average Per Day	2003: 3,459	2002: 4,925

Fill Rate	2003	2002	2001	Facilities currently searching for temporary services:
	75%	59%	39%	2003: 41%
				2002: 49%

Total Estimated Spending On Traveler Services (In billions)	2003: \$1.0*	2002 \$1.4*
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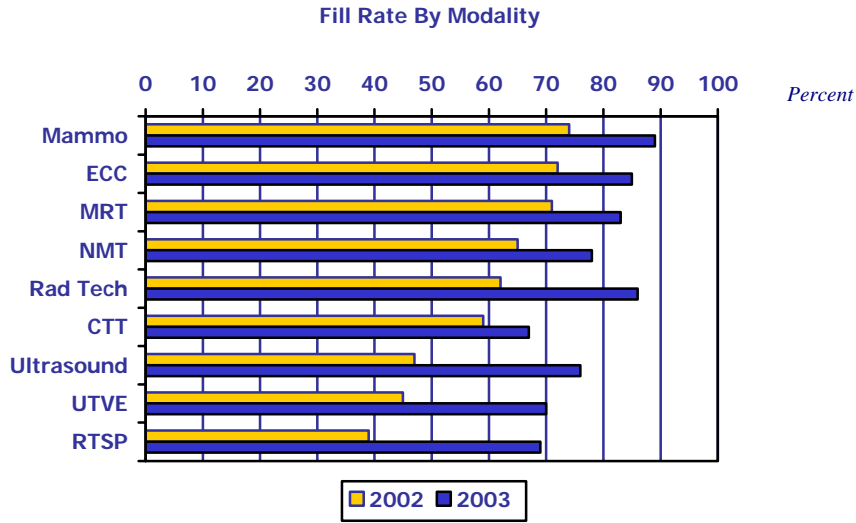
**Figures include cost of travel, housing, malpractice insurance, recruiting, professional services, and other ancillary expenses.*

Traveling Modalities by Days Demand

Modality	Demand		
	2003	2002	2001
Radiologic Technologist	21%	29%	38%
Nuclear Med Technologist	20%	19%	17%
Ultrasound/Vascular Tech.	11%	11%	11%
Ultrasound Sonographer	10%	6%	4%
CT Technologist	8%	16%	13%
MRI Technologist	6%	7%	2%
Echo Cardiographer	5%	3%	3%
Rad Tech/Special Procedures	4%	1%	3%
Physical Therapist	4%	n/a	n/a
Mammographer	2%	4%	7%
Other	9%	4%	2%

Traveling Modalities by Search Requests

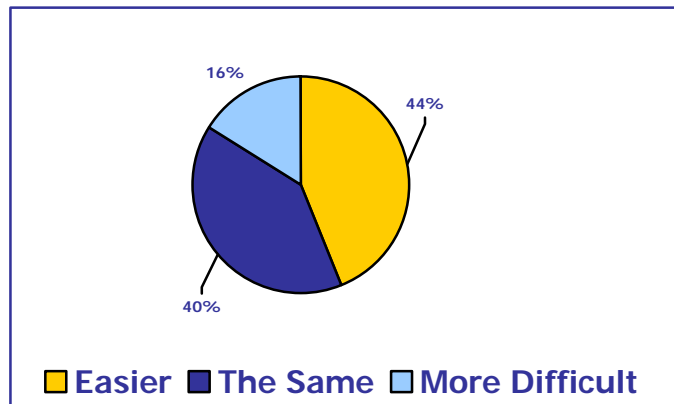
Modality	Demand
Radiologic Technologist	18%
Nuclear Med Technologist	15%
Ultrasound/Vascular Tech.	9%
Ultrasound Sonographer	9%
Physical Therapist	9%
CT Technologist	8%
MRI Technologist	6%
Echo Cardiographer	5%
Radiation Therapist	4%
Rad Tech/Special Procedures	4%
Other	13%



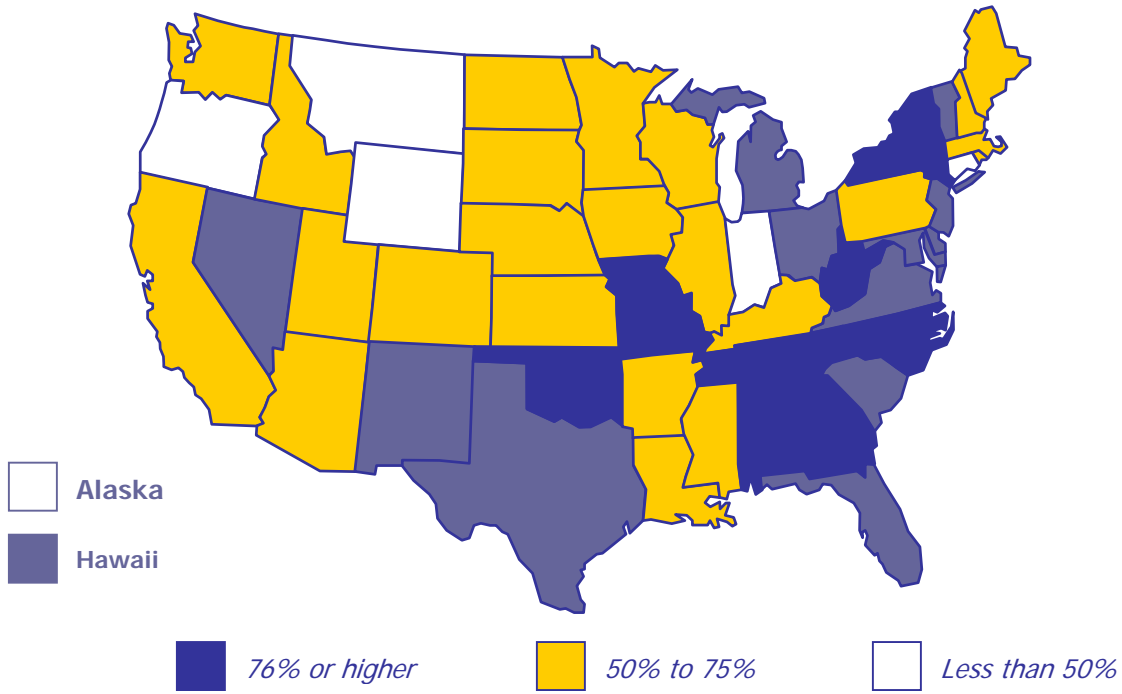
Known number of unfilled days (1 shift), on average, each day, excluding overtime.

