

Where Does Nurse Funding Go? A Closer Look at the States and Regions That Receive Nurse Funding

The factors contributing to the current U.S. nursing shortage are well-documented and have been given high priority by government agencies and funding organizations. Although concerned health care professionals and funders have been supporting initiatives to improve the shortage, it is hard to determine the impact of their collective funding efforts. This issue brief summarizes a study that documented where nursing funding ends up regionally and categorically. Results from the study will ideally encourage collaboration among nurse funders and more strategic choices about what areas of nursing and the country to fund to achieve the most leverage against the nursing crisis.

THE ISSUE

From the time that the shortage was identified in 1998, policy-makers and health care professionals concerned about the crisis have begun programs designed to alleviate the shortage. But despite millions of dollars over the past several years invested in all areas of nursing, the nursing staff shortage persists into 2008.

The latest estimates from nursing workforce studies predict that there will be a shortage of 340,000 registered nurses (R.N.s) by 2020, which will negatively impact health care quality and may increase costs.¹ Unlike previous shortages, the underlying factors driving the shortage (an aging population, fewer qualified and trained workers, an aging workforce, and imbalance between the increasingly diverse patient population and the nursing workforce) cannot be fixed by short-term solutions such as hiring foreign nurses.

The Nurse Funders Collaborative was convened by the Robert Wood Johnson Foundation in hopes of unifying the uncoordinated efforts to address the nurse shortage. By collaborating, leaders from private philanthropies, the health professions, corporations, and government agencies hoped to explore opportunities to collaborate across institutions to maximize the long-term impact of their individual nursing initiatives.

Contents

- 1 The Issue
- 2 Key Findings
- 2 Resources
- 3 Charts and Tables



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To inform the Collaborative about current funding patterns, RWJF staff members Denise A. Davis, Dr.P.H., M.P.A., and Melanie D. Napier describe the categorical and regional funding patterns of grants from private foundations and government agencies awarded in 2000 to 2004. Using online databases, the researchers show that both the size of nursing grants and award locations are influenced by where funders are located and the funders' goal areas.²

KEY FINDINGS

- **Grants used to fund nursing education received the highest amount of funding.** Combined grants for nurse education from both private foundations and government agencies totaled \$599 million.
- **Grants used to fund supply/demand studies received the lowest amount of funding.** Supply/demand studies forecast future nursing needs and discuss strategies to address the shortage. Combined grants for supply/demand studies from both private foundations and government agencies totaled \$21.1 million. Eighty percent of these combined grants were used for recruitment and retention initiatives.
- **Organizations in the Northeast received the largest amount of private foundation nursing funds (\$132 million), while organizations in the Southwest received only \$26 million.** Within every region, however, there were highly funded states and poorly funded states.
- **Private foundations gave at least 67 percent of their grant dollars to organizations in their own region.** The vast majority of foundations fund locally within their state or in neighboring states. States that have many foundations tended to be the states that received the most money.

RESOURCES

1. Auerbach DI, et al. "Better late than never: workforce supply implications of later entry into nursing." *Health Affairs* 26(1): 178–85, 2007.
2. Davis DA and Napier MD. "Strategically Addressing the Nursing Shortage: A Closer Look at the Nurse Funders Collaborative." *Health Affairs* 27(3): 876–881, 2008.

CHARTS AND TABLES

Additional charts and table are included that highlight differences in nursing funding between states and regions.

Chart 1 shows how much of the grant money each state received in 2000–04 was from small grants (below \$500,000) and large grants (\$500,000 and above).

Most states received more money for nursing initiatives from small grants than from large grants. Only Washington, D.C. and Florida received more grant money from large grants.

Organizations in ten states and Washington D.C. received more than \$10 million in funding. Each of these states—California, Colorado, Florida, Georgia, Illinois, New York, North Carolina, Ohio, Pennsylvania, Texas and Washington, D.C.—received large nursing grants.

