

2026 Workforce Forecast: Data-Driven Guidance for Nursing Leaders

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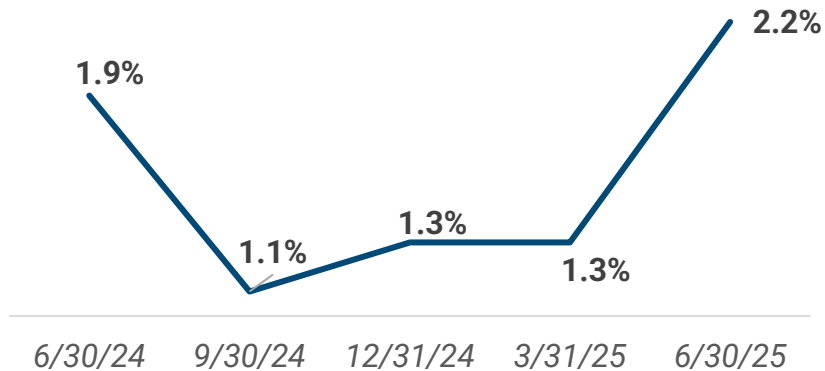
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Margins recover to mid-2024 levels, but remain fragile

Despite improvement, rising expenses keep uncertainty elevated

Operating margins return to mid-2024 levels

NFP health system average operating margins



Rising expenses continue to pressure finances

From June 2024 to June 2025:

- 9.8% increase in **drug costs**
- 8.7% increase in **supply expenses**
- 3.8% increase in **labor expenses**
- 5.1% increase in **total health system expenses**

93%

Of finance leaders cite **cost containment** as their top defense against economic headwinds

Higher-rated systems still lead—but everyone is losing ground

Rating	2024			2025		12-month trailing	
	6/30	9/30	12/31	3/31	6/30	6/30/24	6/30/25
AA	3.5%	2.9%	3.1%	2.8%	3.4%	3.1%	3.0%
A	0.9%	0.9%	0.5%	0.6%	1.5%	1.2%	0.8%
< A	-0.1%	-0.6%	-0.1%	-1.1%	0.9%	-0.4%	-0.2%

15% Projected tariff on U.S. imports—up from just 2.5% in 2024

Costs remain the defining workforce challenge for nursing leaders

Persistent nurse shortages and retention challenges keep labor costs elevated

What are the top workforce challenges stopping you from advancing system strategy and goals?

N=18 Chief Nursing Executives / Chief Nursing Officers

- #1 Staffing costs**
- #2 Implementing operational and clinical workflows**
- #3 Change management when implementing new technology and workflows**
- #4 Staying competitive with employers in the area**
- #5 Premium labor costs**

27% Advertised RN salaries grew **27% faster than inflation** from 2020–2024

“ We conduct annual compensation reviews, and **salaries rose 8.5% last year alone**. We’re navigating that burden.”