Modality	Unfilled Days Per Day	
Echo Cardiographer	32.5	
MRI Technologist	49.6	
Nuclear Med Technologist	198.4	
Radiologic Technologist	86.3	<i>Selected modalities</i>
CT Technologist	112.8	
Ultrasound Sonographer	104.5	
Ultrasound/Vascular Tech.	149.6	
Rad Tech/Special Procedures	60.1	
RT/CT	86.3	
Physical Therapist	127.3	

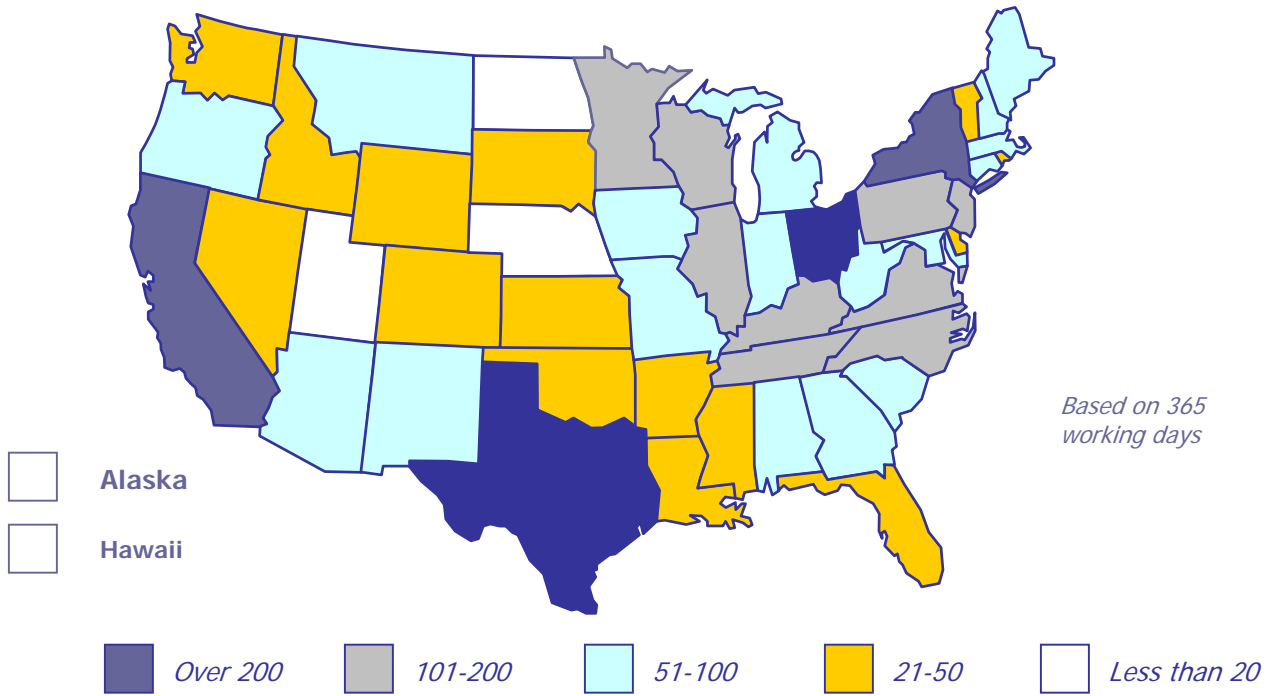
Compared To Last Year, How Difficult Is It To Fill Temporary Vacancies?