Chart 1: Total amount of small and large grants given to states and regions

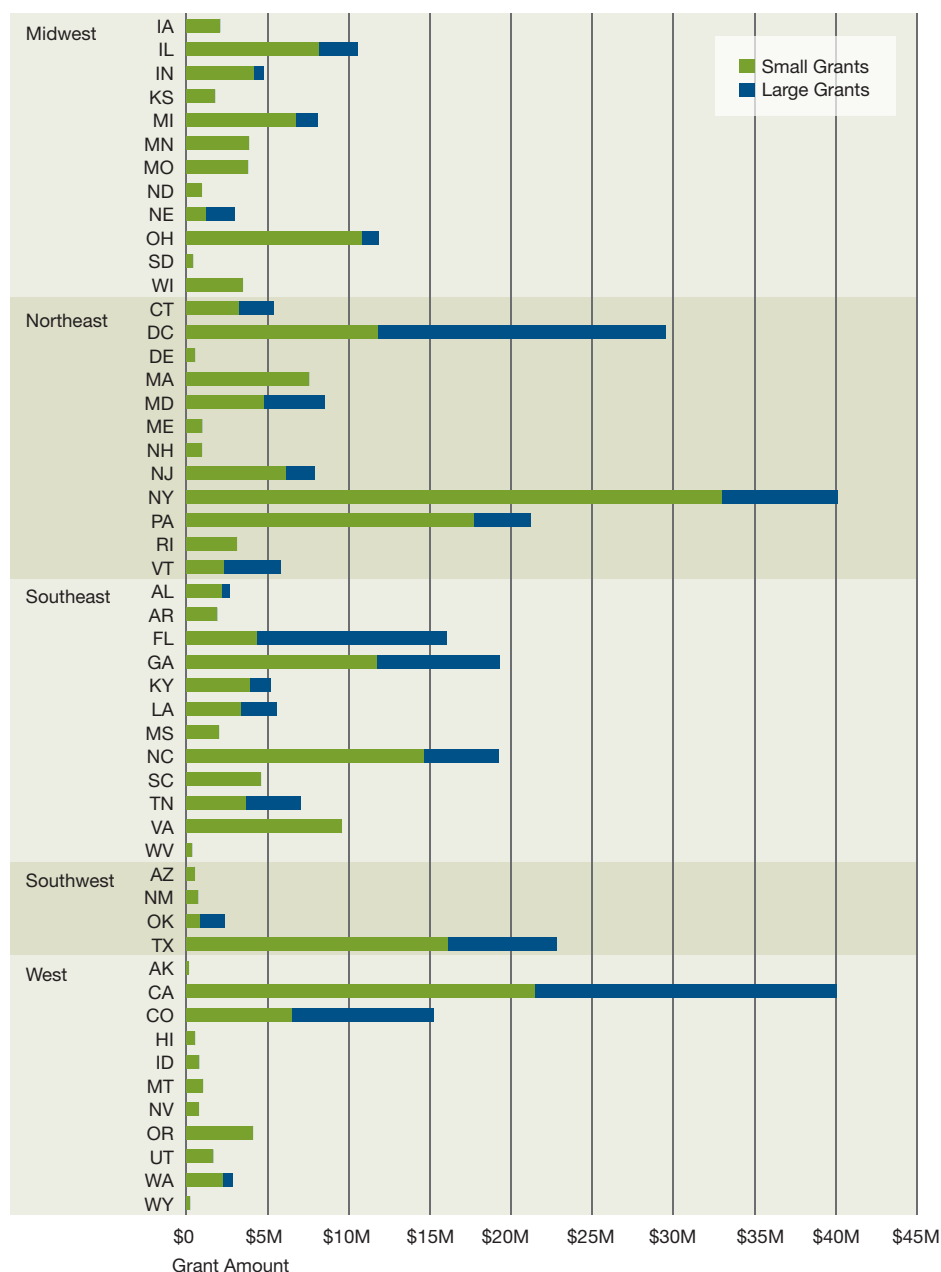


Chart 2 shows the number of small (below \$500,000) and large grants (\$500,000 and above) each state received in 2000–04.

States that received the most grant money were often those that also received the highest number of grants.

