Statement of the American Nurses Association to the
Subcommittee on Labor, Health and Human Services, Education and Related Agencies
Committee on Appropriations
United States House of Representatives

FY 2011 Funding for Nursing Workforce Development Programs

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The American Nurses Association (ANA) appreciates this opportunity to comment on Fiscal Year (FY) 2011 appropriations for nursing education, workforce development, and research programs. 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 constituent member nurses associations, its organizational affiliates, and its workforce advocacy affiliate, the Center for American Nurses. The ANA advances the nursing profession by fostering high standards of nursing practice, promoting the rights of nurses in the workplace, projecting a positive and realistic view of nursing, and by lobbying the Congress and regulatory agencies on health care issues affecting nurses and the public.

The ANA gratefully acknowledges this Subcommittee's history of support for nursing education and research. We also appreciate your continued recognition of the important role nurses play in the delivery of quality health care services. This testimony will provide an update on the status of the nursing shortage, its impact on the nation, and the outlook for the future.

The Nursing Shortage Today

The nursing shortage is far from solved. Here are a few quick facts:

- The Bureau of Labor Statistics reports that registered nursing will have remarkable job growth in the time period spanning 2006 – 2016. During this time decade, the health care system will require more than 1 million new nurses.
- The Health Resources and Services Administration (HRSA) projects that the supply of nurses in America will fall 26 percent (more than 1 million nurses) below requirements by the year 2020. In year 2020, Wisconsin's demand for full-time RNs will outstrip the supply by 20 percent (a shortage of 10,200 RNs). New York's shortage will reach 39 percent (54,200 RNs) and Ohio will have a 30 percent shortage (34,000 RNs). California's demand will outstrip its supply by 45 percent (116,600 RNs).

This growing 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 January/February 2006 issue of *Health Affairs* showed that hospitals could avoid 6,700 deaths per year by increasing the amount of RN care provided to their patients. This study, "Nurse Staffing in Hospitals: Is There a Business Case for Quality?" by Jack Needleman, Peter Buerhaus, et al. also revealed that hospitals are currently providing four million days worth of inpatient care annually to treat avoidable patient complications associated with a shortage of RN care.

Research published in the October 23, 2002 *Journal of the American Medical Association* also demonstrated that more nurses at the bedside could save thousands of patient lives each year. In reviewing more than 232,000 surgical patients at 168 hospitals, researchers from the University of Pennsylvania concluded that a patient's overall risk of death rose roughly 7 percent for each additional patient above four added to a nurse's workload.

Nursing Workforce Development Programs

Federal support for the Nursing Workforce Development Programs contained in Title VIII of the Public Health Service Act is unduplicated and essential. 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. 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 by at least $23 million (10% increase) to a total of $267.3 million in FY 2011.**

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 $763.52 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 Nurse 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 & 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 2008, 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 last year in the *Journal of Rural Health* showed that 80% 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.

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 supported, we believe there will be an even greater need for nurses and adequate funding for these programs is even more essential. ANA asks you to meet today's shortage with a relatively modest investment of $267.3 million in Title VIII programs. Thank you.