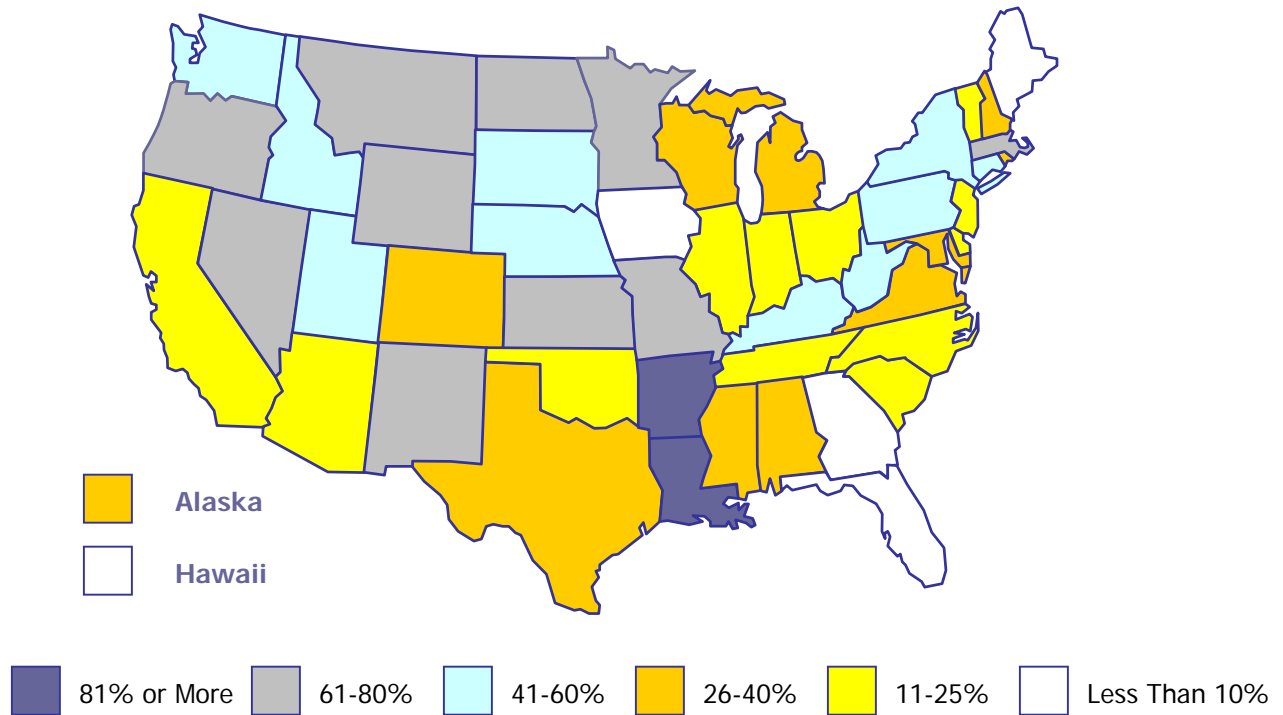
Fill rate, by state



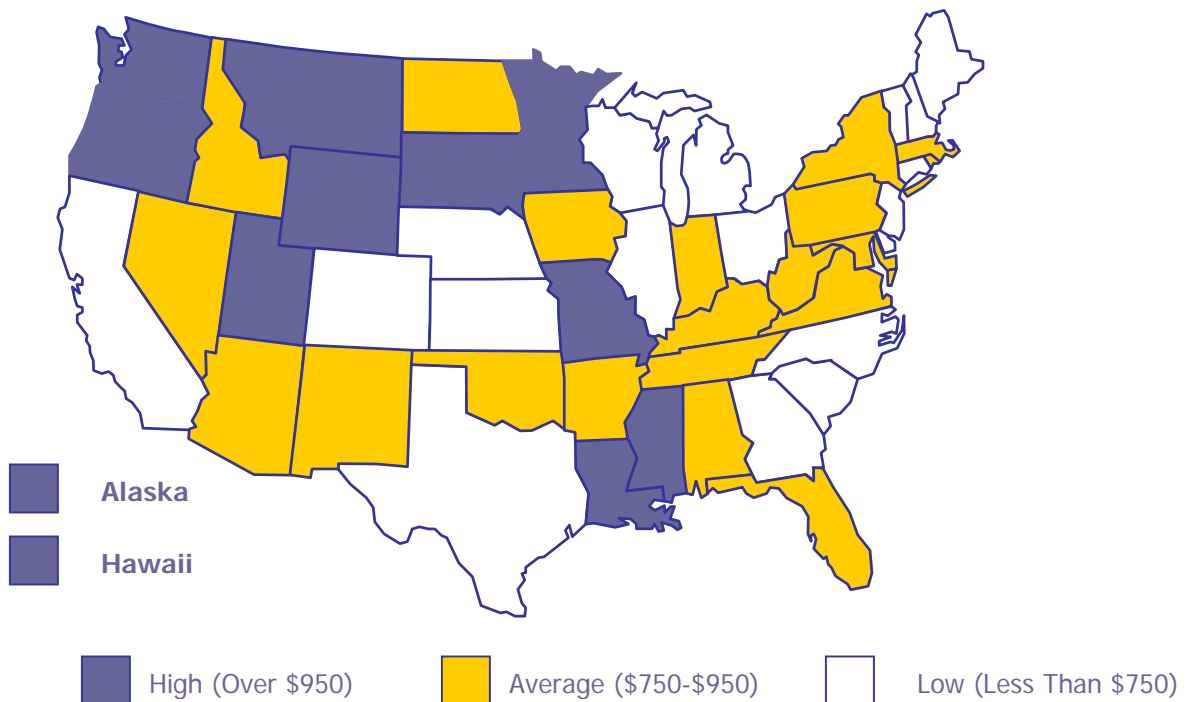
Average Available Assignments Per Day, By State



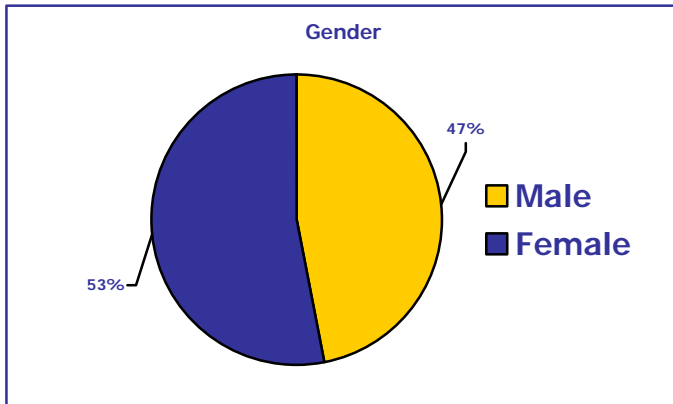
Percentage Of Travelers Working Overtime On Assignments, By State



Average Cost Per Filled Day, By State



Who travels?



Years Experience

	2003	2002	2001
Just out of school	3%	3%	4%
1-5 years	23%	23%	48%
6-10 years	27%	28%	17%
11-20 years	23%	26%	12%
More than 21	24%	20%	19%
Ten or fewer	53%	54%	69%
11 or more	47%	46%	31%

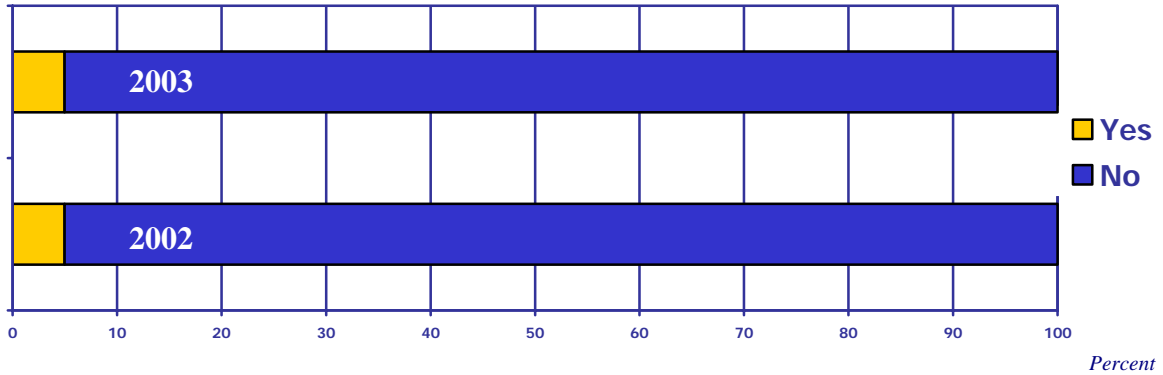
How long have you worked as a traveler?