Chart 2: Total number of small and large grants given to states and regions

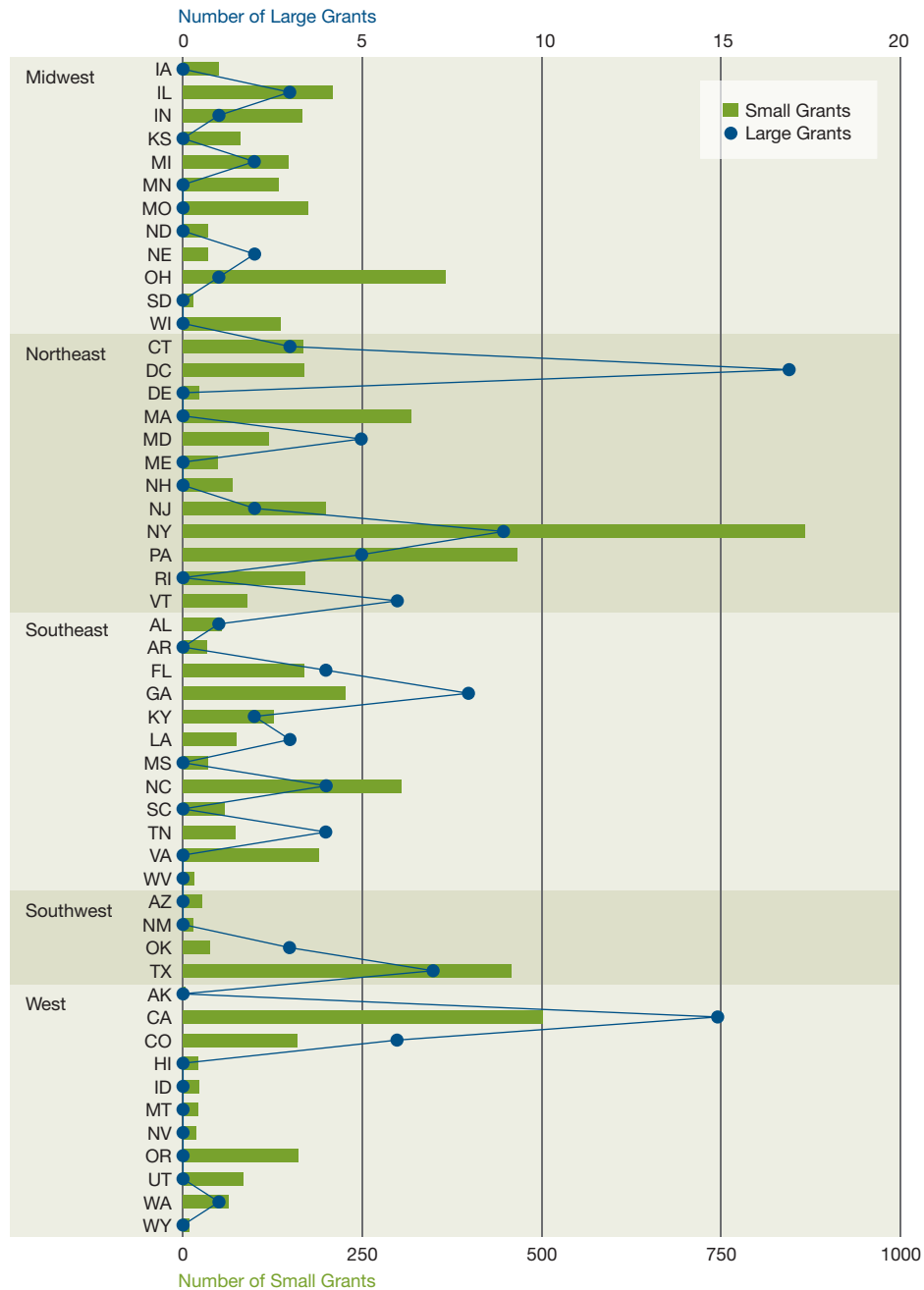


Table 1 shows the number of small (below \$500,000) and large grants (\$500,000 and above) each state received in 2000-04, the average grant size and the average number of grants received by each state per year.

States that had an average grant size that was large were not generally states that received the greatest amount of grant money. For instance, Alaska's average grant size of \$45,220 was larger than Iowa's average of \$41,822, but Iowa organizations received over \$2 million in grants, whereas Alaska organizations received only \$136,000.

