



FOR IMMEDIATE RELEASE

## **Report Shows Hospital Employment Trends Improve in North Carolina But Challenges Persist for Rural, Residential Care, and Nursing Facilities**

*Raleigh, NC, March 26, 2024* – A new healthcare workforce report highlights a positive trend in staffing retention and reduced vacancies across most of North Carolina hospitals and health systems in 2023. Despite this improvement, rural, nursing, and residential care facilities continue to experience workforce challenges.

Throughout the COVID-19 pandemic, hospitals and health systems were challenged to not only battle a once in a lifetime pandemic, but they also experienced significant shifts in their workforce. It was a time in the history of healthcare when it was difficult to attract and retain qualified staff. There were employees in clinical positions who chose to leave healthcare, and there were others who elected to become traveling workers because potential earnings were much higher.

The [Critical Workforce Needs Assessment](#) commissioned by the North Carolina Healthcare Association ([NCHA](#)) and conducted by [RTI](#) International found that more than 60% of hospitals and health systems reported improved employment conditions. From October 2022 to October 2023, total employment increased by 6%, while vacancies dropped by 17%, signaling a positive shift.

One driving factor behind this improvement is that many healthcare providers have boosted pay for frontline positions in response to rising costs and wage competition. Registered nurses, nursing assistants and healthcare support workers have all seen wages grow faster than the state median. It is important to note that this upward trend in wages creates additional financial pressures on hospitals and medical practices.

Recruitment and retention challenges continue with human resources managers reporting that they face wage competition from other healthcare systems and with employers in the broader private sector. For example, many rural healthcare systems and hospitals cannot match the wages paid by urban health systems. Other challenges cited include lengthy hiring times for frontline healthcare positions, and employee absenteeism due to childcare and transportation issues.

The report also underscores the pressing workforce needs in nursing and residential care facilities, where operational constraints hinder wage increases and benefit enhancements.

With North Carolina's population growing and aging, the need for more healthcare workers, especially nurses, is paramount. People over 65 were just 12% of the state's population in 2000 but are expected to account for 20% of state residents by 2035.



NCHA and its members will continue working with the business community, educators, and workforce professionals to develop new and expanded pipelines for future healthcare professionals. While North Carolina has made progress in training nurses through its community college system, this report underscores the need to expand training capacity and offer competitive pay for nursing instructors.

Workforce is a top concern for hospitals across the country. The United States still has a tight, competitive labor market for many types of healthcare jobs. In North Carolina, hospitals and health systems directly create about 268,000 jobs, support 515,000 jobs and generate \$29 billion in wages, salaries, and benefits, making them one of the 10 largest employers in 92 out of North Carolina's 100 counties.

"This new report shows that North Carolina competes effectively to attract and grow top healthcare talent compared to neighboring states," said Steve Lawler, NCHA President and CEO. "That trend will need to continue to meet the rising healthcare needs of our growing population. NCHA and our member hospitals are committed to partnering on strategies to strengthen and grow the next generation of healthcare professionals."

Read the Executive Summary [here](#).

### **About NCHA**

Founded in 1918, North Carolina Healthcare Association (NCHA) is the united voice of the North Carolina healthcare community. Representing more than 135 hospitals, health systems, physician groups and other healthcare organizations, NCHA works with our members to improve the health of North Carolina communities by advocating for sound public policies and collaborative partnerships and by providing insights, services, support, and education to expand access to high quality, efficient, affordable, and integrated health care for all North Carolinians.

### **About RTI International**

RTI International is one of the world's leading nonprofit research institutes. With headquarters in North Carolina's Research Triangle Park, RTI International has 6,000 staff in more than 90 countries working to improve the human condition by turning knowledge into practice.

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