



**Testimony of the American Nurses Association Regarding
Fiscal Year 2012 Appropriations for the Title VIII Nursing Workforce Development
Programs and Nurse-Managed Health Clinics**

**Subcommittee on Labor, Health and Human Services, Education and Related Agencies
Committee on Appropriations
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The American Nurses Association (ANA) appreciates the opportunity to comment on Fiscal Year (FY) 2012 appropriations for the Title VIII Nursing Workforce Development Programs and Nurse-Managed Health Clinics. Founded in 1896, ANA is the only full-service professional association representing the interests of the nation's 3.1 million registered nurses (RNs) through its state nurses associations, and organizational affiliates. The ANA advances the nursing profession by fostering high standards of nursing practice, promoting the rights of nurses in the workplace, and projecting a positive and realistic view of nursing.

As the largest single group of clinical health care professionals within the health system, licensed registered nurses are educated and practice within a holistic framework that views the individual, family and community as an interconnected system that can keep us well and help us heal. Registered nurses are fundamental to the critical shift needed in health services delivery, with the goal of transforming the current "sick care" system into a *true* "health care" system. RNs are the backbone of hospitals, community clinics, school health programs, home health and long-term care programs, and serve patients in many other roles and settings. The support, development and deployment of this keystone profession is essential for any quality health reform plan to succeed. The ANA gratefully acknowledges this Subcommittee's history of support for nursing education. We also appreciate your continued recognition of the important role nurses play in the delivery of quality health care services, including Nurse-Managed Health Clinics (NMHCs).

The Nursing Shortage

A sufficient supply of nurses is critical in providing our nation's population with quality health care. Registered Nurses (RNs) and Advanced Practice Registered Nurses (APRNs) play an integral role in the delivery of primary care and help to bring the focus of our health care system back where it belongs—on the patient and the community. The current U.S. nursing shortage is already having a detrimental impact on our health care system, and it is expected to grow to a

260,000 nurse shortfall by 2025. A shortage of this magnitude would be twice as large as any shortage experienced by this country since the 1960s. Cuts to Title VIII funding would be detrimental to the health care system and the patients we serve.

As noted above, the nursing shortage is having a detrimental impact on the entire health care system. Numerous studies have shown that nursing shortages contribute to medical errors, poor patient outcomes, and increased mortality rates. A study published in the March 17, 2011 issue of the *New England Journal of Medicine* shows that inadequate staffing is tied to higher patient mortality rate. The study supports findings of previous studies and finds that higher than typical rates of patient admissions, discharges, and transfers during a shift were associated with increased mortality – an indication of the important time and attention needed by RNs to ensure effective coordination of care for patients at critical transition periods.

Nursing Workforce Development Programs

The Nursing Workforce Development programs, authorized under Title VIII of the Public Health Service Act (42 U.S.C. 296 et seq.) support the supply and distribution of qualified nurses to meet our nation's healthcare needs. Over the last 46 years, Title VIII programs have addressed each aspect of the nursing shortages – education, practice, retention, and recruitment.

- Title VIII provides **the largest source of federal funding for nursing education**, offering financial support for nursing education programs, individual students, and nurses.
- These programs bolster nursing education at all levels, from entry-level preparation through graduate study.
- Title VIII programs favor institutions that educate nurses for practice in **rural and medically underserved communities**.
- In FY 2008, these programs provided loans, scholarships, traineeships, and programmatic support to **77,395 nursing students and nurses**.

The 107th Congress recognized the detrimental impact of the developing nursing shortage and passed the Nurse Reinvestment Act (PL 107-205). This law improved the Title VIII Nursing Workforce Development programs to meet the unique characteristics of today's shortage. These programs were also strengthened and reauthorized with the adoption of the Affordable Care Act. This achievement holds the promise of recruiting new nurses into the profession, promoting career advancement within nursing and improving patient care delivery. However, this promise cannot be met without a significant investment. **ANA strongly urges Congress to increase funding for Title VIII programs to a total of \$313.075 million in FY 2012. This is also the amount requested in President Obama's FY 2012 Budget.**

Current funding levels are clearly failing to meet the need. In FY 2008 (most recent year statistics are available), the Health Resources and Services Administration (HRSA) was forced to turn away 92.8% of the eligible applicants for the Nurse Education Loan Repayment Program (NELRP), and 53% of the eligible applicants for the Nursing Scholarship program due to a lack of adequate funding. These programs are used to direct RNs into areas with the greatest need – including departments of public health, community health centers, and disproportionate share hospitals.