Table 1: Number of small and large grants given to states and regions

Recipient Region	State	% grants received that are		Avg. grant size	Avg. # grants/yr
		small	large		
Midwest	IA	100%	0%	\$41,822	10.0
	IL	78%	22%	\$50,075	42.2
	IN	87%	13%	\$28,786	33.4
	KS	100%	0%	\$22,101	16.0
	MI	83%	17%	\$54,439	29.8
	MN	100%	0%	\$28,809	26.8
	MO	100%	0%	\$21,884	34.8
	ND	100%	0%	\$26,782	7.0
	NE	41%	59%	\$80,183	7.4
	OH	92%	8%	\$32,326	73.4
	SD	100%	0%	\$27,133	3.0
	WI	100%	0%	\$25,545	27.2
Northeast	CT	60%	40%	\$31,706	34.2
	DC	40%	60%	\$159,325	37.2
	DE	100%	0%	\$23,594	4.4
	MA	100%	0%	\$23,853	63.6
	MD	56%	44%	\$69,118	24.8
	ME	100%	0%	\$20,434	9.6
	NH	100%	0%	\$13,682	13.8
	NJ	78%	22%	\$39,685	40.2
	NY	82%	18%	\$46,036	175
	PA	83%	17%	\$45,185	94.2
	RI	100%	0%	\$18,253	34.0
	VT	40%	60%	\$60,796	19.2
Southeast	AL	81%	19%	\$48,904	11.0
	AR	100%	0%	\$56,310	6.8
	FL	27%	73%	\$93,225	34.6
	GA	61%	39%	\$82,449	47.0
	KY	76%	24%	\$40,783	25.6
	LA	60%	40%	\$72,824	15.4
	MS	100%	0%	\$57,267	7.0
	NC	76%	24%	\$62,409	61.8
	SC	100%	0%	\$79,256	11.6

Recipient Region	State	% grants received that are		Avg. grant size	Avg. # grants/yr
		small	large		
	TN	52%	48%	\$91,459	15.4
	VA	100%	0%	\$50,481	38.0
	WV	100%	0%	\$22,219	3.2
Southwest	AZ	100%	0%	\$18,666	5.4
	NM	100%	0%	\$47,936	3.0
	OK	36%	64%	\$58,985	8.0
	TX	71%	29%	\$49,176	93.0
West	AK	100%	0%	\$45,220	0.6
	CA	54%	46%	\$77,884	103.2
	CO	43%	57%	\$92,792	33.0
	HI	100%	0%	\$24,900	4.2
	ID	100%	0%	\$35,918	4.4
	MT	100%	0%	\$48,310	4.2
	NV	100%	0%	\$41,877	3.6
	OR	100%	0%	\$25,471	32.2
	UT	100%	0%	\$19,862	16.8
	WA	77%	23%	\$44,483	13.0
	WY	100%	0%	\$25,068	1.8

DATA BY YEAR

The following two charts show funding data. Chart 3 shows the total amount of small grants given by private foundations to each state and region, by year. Chart 4 shows the total amount of large grants given by private foundations to each state and region, by year.

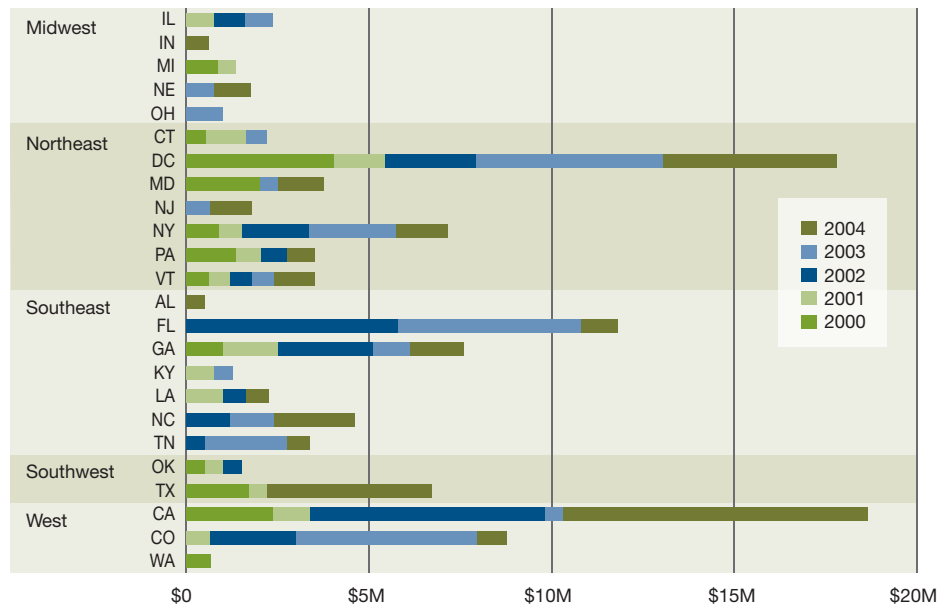
In both charts, you can see that funding varies considerably from year to year. The general trend has been that the amount of money given to states to fund nursing has increased over the five year period from 2000 to 2004.

Chart 3: Total amount of small grants given to states and regions, by year



Source: 990PF tax forms, *FoundationSearch.com* by Metasoft Systems.