Less than 1 year	13%	39%
1-3 years	56%	42%
More than 3 years	31%	19%

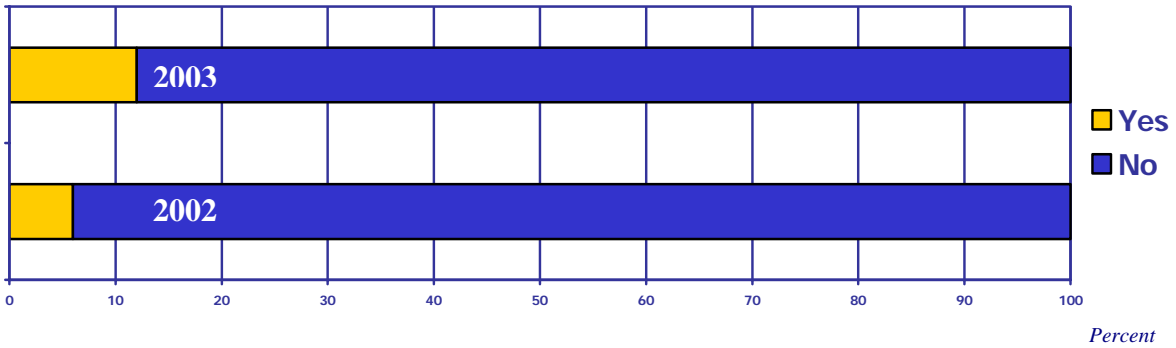
How long do you intend to work as a traveler?

Until a permanent position	9%	4%
Less than 1 year	5%	2%
1-3 years	40%	36%
More than 3 years	46%	58%

Are you currently in a permanent position?



Are you currently looking for a permanent position?



What are the benefits of working as a traveler? (more than one answer accepted)

	2003	2002	2001
Higher pay	71%	68%	68%
Travel	41%	35%	39%
Freedom/Flexibility	31%	35%	43%
Experience/Professional Development	30%	35%	17%
No politics	23%	12%	5%
Other	2%	n/a	n/a

What are the drawbacks of working as a traveler?
(more than one answer accepted)

	2003	2002
Away From Home	56%	47%
Uncertainty*	38%	18%
Lack Of Benefits	8%	2%
None	7%	5%
Other	9%	20%

**Defined by respondents as timing of next opportunity or quality of equipment at new facility*

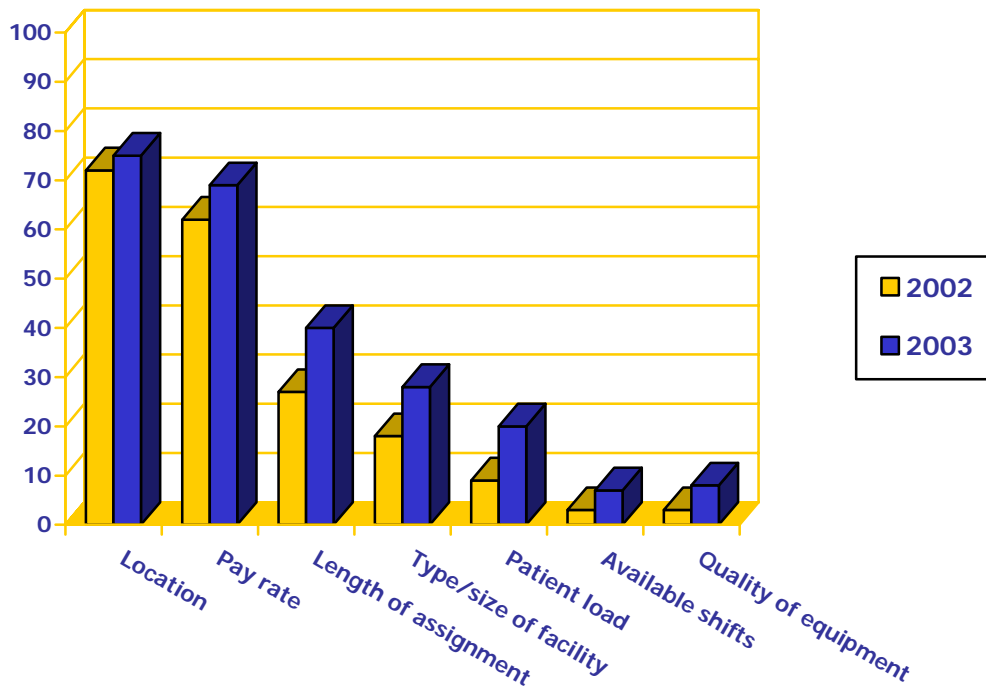
How many firms do you work with?

	2003	2002
None	3%	3%
One	14%	16%
2-3	42%	57%
4 or more	41%	24%

How do you select a firm? *(more than one answer accepted)*

	2003	2002	2001
Number of opportunities	59%	57%	n/a
Location of opportunities	57%	51%	23%
Pay rates	56%	54%	90%
Customer service	55%	56%	n/a
Reputation/name recognition	43%	38%	39%
Malpractice insurance	13%	14%	6%
Other	11%	4%	8%

How do you select an opportunity? (more than one answer accepted)



