

Fiscal Year 2010 Appropriations for the Title VIII Nursing Workforce Development Programs, the National Institute of Nursing Research, and the Capacity for Nursing Students and Faculty Program
U.S. House Appropriations Subcommittee on Labor, Health and Human Services, and Education
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The American Association of Colleges of Nursing (AACN) respectfully submits this statement highlighting funding priorities for nursing education and research programs in FY 2010. AACN represents over 640 schools of nursing at public and private universities and senior colleges with baccalaureate and graduate nursing programs that include over 270,000 students and 13,000 faculty members. These institutions are responsible for educating almost half of our nation's Registered Nurses (RNs) and all of the nurse faculty and researchers. Many of these nursing schools sponsor intensive research programs and training activities that are funded by the National Institute of Nursing Research (NINR).

The Nationwide Nursing Shortage

The United States is in the midst of a nursing shortage that has expanded over the last decade. The current economic downturn has led to a false impression that the nursing shortage is 'easing' in some parts of the country because hospitals are enacting hiring freezes and nurses are choosing to delay retirement. However, this trend is only temporary. More positions continue to open for RNs across the country and the shortage is projected to intensify as the baby-boomer population ages and the need for healthcare grows. On March 6, 2009, the U.S. Bureau of Labor Statistics (BLS) reported that the health care sector of the economy is continuing to grow, despite significant job losses in nearly all major industries. Hospitals, long-term care facilities, and other ambulatory care settings added 27,000 new jobs in February 2009, a month when 681,000 jobs were eliminated across the country. As the largest segment of the healthcare workforce, RNs likely will be recruited to fill many of these new positions. Moreover, according to the latest projections from the BLS, more than one million new and replacement nurses will be needed by 2016. Unless we act *now*, this shortage will further jeopardize patient access to quality care.

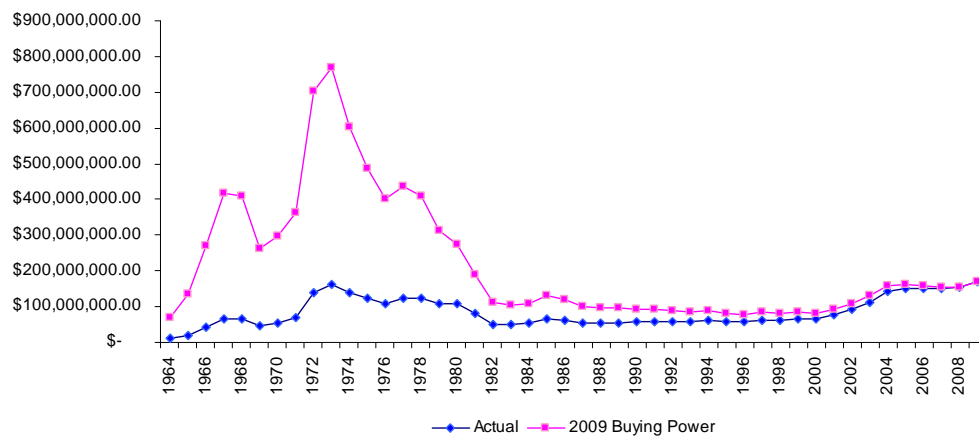
Nursing and economic research clearly indicate that today's shortage is far worse than those of the past. The current supply and demand for nurses demonstrates two distinct challenges. First, due to the present and looming demand for health care by American consumers, the supply is not growing at a pace that will adequately meet long-term needs, including the demand for primary care which is often provided by Advanced Practice Registered Nurses (APRNs). This is further compounded by the number of nurses who will retire or leave the profession in the near future, ultimately reducing the supply of nurses. Second, the supply of nurses nationwide is stressed due to an ongoing shortage of nurse faculty. The nurse faculty shortage continues to inhibit nursing schools from educating the number of nurses needed to meet the demand. According to AACN, 49,948 qualified applicants were turned away from baccalaureate and graduate nursing programs in 2008 primarily due to a lack

of faculty. Of those potential students, nearly 7,000 were students pursuing a master's or doctoral degree in nursing, which is the education level required to teach.