Chart 4: Total amount of large grants given to states and regions, by year



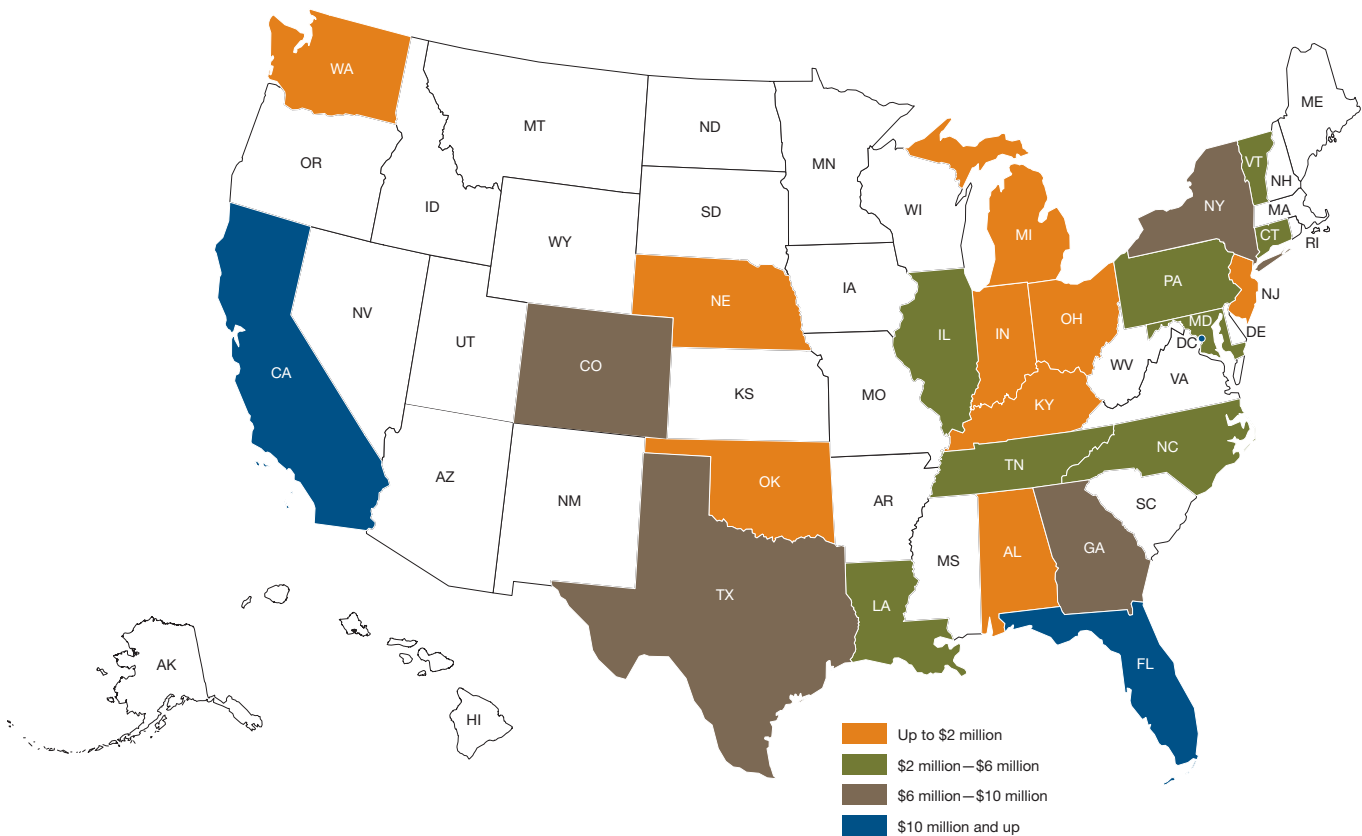
Source: 990PF tax forms, *FoundationSearch.com* by Metasoft Systems.

Notes: States that are not pictured are those that received no large grants from private foundations from 2000 to 2004.

Map 1 is a graphical depiction of how much of the large grant money (\$500,000 and above) each state received in 2000–04.

Organizations in California, Florida, and Washington, D.C. each received over \$10 million dollars. Organizations in states pictured in white did not receive any large grants.