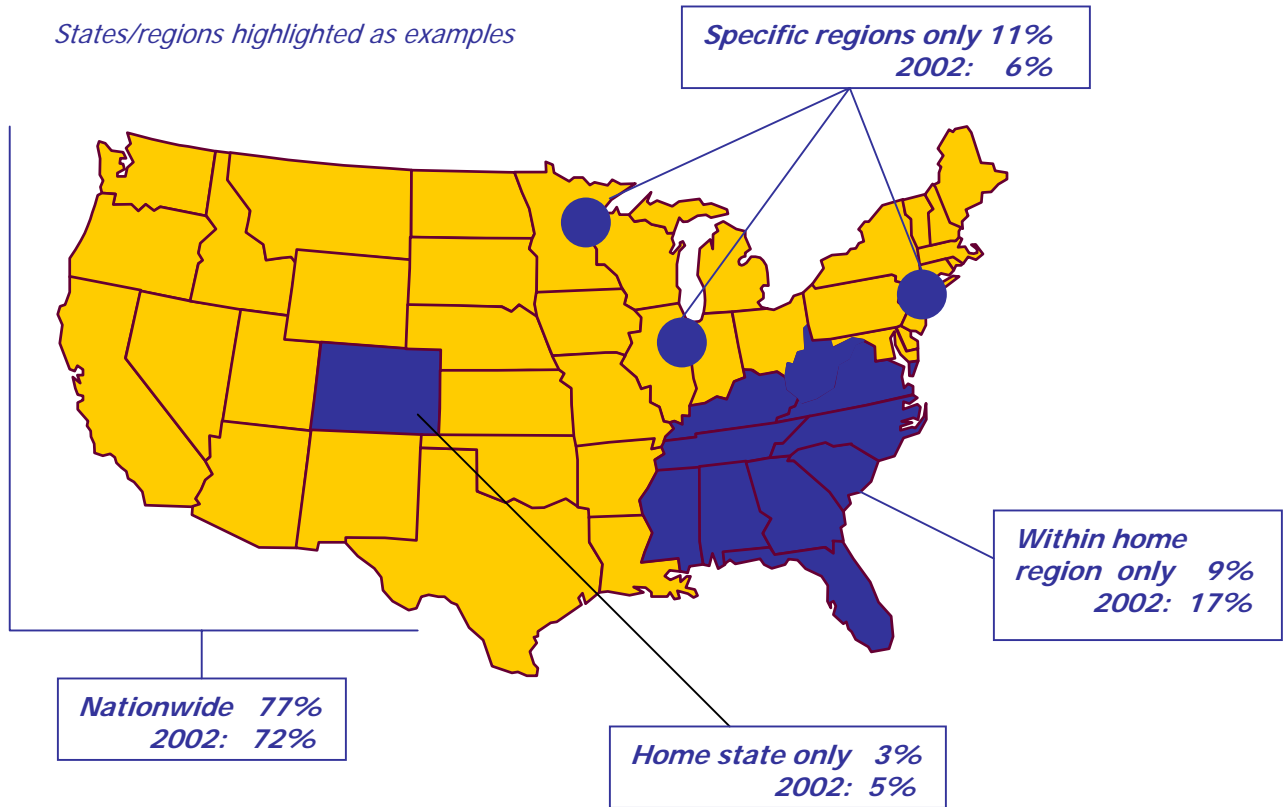
How do you select an opportunity?

Selected modalities

	CT	ECC	MRI	NMT	PT	RT	USS
Location	77%	92%	83%	76%	63%	73%	51%
Pay rate	65%	56%	83%	55%	76%	81%	75%
Type/size of facility	33%	18%	34%	30%	37%	26%	24%
Length of assignment	21%	44%	33%	49%	12%	47%	24%
Quality of equipment	21%	9%	18%	10%	0%	7%	0%
Available shifts	11%	9%	0%	0%	0%	7%	0%
Patient load	10%	27%	16%	15%	12%	26%	21%

How far are you willing to travel?

States/regions highlighted as examples

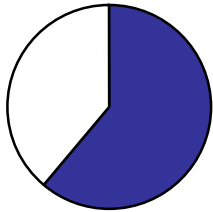


As a traveler, are you

	2003	2002
Accepted by colleagues?		
Yes	93%	92%
No/Tolerated	7%	8%
Accepted by physicians?		
Yes	96%	94%
No/Tolerated	4%	6%
Accepted by patients?		
Yes	98%	99%
No/Tolerated	2%	1%

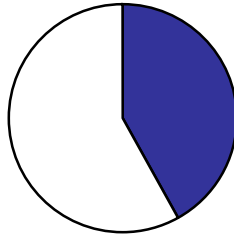
What is your greatest value to the hiring facility?

Maintain patient care



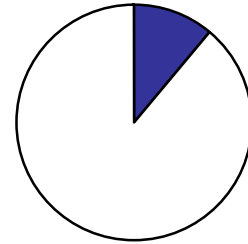
61%
2002: 60%

Prevent staff burnout



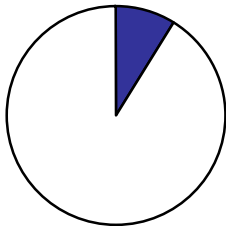
42%
2002: 39%

Generate revenue



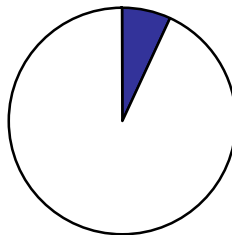
11%
2002: 16%

Specific skill



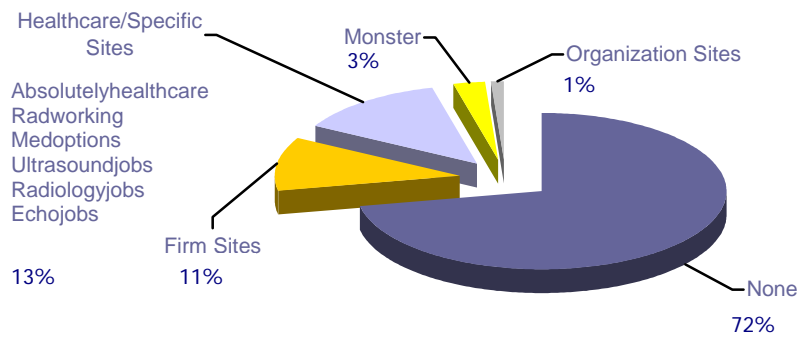
9%
2002: 15%

Not certain



7%
2002: 9%

Which Websites Do You Use When Searching For Assignments?



Part I - Trends and Observations

Two important changes become apparent very quickly when comparing data from 2002 and 2003. First is the noticeable slowdown in spending and demand, which we will discuss again in part two of this Review. A dramatic increase in efficiency continued from 2001, accounting for the second significant trend.

These trends contributed to the perceptions shaping responses to this year's Review. Technologists and therapists have become committed to traveling over a longer term, thus providing a steady pool of candidates. Close to one third of all travelers have spent more than three years 'on the road,' and 41 percent cull assignment opportunities from four or more staffing firms. In addition, the high-demand modalities (NMT, RT, CT, and UTVE), which once accounted for 75 percent of all demand, now make up 62 percent—evidence of a broadening market. The result is level of efficiency previously unseen in temporary staffing. In 2001, facilities and staffing firms filled a mere 39 percent of all demand. That figure jumped to 59 percent in 2002 and a stunning 75 percent last year. And 44 percent of all administrators report traveler staffing as an easier task compared to 2002. Despite the increase in staffing efficiency, well over 1,000 shifts sit vacant every day, on average.