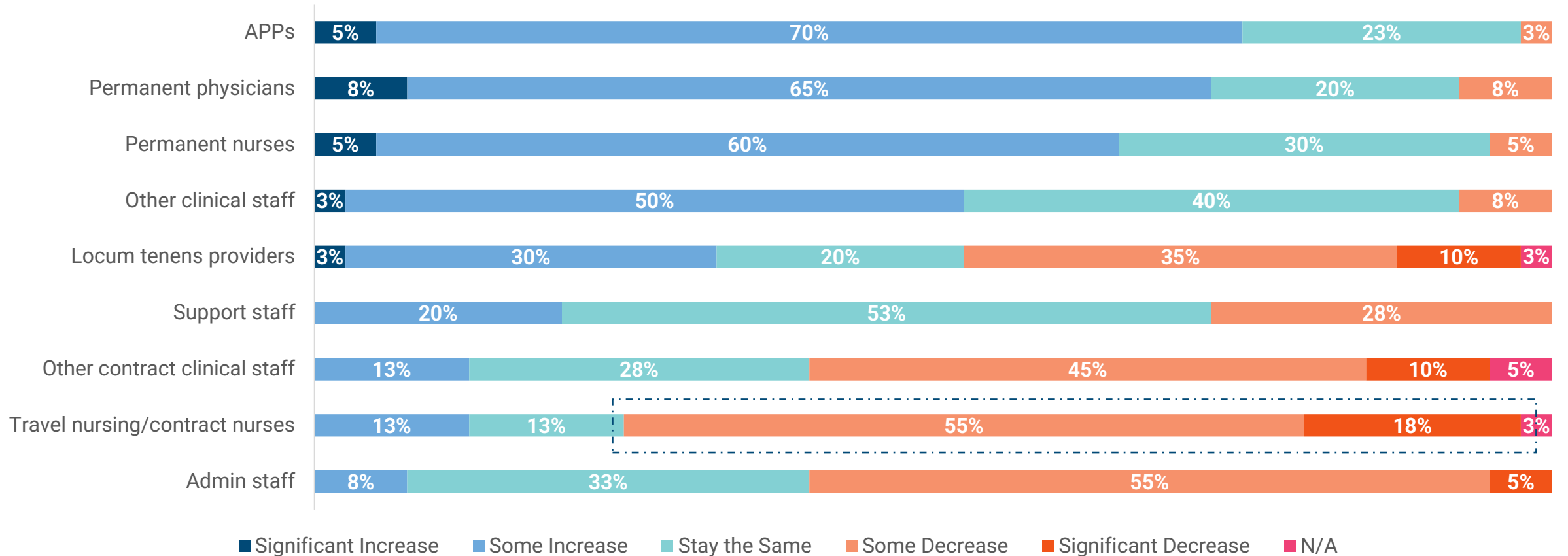
- CNE, LHS (on labor costs)

Where health systems expect workforce spending changes in 2026

Finance leaders anticipate sharp reductions in contract labor while investing in permanent clinical roles

Spending Changes Finance Leaders Anticipate Making Across the Next 12 Months in Workforce

Percentage of CFOs and VPFs (n=40)



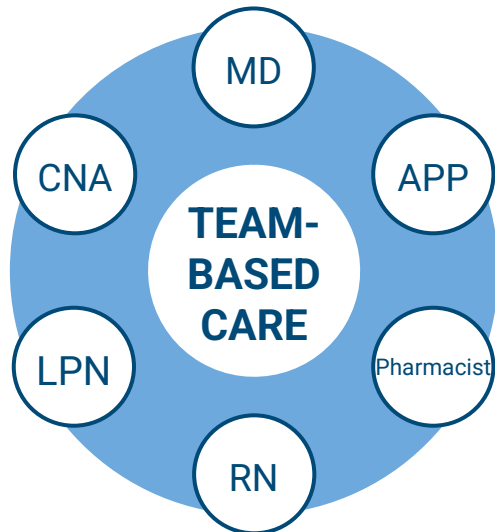
Workforce survey echoes spending plans

Investment centers on durable care teams, while attitudes towards temporary labor are mixed

Nurse leaders **prioritize team-based care models**

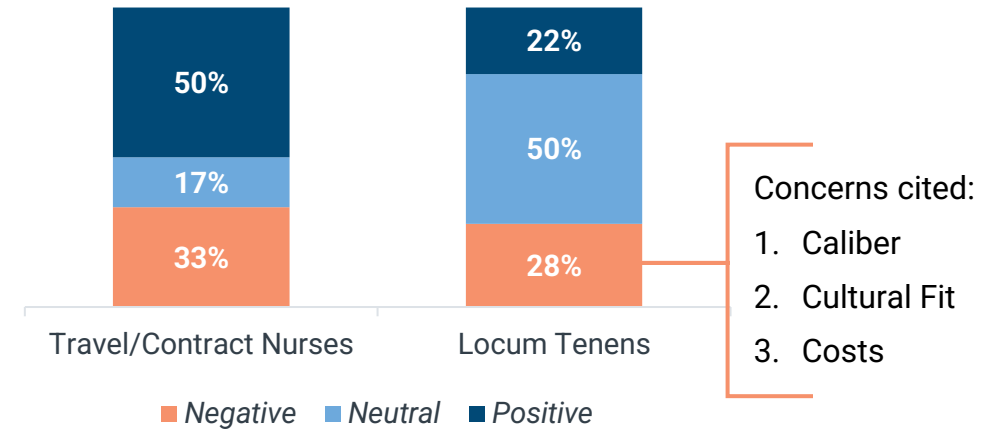
61% Of nursing leaders have implemented **team-based care models** to offset workforce challenges

