Session 2:
TRANSFORMING COST INTO VALUE: RECOGNIZING NURSES’ UNIQUE CONTRIBUTION

PRESENTED BY:
- Dr. Lesly Kelly, PhD, RN, FAAN
- Dr. Vicki S. Good, DNP, RN, CENP, CPPS
Session Etiquette

MUTE

CHAT

PARTICIPATION
We have the data. We want change.
Series Host

Nicole Anselme
MBA, MSN, RN, CCRN, SCRN, GEROB-C
Senior Policy Advisor
Nursing Programs
American Nurses Association
About the Series

▪ Five interactive 90-minute sessions featuring content developed and presented to you by members of the Nurse Staffing Task Force

▪ Our goal is to engage nurses in discussions around actionable steps to tackle the nurse staffing crisis.
Two Parts of Each Session:

**Presentation**
- Imperative is introduced; information and context are provided
- A Q&A will follow the presentation
- Presentation will be recorded and available on Nursingworld.org

**Discussion**
- Discussions will be focused on action
- Please do not share patient information
- We encourage participation; speak freely and openly
Overview

Partners for Nurse Staffing Think Tank, April 2022

Nurse Staffing Task Force, May 2023

S. Delgado, 2023
Series Overview

1. Sept. 14, 2023
   Creating a Healthy & Supportive Nurse Work Environment: Key Steps

2. Sept. 21, 2023
   Transforming Cost into Value: Recognizing Nurses’ Unique Contribution

3. Sept. 28, 2023
   Innovative Care Delivery in Nursing: A Paradigm Shift in Healthcare

4. Oct. 05, 2023
   Maximizing Nursing Efficiency: The Future of Regulatory Innovation

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Speaker Introductions

Vicki S. Good
DNP, RN, CENP, CPPS
Member of the Partners for Nurse Staffing Think Tank & Nurse Staffing Task Force
Speaker Introductions

Lesly Kelly
PhD, RN, FAAN
Scholar-in-Residence,
Nurse Staffing Task Force
Value the Unique Contribution of Nurses

SESSION OBJECTIVES:

- Identify different ways nurses can define and measure the value of nursing care
- Describe the unique nurse identifier and the potential role it has in quantifying the value of nursing care
- Learn what roles nurses can take to advocate for compensation that aligns with nurses' unique value
Value of Nursing

RECOMMENDATION: Advocate for the development and utilization of approaches that quantify the impact of nursing on organizational performance and outcomes.
What is Value?

Definition
- A relative worth, utility, or importance (Merriam-Webster)
- Something intrinsically valuable or desirable (Merriam-Webster)

Value of Nursing:
- Benefit provided by the nurse
- Direct costs avoided by nurse
- Cost-savings generated by nurse
Pay for Performance

- **Value-Based Purchasing (VBP)**
  - Incentive program to improve outcomes, safety, patient satisfaction, and efficiency

- **Hospital Readmission Reduction Program**
  - **Penalty program** for hospitals with greater than expected 30-day readmission rate

- **Hospital Acquired Conditions (HAC) Program**
  - **Penalty program** to encourage patient safety improvement and hospital-acquired condition reduction
Nursing Impact on Outcomes

- **Value-Based Purchasing:**
  - **Hospital Acquired Infections:** CLABSI, CAUTI, MRSA, C. Diff
  - **Mortality:** AMI, HF, PN, COPD, CABG
  - Person and Community Engagement
  - **Efficiency:** Spending per hospital pt with Medicare

- **Hospital Acquired Conditions:**
  - Post-op Sepsis
  - Peri-op PE/DVT
  - Pressure Ulcer
  - Post-op Resp Failure
  - Post-op kidney injury requiring dialysis
  - Peri-op hemorrhage or hematoma
  - In-hospital fall with hip fracture
  - Post-op wound dehiscence
Nurses Unique Contribution to Value

▪ AACN Clinical Scene Investigator
  • Provides knowledge, skills, and tools to lead innovation
  • AACN CSI Academy aims to provide nurses with the knowledge, skills and support to lead their peers in creating unit-based change that is easily scaled for maximum impact and return on investment

▪ J&J NurseHack4Health:
  • Brings nurses together to reimagine a healthcare environment where nurses and their patients can thrive
Unique Nurse Identifier

RECOMMENDATION:
Advocate for universal adoption and utilization of systems, including a unique nurse identifier, that capture data to quantify nursing value.
Unique Nurse Identifier (UNI)

- **Problem:**
  - **Value-based care** – a health care delivery model that rewards/pays hospitals and providers based on **outcomes** and **quality of care** – will place emphasis on the **contribution of nurses**
  - Current forms of documentation (EHR, IT systems, billing systems) **do not easily allow for measuring** the contribution of nurses
  - Lack of data = **invisibility**
  - Existing UNIs are used in nursing; **not widespread** or **required**

- **Task Force Recommendation:**
  - Advocate for universal adoption and utilization of systems, including a unique nurse identifier, that **capture data to quantify** nursing value
UNI Definition

- Distinct **numeric code** used to classify and represent an individual nurse
- May used to **track and classify** nursing services for billing, staffing and resource planning purposes
- Goal is to **connect across systems** to provide evidence of nursing's value to patient care delivery
- May be used to **standardize tracking** nurses throughout their career
  - Across employers, states
UNI Uses

Measurement Potential

▪ Allows for aggregation and use of data to improve nursing practice
▪ Mine for nursing specific data
  • Assessment, interventions, outcomes
▪ Evaluate relationships in data
▪ Calculate direct nursing care time and costs per patient