Nursing Workforce Development Programs: A Proven Solution

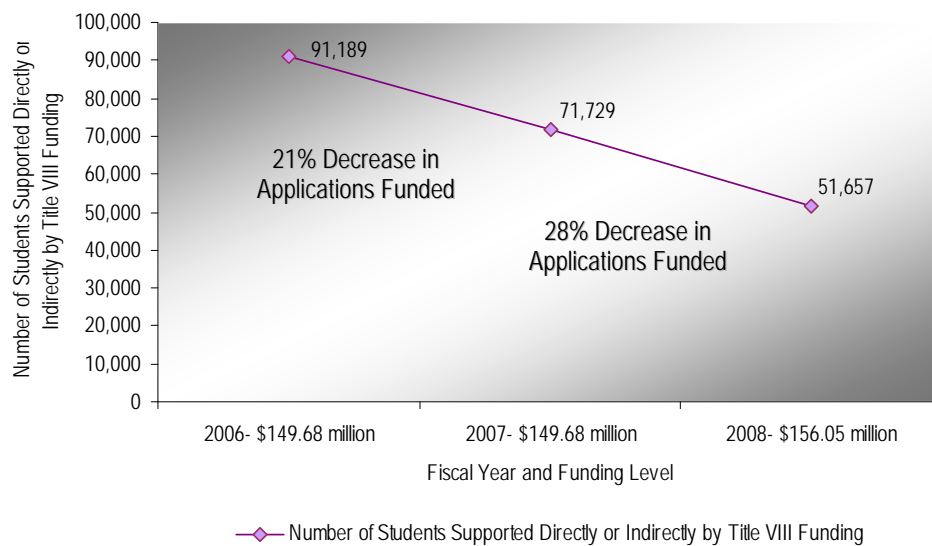
Over the last 45 years, Congress has used the Title VIII authorities as a mechanism to address nursing shortages. When the need for nurses was great, higher funding levels were appropriated. In 1973, Congress provided \$160.61 million to the Title VIII programs, the highest level of funding prior to FY 2009 (\$171.03 million). Adjusting for inflation to address the 36-year difference, \$171.03 million in 1973 dollars would be approximately \$820 million in current dollars (see Figure 1). More recently, slow rising funding levels between FY 2006 and FY 2008 for Title VIII, coupled with inflation and rising educational costs, have greatly decreased the purchasing power of these programs, resulting in a 43% decrease in the number of nurses supported by the programs (see Figure 2).

Figure 1: Historical Funding for Title VIII Nursing Workforce Development Programs (in millions) and Adjusted for Inflation



Source: Health Resources and Services Administration (HRSA), Division of Nursing, 2008 & U. S. Bureau of Labor Statistics, Inflation Calculator, 2009.

Figure 2: Nurses and Nursing Students Supported by Title VIII: FY 2006-2008



Source: Division of Nursing, Health Resources and Services Administration, 2006, 2007, 2008.

Given the projections that the nursing shortage will continue to worsen over the next decade and the need to increase the primary care workforce will grow, more must be done to help alleviate the barriers that have significantly slowed the growth of the RN and APRN workforce. **Therefore, AACN respectfully requests \$215 million for Title VIII Nursing Workforce Development Programs in FY 2010**, an additional \$43.97 million over the FY 2009 level. Based on the number of students supported in previous years, this funding could potentially support 71,000 nurses and nursing students. New monies would expand nursing education, recruitment, and retention efforts to help resolve all aspects contributing to the shortage.

An Overview of the Title VIII Programs: An Effective Approach to Address the Shortage

Over the last 45 years, the Nursing Workforce Development Programs have supported hundreds of thousands of nurses and nursing students. The Title VIII programs award grants to nursing education programs, as well as provide direct support to nurses and nursing students through loans, scholarships, traineeships, and programmatic grants.