In 1973, Congress appropriated \$160.61 million to Title VIII programs. Inflated to today's dollars, this appropriation would equal \$818.08 million, more than three times the FY 2010 appropriation. Certainly, today's shortage is more dire and systemic than that of the 1970's; it deserves an equivalent response.

Title VIII includes the following program areas:

Nursing Education Loan Repayment Program & Scholarships: This line item is comprised of the Nurse Education Loan Repayment Program (NELRP) and the Nursing Scholarship Program (NSP). In FY 2010, the Nurse Education Loan Repayment Program and Scholarships received \$93.8 million.

The NELRP repays up to 85 percent of a RN's student loans in return for full-time practice in a facility with a critical nursing shortage. The NELRP nurse is required to work for at least two years in a designated facility, during which time the NELRP repays 60 percent of the RN's student loan balance. If the nurse applies and is accepted for an optional third year an additional 25 percent of the loan is repaid.

The NELRP boasts a proven track record of delivering nurses to facilities hardest hit by the nursing shortage. HRSA has given NELRP funding preference to RNs who work in departments of public health, disproportionate share hospitals, skilled nursing facilities, and federally-designated health centers. However, lack of funding has hindered the full implementation of this program. In FY 2008, 92.8 percent of applicants willing to immediately begin practicing in facilities hardest hit by the shortage were turned away from this program due to lack of funding.

The NSP offers funds to nursing students who, upon graduation, agree to work for at least two years in a health care facility with a critical shortage of nurses. Preference is given to students with the greatest financial need. Like the loan repayment program, the NSP has been stunted by a lack of funding. In FY 2008, HRSA received 3,039 applications for the nursing scholarship. Due to lack of funding, a mere 177 scholarships were awarded. Therefore, 2,862 nursing students (94 percent) willing to work in facilities with a critical shortage were denied access to this program.

Nurse Faculty Loan Program: This program establishes a loan repayment fund within schools of nursing to increase the number of qualified nurse faculty. Nurses may use these funds to pursue a master's or doctoral degree. They must agree to teach at a school of nursing in exchange for cancellation of up to 85 percent of their educational loans, plus interest, over a four-year period. In FY 2010, this program received \$25 million.

This program is vital given the critical shortage of nursing faculty. America's schools of nursing cannot increase their capacity without an influx of new teaching staff. Last year, schools of nursing were forced to turn away tens of thousands of qualified applicants due largely to the lack of faculty. In FY 2008, HRSA funded 95 faculty loans.

Nurse Education, Practice, and Retention Grants: This section is comprised of many programs designed to support entry-level nursing education and to enhance nursing practice. The

education grants are designed to expand enrollments in baccalaureate nursing programs, develop internship and residency programs to enhance mentoring and specialty training, and provide new technologies in education including distance learning. All together, the Nurse Education, Practice, and Retention Grants supported 42,761 nurses and nursing students in FY 2008. The program received \$39.8 million in FY 2010.

Retention grant areas include career ladders and improved patient care delivery systems. The career ladders program supports education programs that assist individuals in obtaining the educational foundation required to enter the profession and to promote career advancement within nursing. Enhancing patient care delivery system grants are designed to improve the nursing work environment. These grants help facilities to enhance collaboration and communication among nurses and other health care professionals, and to promote nurse involvement in the organizational and clinical decision-making processes of a health care facility. These best practices for nurse administration have been identified by the American Nurse Credentialing Center's Magnet Recognition Program[®]. These practices have been shown to double nurse retention rates, increase nurse satisfaction, and improve patient care.