Example providers in a team-based care model



While holding **mixed feelings about temporary labor**

"How would you describe your sentiment toward staffing agencies in healthcare?"



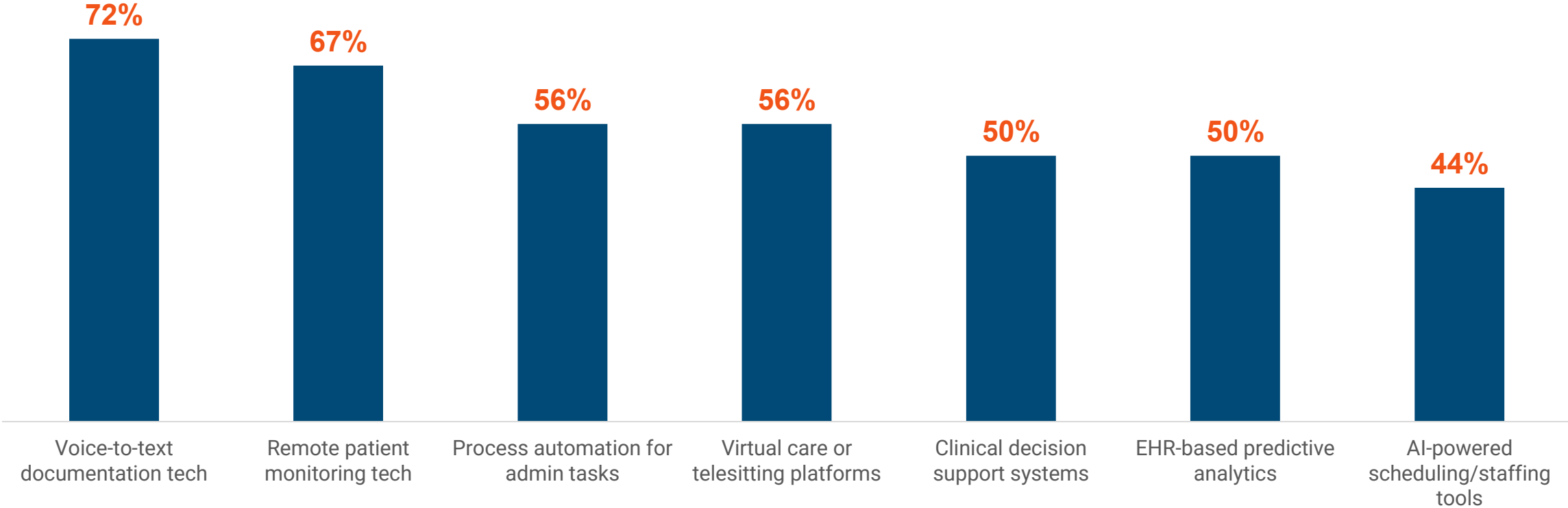
Despite mixed sentiment, reliance remains high

89% Of nursing executives still use temporary/contract labor to mitigate staffing gaps

Nursing leaders prioritize documentation and monitoring tech to address workforce gaps

Tech and automation solutions that nursing leaders plan to invest in to offset workforce challenges

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Questions?



Type your question(s) into the chat.