

## **Testimony**

#### Before the

#### **Democratic Steering and Policy Committee**

**United States House of Representatives** 

Forum on the Urgent Need for Health Care Reform

Presented by
Mary A. Maryland, PhD, MSN, ANP, BC
American Nurses Association Board of Directors

American Nurses Association 8515 Georgia Avenue Suite 400 Silver Spring, MD 20910 http://www.nursingworld.org

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The American Nurses Association (ANA) appreciates the opportunity to testify on the *Urgent Need for Health Care Reform*. Founded in 1896, ANA is the only full-service national association representing the interests of the nation's 2.9 million registered nurses (RNs), and advances the nursing profession by fostering high standards of nursing practice, promoting the rights of nurses in the workplace and sharing a constructive and realistic view of nursing's contribution to the health of our nation. Through our 51 constituent member associations, ANA represents Registered Nurses (RNs) across the nation in all practice and educational settings.

The U.S. health system remains in a state of crisis and stands as evidence of the futility of patchwork approaches to health care reform. Despite incremental efforts at reform, the number of uninsured continues to grow and the cost of care continues to rise. Last week, the U.S. Census Bureau estimated that between 2007 and 2008, the number of uninsured adults increased by 1.5 million. Moreover, Harvard researchers have found that 62 percent of all personal bankruptcies in the U.S. in 2007 were caused by health problems—and 78 percent of those filers had insurance. The overwhelming problems of the health insurance system require significant action - now.

ANA remains committed to the principle that health care is a basic human right and that all persons are entitled to ready access to affordable, quality health care services. ANA supports a restructured health insurance system that ensures universal access to a standard package of essential health care services for all individuals and families. Access must be affordable, accessible and acceptable.

#### **Patient Access to Care**

That is why ANA strongly supports the inclusion of a public health insurance plan option as an essential part of comprehensive health insurance reform. ANA values patient choice and believes that a public health insurance plan should be an option in the proposed insurance marketplace Exchange, along with other qualified private insurance plans. The public option addresses the absolute necessity of providing broader choice for patients, while increasing affordability, fostering robust marketplace competition, and ensuring access to services. Moreover, competition based on quality care and customer service should be the bottom line for all participants in the health care coverage delivery system. Particularly in a proposal where everyone would be required by law to have insurance, the absence of a public plan option would leave people with limited choices or leverage. Nurses understand that people deserve a choice and a chance for peace of mind regarding their health and that of their families.

We also firmly believe that inclusion of a public health insurance plan option would assure that patient choice is a reality and not an empty promise, and that a high-quality public health insurance plan option will, above all, provide the availability of quality, affordable coverage for individuals and families no matter what happens.

According to the Kaiser Family Foundation and the Health Research and Educational Trust, premiums for employer-sponsored health insurance in the United States have been rising four times faster on average than workers' earnings since 1999. Overall, insurance premiums have increased more than 87 percent on average, over the past six years, while wages have increased approximately 20 percent (KFF Employer Health Benefits 2008 Annual Survey).

The public health insurance plan option could bring positive competition to bear on the private insurance market, encouraging patient-centered, value-driven health care delivery. Rather than an impetus for "crowd out," as critics suggest, such fair and transparent competition would create a win-win for those whom the healthcare system is supposed to serve, the people of the United States.

The ANA also strongly believes that there are many measures within H.R. 3200 that will reform the health insurance industry to protect all individuals and families. Provisions which would:

- End discrimination for pre-existing conditions. Insurance companies will be prohibited from refusing coverage because of a patient's medical history.
- End exorbitant out-of-pocket expenses, deductibles or co-pays. Insurance companies will have to abide by yearly caps on how much they can charge for

- out-of-pocket expenses. Currently, Americans pay more than ever for health insurance, but get less coverage.
- End cost-sharing for preventive care. Insurance companies must fully cover, without charge, regular checkups and tests that help screen for illness, such as mammograms or eye and foot exams for diabetics.
- End dropping or watering down insurance coverage for those who become seriously ill.
- End gender discrimination. Women's reproductive health requires more regular contact with health care providers. Insurance companies will be prohibited from charging women more because of their gender.
- End annual or lifetime caps on coverage. Americans will experience peace of mind in knowing that their financial obligations, in the face of serious illness, will not bankrupt them.
- Guarantee insurance renewal. Insurance companies will be required to renew any
  policy as long as the policyholder pays their premium in full. More importantly,
  insurance companies won't be allowed to refuse renewal because someone has
  become sick.
- Extend coverage for young adults so that children would continue to be eligible for family coverage through the age of 26.

These provisions will also bring stability and a sense of security to patients who currently have insurance, and also to those who may lose or change their job, move or get sick.

Furthermore, ANA supports the provision to develop a telephone hotline and website that would provide information to consumers on plans to choose from within the Exchange, as well as information on open enrollment, how to enroll, and more. We also support an amendment accepted in the Energy and Commerce Committee that would require the Secretary to negotiate prescription drug prices with the pharmaceutical industry for Medicare Part D plans. ANA firmly believes that H.R. 3200 would provide more security and stability to those with health insurance, guarantee access to affordable health care for those without it and rein in health care costs.

