



Senate Finance Committee

Transforming the Health Care Delivery System: Proposals to Improve Patient Care and Reduce Health Care Costs

May 15, 2009

Comments Presented on Behalf of the American Association of Colleges of Nursing

The American Association of Colleges of Nursing (AACN) is the national voice of baccalaureate and graduate nursing education, representing over 640 schools of nursing that educate approximately 270,000 students and employ over 13,000 faculty members. Together, these institutions produce about half of our nation's Registered Nurses (RNs) and all of the nurse faculty and researchers. AACN commends Chairman Max Baucus (D-MT) and Ranking Member Charles Grassley (R-IA), as well as the Senate Finance Committee for the extensive amount of work accomplished to ensure healthcare reform is a reality. We appreciate your leadership as well as your openness to receiving comments, proposals, and suggestions on your document *Transforming the Health Care Delivery System: Proposals to Improve Patient Care and Reduce Health Care Costs*. The comments provided below specifically relate to the Workforce section.

Page 33: The Redistribution of Unused GME Slots to Increase Access to Primary Care and Generalist Physicians

Payment for physician residencies is critically important as physicians are an instrumental part of the healthcare team. We recognize the current Graduate Medical Education (GME) payment system must remain intact to provide physicians the clinical training needed to improve their practice. We agree wholeheartedly that more must be done to increase access to primary care and prepare more generalist physicians as the shortage of primary care providers is great. Concurrently, AACN firmly believes that physicians are only one aspect of the healthcare team, and it is also important that nursing students be provided the opportunity to receive funding for clinical training to fully develop their skills to maximize quality care in our nation's healthcare facilities.

In hospitals, the vast majority of care is provided by nurses, yet nurses receive little federal funding for clinical training. Unlike the Graduate Medical Education program that has been the primary vehicle for physician training in hospitals over the last 40 years, nursing education programs have not had the support or the funding to sufficiently prepare nurses to excel in today's complex hospital environment, nor the support to adapt to the changing primary care environment. Because of the critical role nurses play in quality care and patient safety, nursing clinical education should be viewed with the same importance as medicine as we reshape healthcare and move toward system-wide reform.

In 2008, U.S. nursing schools turned away 49,948 qualified applicants from baccalaureate and graduate nursing programs due to insufficient numbers of faculty, clinical sites, classroom space, clinical preceptors, and budget constraints. Many of these contributing

factors link directly to the lack of funding for clinical education. To truly reverse the eleven-year shortage of RNs and Advanced Practice Registered Nurses (APRNs), we believe that retaining the existing funding for nursing under GME is critical. Furthermore, AACN believes additional funding should be included under GME to help support the APRN workforce struggling to meet the demand for primary care and other essential services.

AACN also appreciates the Committee's interest in promoting physician training in outpatient settings and ensuring the availability of residency programs in rural and underserved areas. Specifically the paper addresses "removing current disincentives placed on training programs that rely on volunteer supervisory physicians to provide training in outpatient settings." It is important to note that APRN students commonly receive their clinical education from volunteer supervisory APRNs, yet there is no federal funding available to support this activity, which is necessary to prepare professional nurses.

The Committee's paper addresses the acute need for primary care physicians as it looks to expand GME slots. AACN would like to reiterate the message provided to the Committee by a number of hearing witnesses. In particular, AACN supports Dr. Fitzhugh Mullan's message when he stated on March 12, 2009:

"to the degree that the clinical care workforce as a whole needs more providers to address the changing needs of the population, a strong strategy of support for nurse practitioners and physician assistants should be adopted. The increased use of PAs and NPs should not be limited to the primary care sector. Both professions have demonstrated excellent functionality as team members in all aspects of medical practice from the pediatric office to the operating room. Nurse practitioners and physician assistants are trained more quickly, at less expense than physicians, cost less in practice... Moreover they represent a highly flexible workforce- an important asset generally lacking in the physician workforce.

It is critically important to expand the view of primary care providers to include, in addition to physicians, APRNs such as nurse practitioners and certified nurse midwives. Furthermore, AACN strongly encourages the Committee to use the IOM's definition of primary care in legislation and regulation. The IOM definition states: "Primary care is the provision of integrated, accessible healthcare services by clinicians who are accountable for addressing a large majority of personal healthcare needs, developing a sustained partnership with patients, and practicing in the context of family and community." This definition incorporates neutrality and equality of providers.

Page 34: Promoting Greater Flexibility for Residency Training Programs

While AACN does not oppose the proposed option under this section or recommend any changes, we would like to call your attention to the great impact Nurse Residency programs are having to help better prepare and retain new nurses.