Meanwhile, as a result of the slowdown, providers report fewer options—although most continue to find steady work. As dramatic upswings in demand and spending moderated last year, many of the less proficient staffing firms abandoned the market. This explains the increase in providers citing reputation and name recognition as important factors when selecting a staffing firm. It also explains the jump in providers using four or more firms, up to 41 percent from 24 percent.

Yet demand for temporary mid-level services remains strong. Travelers fill close to 3,500 shifts each day—and demand could extend further for the heavy reliance on overtime hides some of the shortage.

Our sample revealed that, in 2003, healthcare facilities kept temporary providers in place for partial or complete overtime shifts during 38 percent of all assignments. Demand levels, as reported in this Review, are therefore somewhat underreported. The shortage of permanent staff is such that 42 percent of all travelers cite preventing staff burnout as one of the benefits they bring to a facility, which may also have something to do with the great sense of workplace acceptance they report.

Overall, it was a year marked by moderation, efficiency, and a move toward equilibrium. Yet the amount of overtime used makes it difficult to predict whether this represents a welcome long-term trend or merely a lull.

Part II - The Need For Travelers: Demand and Hiring

Healthcare facilities spent just over \$1 billion on temporary imaging and therapy services in 2003.

While administrators recognize the contributions made by temporary providers, which include maintaining patient care, easing workloads, and generating revenue, they continue to express concerns regarding the cost of temporary coverage. Average daily costs reached \$824 in 2003, including overtime, travel, and other expenses.

The balance, as many are beginning to learn, comes when comparing those expenses with the value of a procedure or of the recovery of a patient.

Why consider travelers? *(More than one answer accepted)*

	2003	2002	2001
Loss of staff	83%	83%	50%*
Adding staff (new position)	27%	12%	n/a
Vacation coverage	20%	14%	42%
Medical leave only	12%	4%	n/a
Increase in census	9%	4%	13%
Test marketing need	1%	5%	3%
Other	12%	12%	5%

**Response listed in 2002 Review as Permanent Recruiting*

What are the benefits of using travelers? *(More than one answer accepted)*

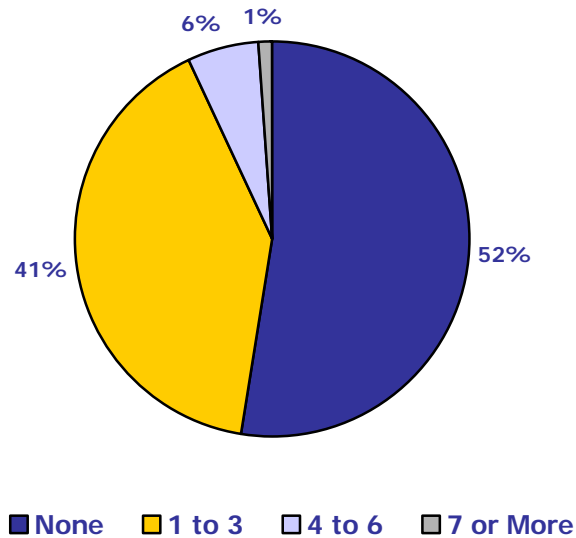
	2003	2002
Allow continued treatment of patients	71%	56%
Immediate availability	46%	29%
Prevent staff burnout	43%	42%
No lost revenue	39%	29%
Specific skill	15%	3%
Other	10%	10%

What are the drawbacks of using travelers?
(More than one answer accepted)

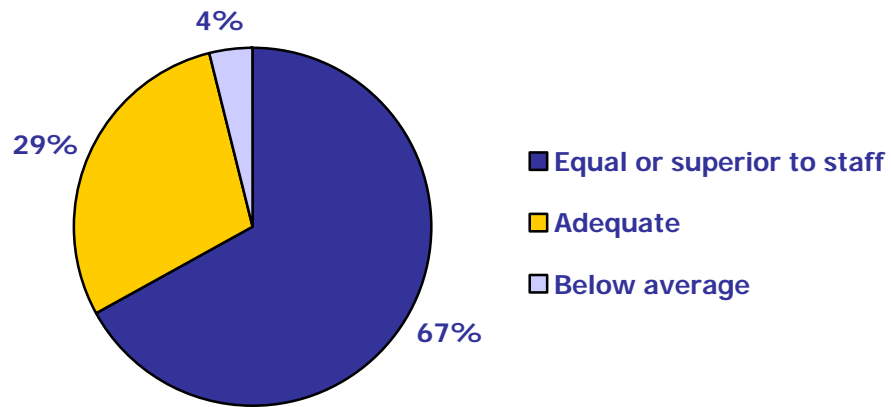
	2003	2002	2001
Cost	88%	79%	55%
Learning equipment/protocol	25%	12%	11%*
Effect on staff morale	19%	12%	n/a
Team commitment/loyalty	14%	3%	4%
Familiarity with practice	13%	16%	18%
None	3%	1%	1%
Other	8%	3%	4%

**Response listed in 2002 Review as Continuity*

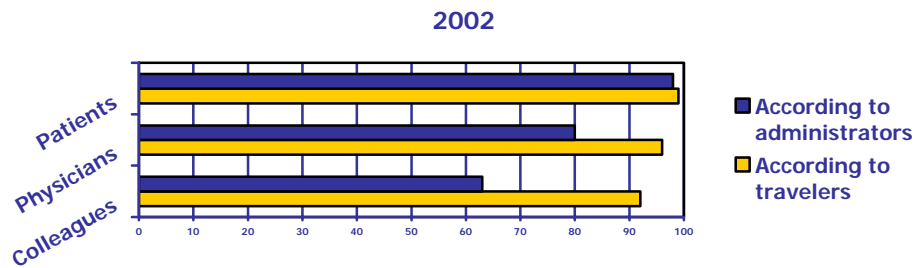
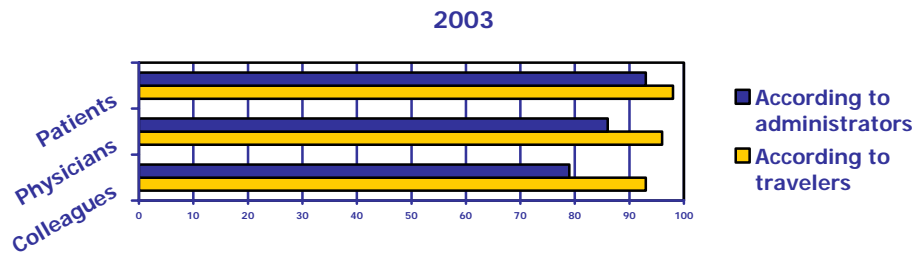
In A Typical Month, How Many Travelers Work At Your Facility?