## The Role of Nurses

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. Advanced Practice Registered Nurses (APRNs), in particular Nurse Practitioners (NPs) and Certified Nurse Midwives (CNMs) are proven providers of high-quality, cost effective primary care. As H.R. 3200 clearly illustrates, the support, development and deployment of this keystone profession, is essential for any quality health reform plan to succeed.

ANA firmly believes that there are many measures within H.R. 3200 that would bolster the nursing profession – particularly the focus on and investment in the Title VIII Nursing Workforce Development Programs – and demonstrate commitment to fostering full integration, coordination and collaboration at all levels among our nation's health care workforce. The Nursing Workforce Development Programs contained in Title VIII of the Public Health Service Act (PHSA) recruit new nurses into the profession, promote career advancement within nursing, and improve patient care delivery. The nursing shortage will continue to worsen if significant investments are not made.

In fiscal year 2008, the Health Resources and Services Administration (HRSA) was forced to turn away 92.8 percent of the eligible applicants for the Nurse Loan Repayment Program (NLRP), and 53 percent 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. H.R. 3200 addresses this by updating the loan amounts for the Nursing Student Loan Program and by expanding the Nurse Loan Repayment and Scholarship Programs to provide loan repayments for students who serve for a period of not less than two years as a faculty member at an accredited school of nursing. Given the dire need for nurse faculty, expanding the NLRP program to include nurse faculty is a necessary measure to help alleviate the current nursing shortage.

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 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. Another provision within H.R. 3200, expanding the Advanced Education Nursing Grants, would allow schools to provide support not only to those nursing students who will practice in underserved areas, but also students who contribute to increased diversity among advanced education nurses.

The Nurse Faculty Loan Repayment Program is 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. This program is also 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. A provision within H.R. 3200 would increase the Nurse Faculty Loan Repayment Program amounts to account for inflation from \$30,000 to \$35,000 and after 2012 would give the Secretary discretion to adjust this amount.

In addition to increasing funding for various programs noted above, H.R. 3200 also provides an additional funding stream created through the Public Health Investment Fund. The dollars committed through 2019 would offer vital resources and much needed

funding stability for the Nursing Workforce Development Programs contained in Title VIII of the Public Health Service Act.

#### **Advanced Practice Registered Nurses**

In order to meet our nation's healthcare needs, an integrated national healthcare workforce that looks beyond physicians must be put into action. The ability of APRNs to provide high quality, cost-effective care has been widely recognized by patients and the health care community and is supported by significant peer-reviewed research and critical analysis. The America's Affordable Health Choices Act of 2009 clearly recognizes that the support, development and deployment of this keystone profession, is essential for any quality health reform plan to succeed.

According to the American Academy of Nurse Practitioners, there are over 125,000 Nurse Practitioners (NPs) practicing in the United States today. APRNs serve a critical role by filling gaps in primary care. At least 66 percent of NPs practice in primary care settings and 20 percent practice in remote rural or frontier settings. APRNs have also made a special contribution by increasing access to care for the poor and uninsured, as well as those in underserved urban and remote rural areas.

H.R. 3200 focuses on "community-based multidisciplinary teams" to support primary care through the Medical Home Model. This model demonstrates a commitment to quality, coordinated care by all health providers, and represents a focus, not just on treating illness, but on emphasizing wellness and prevention. ANA is especially pleased that under H.R. 3200, Nurse Practitioners have been recognized as primary care providers and authorized to lead Medical Homes. APRN's skill and education, which emphasizes patient and family-centered, whole-person care, makes them particularly well-suited providers to lead the Medical Home Model. These provisions in H.R. 3200 would bolster the quality of patient care, and foster full integration, coordination, and collaboration at all levels among our nation's health care workforce, with the added benefit of providing more value for health dollars spent.

Besides recognizing Nurse Practitioners as primary care providers and leaders within the Medical Home, H.R. 3200 also addresses a woman's access to high quality care and seeks to improve maternal and infant health. Certified Nurse Midwives (CNMs) provide essential primary care services to women of all ages. Multiple studies have documented the quality of services and positive outcomes associated with CNM care. Medicare has covered CNM services since 1988, but reimbursement has been limited to 65 percent of the amount afforded to other obstetrical and gynecological service providers. H.R. 3200 addresses the Medicare reimbursement disparity for midwifery services by making reimbursement at 100 percent for midwifery services.