In recent years, the emotional and physical demand placed on nurses has intensified due to the national nursing shortage. In the March-April 2005 issue of *Nursing Economic*, Dr. Peter Buerhaus and colleagues found that more than 75% of RNs believe the nursing shortage presents a major problem for the quality of their work life, the quality of patient care, and the amount of time nurses can spend with patients. Looking forward, almost all surveyed nurses see the shortage in the future as a catalyst for increasing stress on nurses (98%), lowering

patient care quality (93%) and causing nurses to leave the profession (93%). Recent data show that new nurses are feeling the pressures of the intense worksite and leaving their first nursing position. In September 2007, Dr. Christine T. Kovner and colleagues found that 13% of newly licensed RNs had changed principal jobs after one year, and 37% reported that they felt ready to change jobs. These findings were reported in the *American Journal of Nursing* in an article titled “Newly Licensed RNs’ Characteristics, Work Attitudes, and Intentions to Work.” Of even greater significance, the Advisory Board has reported that the cost of replacing a nurse can vary from \$22,000 to \$64,000 per nurse depending upon nursing expertise.

The University HealthSystem Consortium (UHC)/AACN Residency Program was formed out of the desire of chief nursing officers for a better educated workforce in their clinical settings and to reduce new nurse turnover. Following several meetings between AACN and UHC, two goals were established for the collaboration: 1) expand capacity in baccalaureate programs and 2) develop a residency program to take the novice learner from new graduate to more competent provider. Currently, 51 practice sites offer the year-long residency and more than 7,500 nurses have completed the program. A formal curriculum serves as the framework for the residency, and the faculty and staff of the UHC institutions who developed the curriculum review it annually for updates and revisions.

Using funding provided by the Robert Wood Johnson Foundation, a comprehensive evaluation plan was developed to identify outcomes at the various residency sites. The results of the evaluation were extremely positive with clear changes in the resident’s perceptions of their competence, ability to communicate, and satisfaction with their work as acute care based professional nurses. A unique and very important outcome was the retention rate statistic – 94.4% – which can be contrasted with published reports indicating turnover rates of 30% in the first year of employment. There are clear financial benefits to this retention rate.

As the Committee looks toward improving and expanding ways to grow the nursing workforce, Nurse Residency Programs are a viable option to retaining newly educated nurses.

Page 35: TANF Health Professions Competitive Grants

AACN strongly supports the Committee’s proposed option for Temporary Assistance for Needy Families (TANF) Health Professions Competitive Grants. We particularly appreciate that the demonstration projects will give disadvantaged parents “the opportunity to obtain education and training for occupations in the health care field that pay well and are expected to either experience labor shortages or be in high demand.” Nursing has been clearly documented as a profession in high demand.

In July 2008, the American Health Care Association reported that more than 19,400 RN vacancies exist in long-term care settings. These vacancies, coupled with an additional 116,000 open positions in hospitals reported by the American Hospital Association in July 2007, bring the total RN vacancies in the U.S. to more than 135,000. The demand for nurses will continue to grow as the baby-boomer population ages, nurses retire, and the need for healthcare intensifies. According to the U.S. Bureau of Labor Statistics, nursing is the

nation's top profession in terms of projected job growth with more than 587,000 new nursing positions being created through 2016 (a 23.5% increase).

As the representative for baccalaureate and graduate degree nursing programs, AACN would like to impress upon the Committee that when crafting this legislative language or during the regulatory process, attempts to dilute nursing education should be prohibited. Grantees focused on educating nurses must be affiliated with an accredited school of nursing as defined by Title 42 USC, Chapter 6A, Subchapter VI, Part A, § 296 (2-6). This will help to ensure the quality of future nurses.

If the Committee is interested in possible suggestions for demonstration projects, AACN would suggest career ladder, degree completion, or accelerated baccalaureate and master's degree programs. One example of a career ladder program is provided under Title 42, Chapter 6A, Subchapter VI, Part D, § 296p(c)(1).

The Secretary may award grants to and enter into contracts with eligible entities for programs—

(A) to promote career advancement for nursing personnel in a variety of training settings, cross training or specialty training among diverse population groups, and the advancement of individuals including to become professional nurses, advanced education nurses, licensed practical nurses, certified nurse assistants, and home health aides; and

(B) to assist individuals in obtaining education and training required to enter the nursing profession and advance within such profession, such as by providing career counseling and mentoring.