What is your perception of the skill level of temporary providers?



Are travelers accepted by . . .



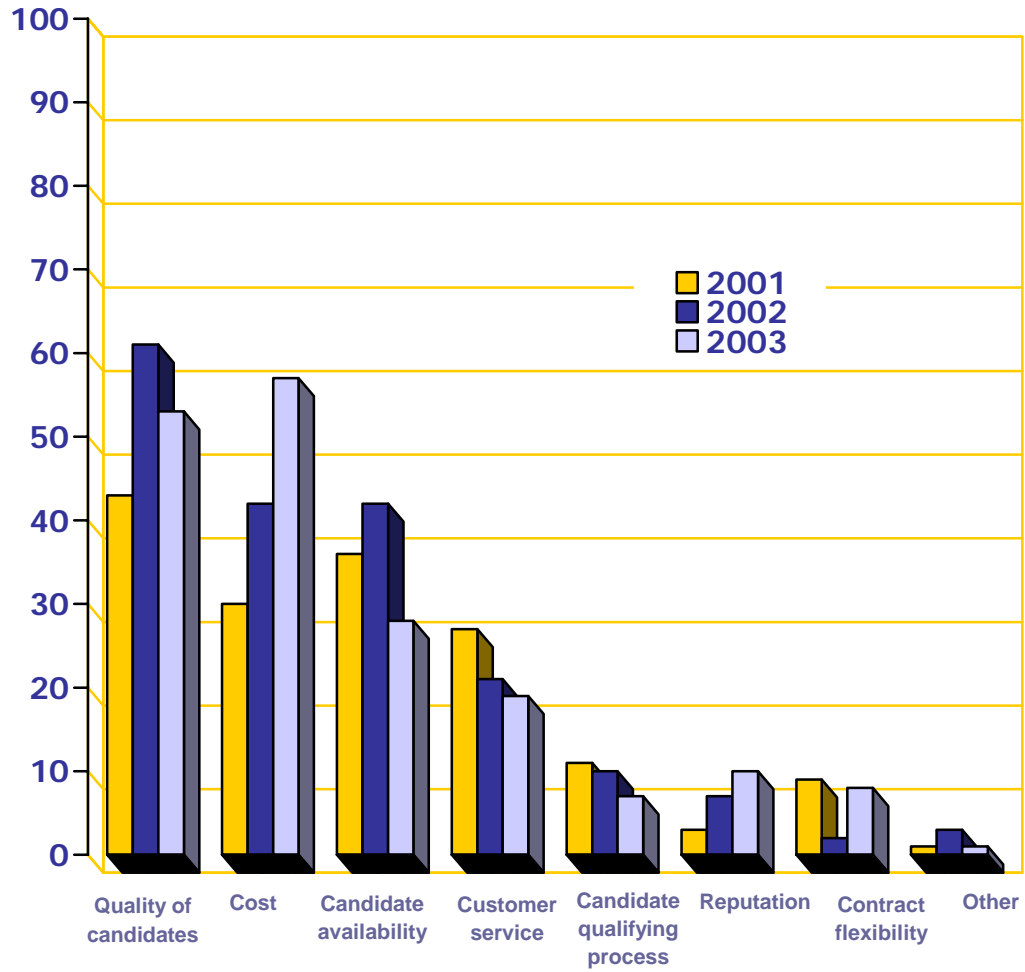
Are travelers accepted by

	2003	2002	
Colleagues			
Northeast	92%	66%	<i>Average</i> 79% yes
Southeast	84%	58%	
Midwest	77%	62%	
Southwest	69%	72%	
West	75%	64%	
Physicians			
Northeast	97%	86%	<i>Average</i> 86% yes
Southeast	88%	78%	
Midwest	85%	75%	
Southwest	74%	80%	
West	88%	79%	
Patients			
Northeast	99%	98%	<i>Average</i> 93% yes
Southeast	99%	98%	
Midwest	90%	100%	
Southwest	85%	98%	
West	93%	99%	

How many staffing firms do you work with when recruiting temporary providers?

	2003	2002
None	6%	3%
One	20%	16%
2-3	60%	59%
4 or more	14%	22%

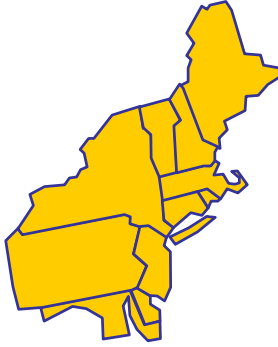
What are the most important factors in selecting a firm?
(More than one answer accepted)



Is the value of a traveler

Worth the cost?	87%
Not worth the cost?	13%

Regional Variations



Northeast

Fill rate 74% **Currently searching** 40%
Vacant days/day 352

The benefits of using travelers?

Continued treatment of patients	63%
Prevent staff burnout	30%
No lost revenue	32%

Your perception of travelers' skill level?

Equal or superior to staff	77%
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Are travelers worth the cost?

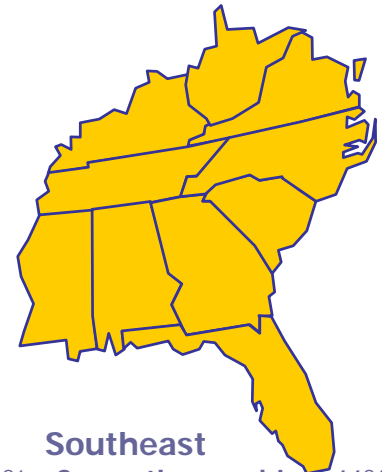
Yes	95%
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Is cost a drawback?