Nursing Workforce Diversity: This program provides funds to enhance diversity in nursing education and practice. It supports projects to increase nursing education opportunities for individuals from disadvantaged backgrounds - including racial and ethnic minorities, as well as individuals who are economically disadvantaged. In FY 2008, 85 applications were received for workforce diversity grants, 51 were funded. In FY 2010, these programs received \$16 million.

Advanced Nursing Education: Advanced practice registered nurses (APRNs) are nurses who have attained advanced expertise in the clinical management of health conditions. Typically, an APRN holds a master's degree with advanced didactic and clinical preparation beyond that of the RN. Most have practice experience as RNs prior to entering graduate school. Practice areas include, but are not limited to: anesthesiology, family medicine, gerontology, pediatrics, psychiatry, midwifery, neonatology, and women's and adult health. Title VIII grants have supported the development of virtually all initial state and regional outreach models using distance learning methodologies to provide advanced study opportunities for nurses in rural and remote areas. In FY 2009, 5,649 advanced education nurses were supported through these programs. In FY 2010, these programs received \$64.4 million.

These grants also provide traineeships for master's and doctoral students. Title VIII funds more than 60 percent of U.S. nurse practitioner education programs and assists 83 percent of nurse midwifery programs. Over 45 percent of the nurse anesthesia graduates supported by this program go on to practice in medically underserved communities. A study published in the *Journal of Rural Health* showed that 80 percent of the nurse practitioners who attended a program supported by Title VIII chose to work in a medically underserved or health profession shortage area after graduation.

Comprehensive Geriatric Education Grants: This authority awards grants to train and educate nurses in providing health care to the elderly. Funds are used to train individuals who provide direct care for the elderly, to develop and disseminate geriatric nursing curriculum, to train

faculty members in geriatrics, and to provide continuing education to nurses who provide geriatric care. In FY 2008, 6,514 nurses and nursing students were supported through these programs. In FY 2010, these grants received \$4.5 million. The growing number of elderly Americans and the impending health care needs of the baby boom generation make this program critically important.

Nurse-Managed Health Clinics

A health care system must value primary care and prevention to achieve improved health status of individuals, families and the community. As Congress recognized through the passage of the Affordable Care Act (ACA) money, resources and attention must be reallocated in the health system to highlight importance of, and create incentives for, primary care and prevention. Nurses are strong supporters of community and home-based models of care. We believe that the foundation for a wellness-based health care system is built in these settings and reduces the amount of both money and human suffering. ANA supports the renewed focus on new and existing community-based programs such as Nurse Managed Health Centers (NMHCs).

Currently, there are more than 200 Nurse Managed Health Centers (NMHCs) in the United States which have provided care to over 2 million patients annually. ANA believes that Nurse Managed Health Centers (NMHCs) are an efficient, sensible, cost-effective way to deliver primary health care services. These clinics are also used as clinical sites for nursing education. The nurse-managed care model is especially effective in disease prevention and early detection, management of chronic conditions, treatment of acute illnesses, health promotion, and more. Nurse Managed Health Centers (NMHCs) can also provide a medical home for underserved individuals as well as partnering with the Federal Government to reduce health disparities.

ANA was pleased to see that the Affordable Care Act (ACA) provided grant eligibility to Nurse-Managed Health Clinics (NMHCs) to support operating costs. ACA also authorized up to \$50 million a year to support operating costs. **ANA strongly urges Congress to provide \$20 million for the Nurse-Managed Health Clinics authorized under Title VIII of the Public Health Service Act in FY 2012 as recommended in President Obama's FY 2012 budget.**

CONCLUSION

While ANA appreciates the continued support of this Subcommittee, we are concerned that Title VIII funding levels have not been sufficient to address the growing nursing shortage. In preparation for the implementation of health care reform initiatives, which ANA supports, we believe there will be an even greater need for nurses and adequate funding for these programs is even more essential. Registered Nurses (RNs) and Advanced Practice Nurses (APRNs) are key providers whose care is linked directly to the availability, cost, and quality of healthcare services. ANA asks you to meet today's shortage with a relatively modest investment of \$313.075 million in FY 2012 for the Health Resources and Services Administration Nursing Workforce Development programs and \$20 million for Nurse-Managed Health Clinics. Thank you.