The Nursing Workforce Development Programs are effective and meet their authorized mission. In a 2009 survey by AACN, 1,501 Title VIII student recipients reported that these programs played a critical role in funding their nursing education. An overwhelming number of respondents (92.7%), reported that Title VIII paid for a portion of their tuition and, of those students, approximately 11% reported their tuition was paid in full. While millions of Americans are struggling during this economic downturn and thousands of students need to obtain student loans for their education, federal support is greatly appreciated and needed. The nursing students responding to this study expressed overwhelming gratitude for the funding they receive through Title VIII. Nursing remains an attractive and rewarding career with over 140,000 current vacant positions and according to the U.S. BLS over 587,000 new nursing positions becoming available by 2016. Providing support for Title VIII is the key to filling these vacant positions and, in turn, improving the quality of health care.

Title VIII Programs at a Glance

Advanced Education Nursing (AEN) Grants, AEN Traineeships, and Nurse Anesthetist Traineeships (Sec. 811) prepare our nation's nurse practitioners, clinical nurse specialists, nurse midwives, nurse anesthetists, and other nurse specialists requiring advanced education. In FY 2008, 18,228 nurses were supported.

Workforce Diversity Grants (Sec. 821) prepare students from disadvantaged backgrounds to become nurses. This program awards grants and contract opportunities to nursing schools, nurse-managed health centers, and other entities looking to increase access to nursing education for disadvantaged students, including racial and ethnic minorities who are under-represented among RNs. In FY 2008, these grants supported 18,741 students and helped graduate 621 nurses.

Nurse Education, Practice, and Retention Grants (Sec. 831) supported nearly 6,000 nursing students and helped graduate 1,700 nurses in FY 2008 by assisting schools of nursing, academic health centers, nurse-managed health centers, state and local governments, and health care facilities strengthen nursing programs by offering:

- Education Grants to expand enrollments in baccalaureate nursing programs, develop programs to enhance mentoring and specialty training, and provide new technology.
- Practice Grants to expand practice arrangements in non-institutional settings to improve primary

health care in medically underserved communities, provide care for underserved populations, and develop cultural competencies.

- Retention Grants to maintain the Career Ladder program by assisting individuals with career advancement via training and education, and enhancing patient care delivery systems by increasing collaboration and communication among nurses and other healthcare professionals.

Nurse Loan Repayment and Scholarship Programs (Sec. 846) support students and new graduates by offering a repayment program, covering up to 85% of nursing student loans in return for at least three years of practice in a designated healthcare facility with a critical shortage of nurses. The scholarship program offers full-time nursing students the opportunity to apply for scholarship funds in return for a two- year commitment to work in a healthcare facility with a critical shortage of nurses. In FY 2008, this program supported 604 students and recent graduates.

Nursing Student Loan Program (Sec. 835) is a revolving fund that provides undergraduate and graduate nursing students with financial need up to \$13,000 per year at a 5% interest rate. The repayment period is 10 years and new students are supported as existing loans are repaid. This program has not received additional appropriations since 1983.

Nurse Faculty Loan Program Grants (Sec. 846a) is the only Title VIII program solely dedicated to educating the next generation of nurse faculty. Participating students must agree to teach at a nursing school in exchange for cancellation of up to 85% of their educational loans, plus interest, over four years. In FY 2008, this program supported 729 students and helped graduate 401 future nurse faculty.

Comprehensive Geriatric Education Grants (Sec. 855) are awarded to eligible entities such as nursing schools or healthcare facilities to educate nurses to provide better healthcare services for the elderly.

NINR: Supporting Health Promotion & Disease Prevention

As the scientific and research nucleus for nursing science, the NINR funds research that establishes the scientific basis for health promotion, disease prevention, and high quality nursing care activities for individuals, families, and populations. NINR is one of the 27 Institutes and Centers at the National Institutes of Health (NIH). Often working collaboratively with physicians and other researchers, nurse scientists are vital in setting the national research agenda. While medical research focuses on curing diseases, nursing research is conducted to *prevent* disease. The four strategic areas of emphasis for research at NINR are:

- Promoting Health and Preventing Disease
- Improving Quality of Life
- Eliminating Health Disparities
- Setting Directions for End-of-Life Research

The science advanced at NINR is integral to the future of the nation's healthcare system. Through grants, research training, and interdisciplinary collaborations, NINR addresses care management of patients during illness and recovery, reduction of risks for disease and disability, promotion of healthy lifestyles, enhancement of quality of life for those with chronic illness, and care for individuals at the end of life. With a renewed national priority on utilizing cost effective treatment modalities and preventive interventions, NINR has developed research programs in these areas:

Comparative Effectiveness Research has been an NINR funding priority for many years.