Yes	88%
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Travelers accepted by colleagues?	92%
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Travelers accepted by patients?	99%
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Southeast

Fill rate 80% **Currently searching** 44%
Vacant days/day 171

The benefits of using travelers?

Continued treatment of patients	74%
Prevent staff burnout	48%
No lost revenue	44%

Your perception of travelers' skill level?

Equal or superior to staff	70%
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Are travelers worth the cost?

Yes	91%
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Is cost a drawback?

Yes	88%
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Travelers accepted by colleagues?	84%
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Travelers accepted by patients?	99%
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Midwest

Fill rate 71% **Currently searching** 39%
Vacant days/day 315

The benefits of using travelers?

Continued treatment of patients	81%
Prevent staff burnout	45%
No lost revenue	36%

Your perception of travelers' skill level?

Equal or superior to staff	65%
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Are travelers worth the cost?

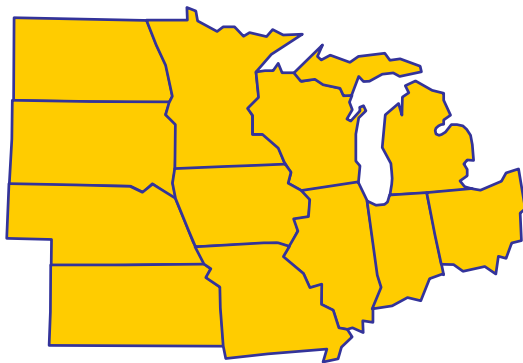
Yes	84%
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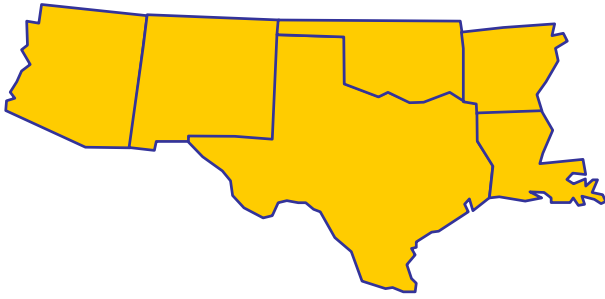
Is cost a drawback?

Yes	94%
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Travelers accepted by colleagues?	77%
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Travelers accepted by patients?	90%
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Southwest

Fill rate 73% Currently searching 41%
Vacant days/day 160

The benefits of using travelers?

Continued treatment of patients 64%
Prevent staff burnout 27%
No lost revenue 23%

Your perception of travelers' skill level?

Equal or superior to staff 62%

Are travelers worth the cost?

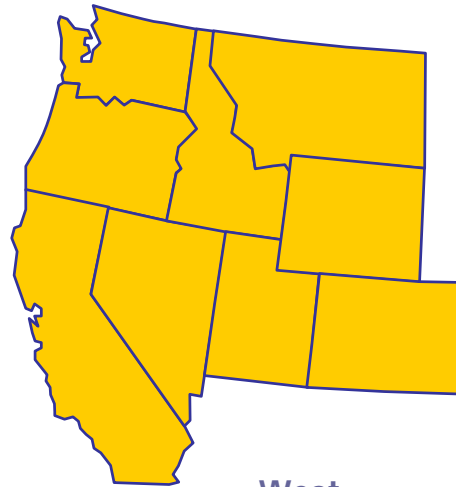
Yes 82%

Is cost a drawback?

Yes 73%

Travelers accepted by colleagues? 69%

Travelers accepted by patients? 85%



West

Fill rate 59% Currently searching 44%
Vacant days/day 266

The benefits of using travelers?

Continued treatment of patients 65%
Prevent staff burnout 54%
No lost revenue 53%

Your perception of travelers' skill level?

Equal or superior to staff 65%

Are travelers worth the cost?

Yes 84%

Is cost a drawback?

Yes 90%

Travelers accepted by colleagues? 75%

Travelers accepted by patients? 93%

Part II - Trends and Observations

The temporary mid-level staffing market remains difficult to express in purely quantitative terms. For evidence of this, refer to the 'why consider travelers' question at the beginning of part two. Responses are subject to local and short-term issues as well as key national developments and thus bounce in a seemingly random pattern from year to year.

One factor that never seems to vary, however, is that of cost. It still ranks as the most significant drawback when administrators consider temporary staffing. Yet the expense—averaging \$824 per day when travel, lodging, malpractice coverage, and other factors are added—does not deter demand for travelers. In fact, 39 percent of administrators mention continued revenue flow as a benefit of using travelers, up from 16 percent in 2001, and a resounding 87 percent consider traveling technologists and therapists worth the cost.

A few intriguing trends emerged during the year. One is the narrowing 'perception gap' between travelers and administrators. In previous Reviews, providers judged themselves as accepted in the workplace while administrators doubted the level of welcome. The margin of difference often ranged between 15 and 30 percent. Data presented throughout this year's study, however, reveals a surprising level of what perhaps should be termed 'acclimation.' The 'trust issue' also emerged in 2003. Marginal firms, attracted to mid-level staffing during the boom, created a significant amount of frustration. Over the course of the year, many of these firms abandoned the market as it began to moderate. Travelers reacted to all of this by working with a greater number of firms. Healthcare facilities, on the other hand, narrowed the number of firms they choose to work with. A third, and more significant, trend is the apparent market slowdown. In 2003, the industry saw a retraction in the number of firms, a drop in overall demand, and a decrease in overall spending. At the same time, however, 38.5 percent of all traveler assignments also accumulated overtime, which suggests two things: a shortage persists, and actual demand may be larger than reported in this Review. We conclude this because many travelers recruited for one shift in one day worked one and a half to two shifts in one day. In addition, both providers and administrators agree that preventing staff burnout is one of the more significant contributions of traveler staffing—42 percent and 43 percent, respectively. Still, the industry underwent a sizeable reduction during 2003. Travelers themselves report greater uncertainty, and more are willing to consider permanent opportunities.

Clearly the market for mid-level travelers eased during 2003. On the other hand, a more efficient industry, greater comfort levels, a generally skilled and professional core of travelers, and continued demand of uncertain proportions indicate a market of some importance. We do not anticipate an industry slump anytime soon.

For more information regarding this survey, please contact:



a new direction in allied professional staffing

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