Map 1: U.S. States (and D.C.) which have received large nursing grants (\$500K+) from private foundations, 2000–2004



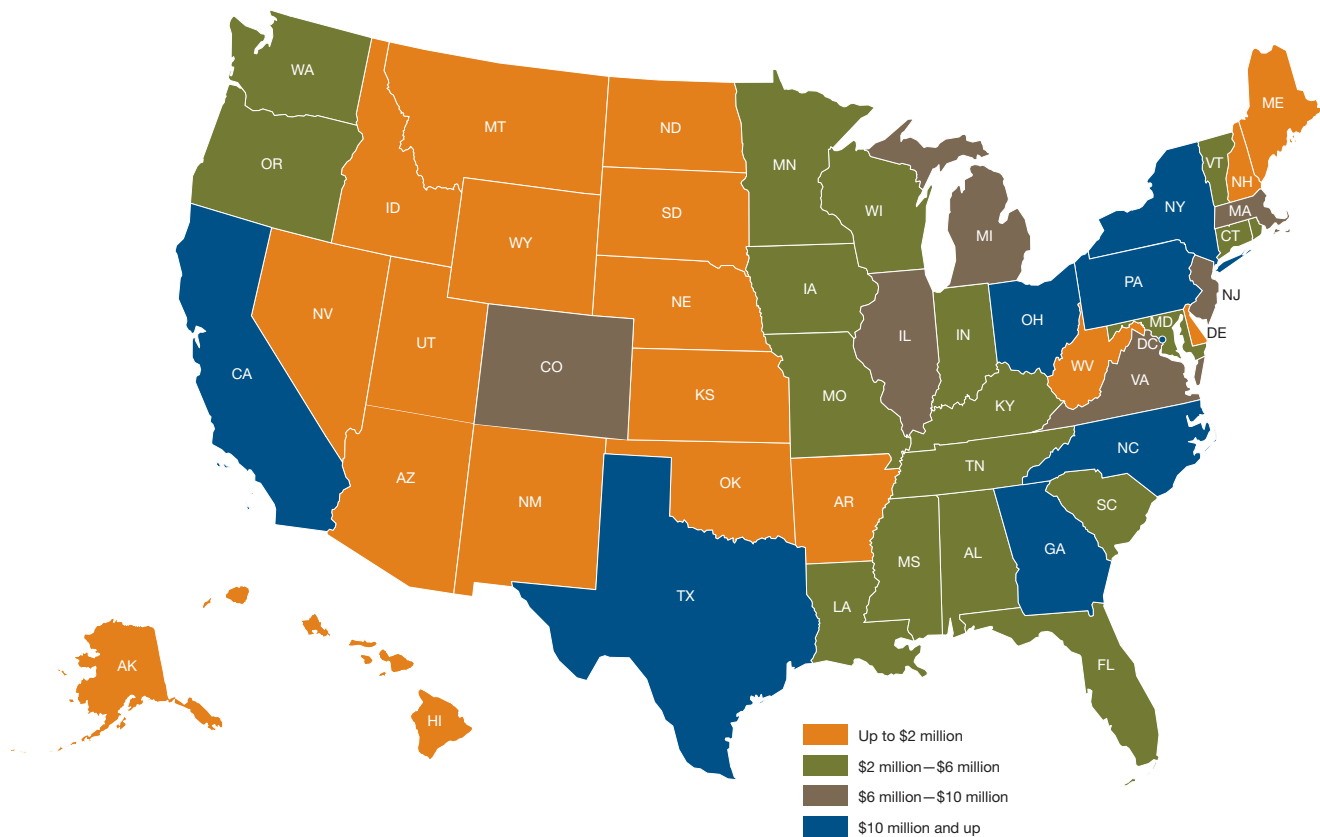
Source: 990PF tax forms, *FoundationSearch.com* by Metasoft Systems.

Notes: Sum includes funders who granted only “large” grants of \$500,000 and above. Includes 2004 990PF data through 3/14/07 (>99% complete).

Map 2 is a graphical depiction of how much of the small grant money (below \$500,000) each state received in 2000–04.

Organizations in California and Washington, D.C. also received over \$10 million dollars of small grants as well. A total of seven states and Washington, D.C. received over \$10 million dollars. Organizations in states that received more than \$10 million are clustered in the East, while those that received less than \$2 million are clustered in the West. Many of these poorly funded states also did not receive large grants.

U.S. States (and D.C.) which have received small nursing grants (\$500K or less) from private foundations, 2000–2004



Source: 990PF tax forms, *FoundationSearch.com* by Metasoft Systems.

Notes: Sum includes only funders who granted "small" grants of less than \$500,000 each. Includes 2004 990PF data through 3/14/07 (>99% complete).