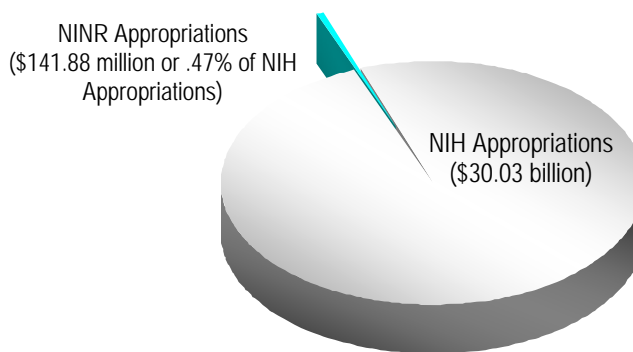
Comparative effectiveness research demonstrates how prevention strategies or interventions can impact system-wide savings. At a time when healthcare consumers and reformers are

seeking quality care focused on prevention that is affordable and accessible by all, comparative effectiveness research is a critical area of inquiry.

Promoting Health and Preventing Disease is vital considering that more than 1.7 million Americans die each year from chronic diseases. Nurse researchers focus on investigating wellness strategies to prevent these chronic diseases. A healthcare system which promotes prevention promises to be a major focus of health reform, and NINR is a leader in funding scientific research to discover optimal prevention methods.

NINR's FY 2009 funding level of \$141.88 million is approximately 0.47% of the overall \$30.03 billion NIH budget (see Figure 3). Spending for nursing research is a modest amount relative to the allocations for other health science institutes and for major disease category funding. For NINR to adequately continue and further its mission, the institute must receive additional funding. Cuts in funding have impeded the institute from supporting larger comprehensive studies needed to advance nursing science and improve the quality of patient care.

Figure 3: FY 2009 NINR Appropriations as a Portion of the NIH Budget



Therefore, AACN respectfully requests \$178 million for the National Institute of Nursing Research, an additional \$36.12 million over the FY 2009 level. Considering that NINR presently allocates 7% of its budget to training that helps develop the pool of nurse researchers, additional funding would support NINR's efforts to prepare faculty researchers needed to educate new nurses.

The Capacity for Nursing Students and Faculty Program, Section 804 of the Higher Education Opportunity Act of 2008 (P.L. 110-315).

According to AACN (2009), the major barriers to increasing student capacity in nursing schools are insufficient numbers of faculty, admission seats, clinical sites, classroom space, clinical preceptors, and budget constraints. The *Capacity for Nursing Students and Faculty Program*, a recently passed section of the *Higher Education Opportunity Act of 2008*, offers capitation grants (formula grants based on the number of students enrolled/or matriculated) to nursing schools allowing them to increase the number of students. **AACN respectfully requests \$50 million for this program in FY 2010.**

Conclusion

AACN acknowledges the fiscal challenges within which the Subcommittee and the entire Congress must work. However, the Title VIII authorities provide a dedicated, long-term vision for educating the new nursing workforce and the next cadre of nurse faculty. The National Institute of Nursing Research invests in developing the scientific basis for quality nursing care. The *Capacity for Nursing Students and Faculty Program* will allow schools to increase student capacity. To be effective these programs must receive additional funding. AACN respectfully requests **\$215 million for Title VIII programs, \$178 million for NINR, and \$50 million for the Capacity for Nursing Students and Faculty Program in FY 2010.** Additional funding for these programs will assist schools of nursing to expand their educational and research programs, educate more nurse faculty, increase the number of practicing RNs, and ultimately improve the patient care provided in our healthcare system.