In addition to provisions within H.R. 3200, the House Energy and Commerce Committee approved during their markup, by voice vote, the inclusion of an amendment to H.R. 3200 which would create an Independence at Home Pilot Program to allow Medicare

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<sup>&</sup>lt;sup>1</sup> American Academy of Nurse Practitioners, *Nurse Practitioner Facts*. AANP Web site: <a href="https://www.aanp.org/NR/rdonlyres/51C6BCOF-F1CO-4718-B42F-3DEDC6F5F635/O/AANPNPFacts.pdf">www.aanp.org/NR/rdonlyres/51C6BCOF-F1CO-4718-B42F-3DEDC6F5F635/O/AANPNPFacts.pdf</a>.

patients with multiple chronic conditions to receive primary care in their homes. It would provide patients with care options that offer both independence and quality of life. The amendment also aims to support an interdisciplinary model in which providers - both nurses and physicians - practice collaboratively and to the full extent of their education and licensure on behalf of the patient. It recognizes the integral role nurses and nurse practitioners play in the delivery of primary care and helps bring the focus of our health care system back where it belongs - on the patient and the community. ANA strongly supports this amendment and believes that strengthening primary care for Medicare beneficiaries is essential in managing chronic conditions, preventing acute episodes and controlling costs.

#### Quality

ANA is a member of the Stand for Quality Coalition which is a diverse coalition of more than 200 organizations whose goal is to improve the quality and affordability of health care. Earlier this year, the Coalition identified several items key to quality improvement, including setting national priorities, providing for the input and consultation of multistakeholder groups, and developing, collecting and using measures to assure Americans receive high-quality care. ANA believes that meaningful reform should include the Stand for Quality recommendations to provide for an effective quality enterprise.

The quality enterprise can lead us to a system that rewards quality of care rather than quantity of care. Reform should provide resources for the development and dissemination of innovative methodologies and strategies to improve care delivery, so clinicians and other providers can have the incentives and game-changing tools they need to improve practice at the point of care.

So much of the work critical to the success of a sustainable quality enterprise is already underway. By engaging and supporting robust public-private partnerships, we can solidify the foundation of a quality enterprise that will strengthen health care quality – not only expanding coverage, but also ensuring patients receive quality, affordable care.

ANA wants to underscore our support for assuring that health reform is about improving quality and affordability. Measuring performance is one of the important tools that can be used to drive quality improvement. The quality enterprise framework ANA is supporting is an essential foundation for ensuring reform is about delivering better care to all Americans.

ANA supports the creation of a Center for Comparative Effectiveness Research at the Agency for Healthcare Research and Quality as outlined in H.R. 3200. ANA supports comparative effectiveness research not only for drugs and devices, but also for evaluating therapeutic approaches and delivery system models.

Many recent studies have demonstrated what most health care consumers already know: nursing care and quality patient care are inextricably linked, in all care settings but particularly in acute and long-term care. Because nursing care is fundamental to patient outcomes, we are pleased that H.R. 3200 places strong emphasis on reporting, both

publicly and to the Secretary, nurse staffing levels in long-term care settings. The availability of staffing information on the Nursing Home Compare website would be vital to helping consumers make informed decisions, and the full data provided to the Secretary will ensure staffing accountability and enhance resident safety. It is ANA's strong hope that public reporting be established in acute care settings as well so that patients and their families can make informed decisions prior to admission.

### **Wellness and Prevention Programs**

A reformed health care system must value primary care and prevention to achieve improved health status of individuals, families and the community. As Congress recognizes, this means that money, resources and attention must be reallocated in the health system to highlight importance of, and create incentives for, primary care and prevention.

It is essential to expand the research base on best practices in chronic disease prevention and early intervention. Therefore, we are gratified to note that grant money in H.R. 3200 could provide greater funding and support for research and innovation in the fight against the nation's most prevalent and costly chronic diseases.

Nurses are also 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, reducing the amount of both money and human suffering. ANA supports the renewed focus on new and existing community-based programs such as Nurse Home Visitation programs and Nurse Managed Health Centers (NMHCs). ANA was pleased to see that there are several Nurse Home Visitation program provisions within H.R. 3200. One provision would allow State Medicaid programs to cover home visits to families with a first-time pregnant woman or a child under age two eligible for Medicaid. A second provision would provide grants to States for home visitation programs for families with young children and families expecting children. Studies have shown that Nurse-Family Partnership home visiting programs improve the health and well-being of both the mother and child. ANA remains extremely supportive of this provision.

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), as recognized and defined under the Title VIII entities in H.R. 3200, 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 and have partnered with the Federal Government to reduce health disparities. ANA supports these Nurse Managed Health Centers and thanks you for the recognition and support of these programs in H.R. 3200.

# **Closing**

Once again the American Nurses Association thanks you for the opportunity to testify today. ANA appreciates your clear commitment to nursing and your understanding of the important role nurses play in the provision of essential health care services to individuals and families across the country. The need for fundamental reform of the U.S. health insurance system is more necessary than ever. Bold action is called for to create a health care system that is responsive to the needs of consumers and provides equal access to safe, high-quality care for all in a cost-effective manner. ANA and registered nurses around the country are ready to work with policy-makers, industry leaders, providers and consumers to support and advance meaningful health insurance reform today. Thank you.