Usability

▪ Understand supply and demand of overall workforce
▪ Link to other data sources
UNI Types

National Council of State Boards of Nursing

- Automatically generated for each registered nurse and LPN/LVN at the time of the NCLEX Examination
- Available through third party Nursys® database and updated when licensure board/information is updated
- Nursys® is available to researchers
- Currently, all RNs, APRNs, LVNs, and LPNs with U.S. license have a NCSBN ID

National Provider Identifier (NPI)

- A 10-digit number available for free for RNs, APRNs, physicians, dentists, chiropractors, and psychologists, and others
- Enrollment conducted through the Centers for Medicare and Medicaid Services (CMS) National Plan and Provider Enumeration System (NPPES)
- Required for all clinicians who conduct electronic transmissions and transmit health information; also used for direct billing
UNI Challenges

- The majority of nurses are **not reimbursed for care**

- Health systems would be required to create trusted universal framework

- Potential for **unintended consequences**
  - e.g., penalizing nurses and hospitals for poor outcomes

- Standardization to one unique nurse identifier/national system
  (There are currently 2)
THINK TANK RECOMMENDATION: Develop a formalized and customizable organization-wide total compensation program for nurses that based on market intelligence and generational need, as well as an innovative and transparent pay philosophy that includes benefits such as paid time off for self-care and wellness and wealth planning for all generations.
Operational Definition

- All forms of *payment* received by an employee from an employer in the form of *salary, wages and benefits*. 
Are you satisfied with your compensation for the services you provide for your organization?

- Yes: 37%
- No: 63%
Which of the following benefits are most important to you? *Select top three.*

- Healthcare (medical/dental): 76%
- Retirement benefits/pension: 58%
- Employer retirement match (401k): 52%
- Professional development: 25%
- Tuition remission or adequate reimbursement: 21%
- Short-term and long-term disability: 17%
- Continuing education: 15%
- Life insurance: 7%
- Gym/well-being programs: 5%
- Benefits-Other-Rate: 5%
- Childcare/dependent care: 4%
- Financial counseling: 1%
RN wages are increasing, but growth varies across settings

$82,750
Mean annual RN salary, 2021

Average RN annual wage growth

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth</th>
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<tbody>
<tr>
<td>2015</td>
<td>1.73%</td>
</tr>
<tr>
<td>2016</td>
<td>1.66%</td>
</tr>
<tr>
<td>2017</td>
<td>1.90%</td>
</tr>
<tr>
<td>2018</td>
<td>2.66%</td>
</tr>
<tr>
<td>2019</td>
<td>2.59%</td>
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<tr>
<td>2020</td>
<td>3.29%</td>
</tr>
<tr>
<td>2021</td>
<td>3.42%</td>
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</tbody>
</table>

RN hourly wage growth by setting, 2020 to 2021

<table>
<thead>
<tr>
<th>Setting</th>
<th>% wage growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outpatient care centers</td>
<td>4.22%</td>
</tr>
<tr>
<td>General medical and surgical hospitals</td>
<td>4.1%</td>
</tr>
<tr>
<td>Office of physicians</td>
<td>3.08%</td>
</tr>
<tr>
<td>Home health care services</td>
<td>3.04%</td>
</tr>
<tr>
<td>SNFs</td>
<td>0.23%</td>
</tr>
</tbody>
</table>

Total Compensation Actions

- Conduct **routine market analysis** to inform compensation.
  - Include inflation, external agency, compensation and market changes

- Prevent salary compression issues (i.e., low merit increases not keeping up with new hire salaries) with **regular reviews and actions**

- Implement **creative compensation** for hard to fill shifts and days (holidays)
Flexibility for Multiple Workforce Layers

<table>
<thead>
<tr>
<th>WORKFORCE LAYER</th>
<th>SHIFT / HRS OPTIONS</th>
<th>LOCATION OPTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core</td>
<td>🕒</td>
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</tr>
<tr>
<td>Flex</td>
<td>🕒 + 📍</td>
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<td>Gig</td>
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</tbody>
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NEW PROGRAM
Total Compensation Actions

- Identify and disseminate evidence of nursing as revenue-supporting (not only as an expense/cost) such as proper coding, value-based payment and quality measures.
- Conduct compensation surveys with nurses on a recurring basis and share results.
- Revisit and revise metrics that are used primarily or solely for:
  - Expense allocation
  - Recording and reduction to allow for understanding of revenue production,
  - Staff safety and satisfaction
    - such as productivity, nursing hours per patient day, midnight census, and skill mix
Questions & Answers
Breakout Groups
Discussion Questions

1. How do you see the UNI being used in your organization/research/practice?

2. What types of compensation models/innovations are you seeing in practice?

3. List actionable steps nurse leaders and hospital executives can take to advance and implement these recommendations forward at the:

4. Individual level

   • Institutional level – Unit level
   • Policy level – Federal, state
Key Discussion Takeaways
Session Wrap-Up

- You will earn **1.5 CNE credits** for today’s session
- Please follow the link placed in the chat to claim your CNE credits
- Earn an additional **4.5 CNE credits** by attending the next three sessions
Upcoming Sessions

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Thank you for joining us!

The Nurse Staffing Task Force
Project ECHO®

Tackling the Nurse Staffing Crisis

FROM DATA TO ACTION

Think Tank Recommendations

Task Force Recommendations