Degree completion programs provide additional education to RNs who received their initial nursing preparation in diploma and associate degree programs. These bridge programs build on previous learning, prepare nurses for a higher level of nursing practice, and provide RNs with the education necessary to move forward into advanced nursing roles.

Accelerated baccalaureate programs offer the quickest route to licensure as a registered nurse for adults who have already completed a bachelor's in a non-nursing discipline. These programs take between 11 and 18 months to complete, including prerequisites. Fast-track master's degree programs are also available to career changers and generally take about 3 years to complete. Accelerated nursing programs are available in 43 states plus the District of Columbia and Puerto Rico. In 2008, there were 218 accelerated baccalaureate programs and 57 accelerated master's programs available at nursing schools nationwide. In addition, 26 new accelerated baccalaureate programs are in the planning stages, and 7 new accelerated master's programs are also taking shape.

Page 36: Proposal on Development of a National Workforce Strategy

AACN strongly supports the development of a National Workforce Strategy. It is critical that health care is comprehensive and coordinated. This can only occur with the collaboration of all healthcare providers. To truly reform the healthcare system, all providers must be viewed as collaborators and educated as a team.

All healthcare disciplines share a commitment to serving the patient and promoting good health. While each discipline has its own focus, the scope of health care mandates that providers work collaboratively across disciplines. Collaboration emanates from an understanding and appreciation of the roles and contributions that each discipline brings to the care delivery experience. Such professional socialization and ability to work together is the result of shared educational and practice experiences.

Multidisciplinary education and practice occur when several disciplines work in simultaneously but separately, often with independent goals. In contrast, interdisciplinary education includes a variety of disciplines from health and other fields of study that collaborate through joint planning, decision-making, and goal-setting. Nursing students should be educated in an environment that provides such educational experiences based on mutual understanding and respect. One vital component of any educational endeavor is evaluation of its success. Thus, educators are responsible for assessing the results of an interdisciplinary approach to assure that collaboration is enhanced, the delivery of care is facilitated, and patient outcomes are improved.

AACN has a vested interest in the continual improvement of nursing education but also values the education nurses receive when learning in tandem with their healthcare colleagues. As the Committee works with the Senate Committee on Health, Education, Labor and Pensions (HELP) to explore and develop policies in this area, we strongly encourage the establishment of grants or demonstration projects to create and expand methods of interdisciplinary education.

AACN also strongly supports the proposal of the health workforce commission. We recommend that all healthcare providers, including nurses, be included in this commission. Based on AACN's past experiences in reforming baccalaureate and graduate education, commissions are strengthened by the inclusion of stakeholders from both the education and practice settings. Therefore we suggest that both sectors of the nursing profession be included in the health workforce commission.

Finally, AACN has engaged in conversations with the Senate HELP Committee regarding the reauthorization and increased funding for the Title VIII Nursing Workforce Development programs authorized under the Public Health Service Act. Over the last 45 years, these programs have addressed all aspects of nursing shortages – education, practice, retention, and recruitment. As the largest source of federal funding for nursing education, these programs bolster RN education from entry-level preparation through graduate study. The Title VIII programs award grants to schools of nursing, as well as direct support to nurses and nursing students through loans, scholarships, traineeships, and programmatic grants. By supporting the supply and distribution of qualified nurses, these programs help to ensure that nurses are available to provide care to individuals in all healthcare settings. Additionally, the Title VIII programs also favor institutions that educate nurses for practice in rural and medically underserved communities. However, authorization of all Title VIII programs has expired.

The Title VIII programs are essential to solving the current national nursing shortage. Between FY 2006 and 2008, these programs supported 214,575 nurses and nursing students as well as numerous academic nursing institutions and other healthcare facilities. However in

recent years, funding for Title VIII has remained stagnant (approximately \$150 million between FY 2005-FY 2008). Level funding for the programs has significantly diminished their purchasing power as the number of students supported decreased by 21% between FY 2006-FY 2007 and 28% between FY 2007-FY 2008. Rising educational costs, inflation, and administrative costs have limited the programs' reach.

While effective, these programs have not been fully reauthorized in 11 years. Along with 28 national nursing organizations, AACN submitted statutory language changes we believe will help bolster the already successful programs.

Conclusion

AACN firmly believes that in order for health reform to occur, policy discussions must be done collaboratively with all sectors of the healthcare community. We are grateful for the opportunity to provide our comments on the Committee's proposed options paper. As a stakeholder in healthcare reform, the American Association of Colleges of Nursing offers its expertise by recommending that a significant investment be made to increase the capacity of nursing schools to educate more nurses. Without a robust nursing workforce, the healthcare system will not be able to offer safe, affordable, and quality health care.