



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

***FY 2010 Funding for Nursing Workforce Development Programs
and the National Institute for Nursing Research***

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The American Nurses Association (ANA) appreciates this opportunity to comment on Fiscal Year (FY) 2010 appropriations for nursing education, workforce development, and research programs. Founded in 1896, ANA is the only full-service national association representing registered nurses (RNs). Through our 51 constituent member associations, ANA represents RNs across the nation in all practice settings.

The ANA gratefully acknowledges this Subcommittee's history of support for nursing education and research. We appreciate your continued recognition of the important role nurses play in the delivery of quality health care services. This testimony will give you 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 American Hospital Association reported that hospitals needed 116,000 more RNs to fill immediate vacancies in July, 2007. Hospitals report that this vacancy rate is hampering the ability to provide emergency care.
- 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.

A Joint Commission on the Accreditation of Healthcare Organizations (JCAHO) study published in 2002 shows that the shortage of nurses contributes to nearly a quarter of all unexpected incidents that kill or injure hospitalized patients.

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. **Prior to the release of President Obama's proposed budget for FY 2010, ANA was strongly advocating Congress to increase funding for Title VIII programs by at least \$44 million to a total of \$215 million. Now that President Obama is requesting \$263 million for Title VIII programs, we are urging the Subcommittee to support this request and fund Title VIII programs at \$263 million.**

Current funding levels are clearly failing to meet the need. In fiscal year 2008, 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 four times the FY 2009 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 2009, the Nurse Education Loan Repayment Program and Scholarships received \$37 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 2009, this program received \$11.5 million.

This program is vital given the critical shortage of nursing faculty. America's schools of nursing can not 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. All together, the Nurse Education, Practice, and Retention Grants received \$37.3 million in FY 2009.

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.

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 2009, 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, 7,650 advanced education nurses were supported through these programs. In FY 2009, these programs received \$64.4 million.

These grants also provide traineeships for masters 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 2009, 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. In FY 2006, HRSA continued 8 previously awarded grants and awarded 11 new ones.

NATIONAL INSTITUTE OF NURSING RESEARCH (NINR)

ANA also urges the Subcommittee to increase funding for the NINR, one of the institutes at the National Institutes of Health (NIH). The Institute's research focus transcends disciplines to address issues of health management, symptom management, and caregiving; health promotion and disease prevention; end-of-life care; technology integration; and research capacity development. This research is integral to improving the effectiveness of nursing care. Advances in nursing care arising from behavioral and biomedical research have shown excellent progress in reducing health care costs. Research programs supported by NINR address a number of critical public health and patient care questions. The cross-discipline research is driven by real and immediate problems currently facing patients and their families.

Recent NINR funded studies have shown that inadequate nurse staffing increases risks for patients; coping skills training improves teens' self-management of diabetes; a health care team helps reduce high blood pressure among inner-city black men; a community-based program improves self-management of arthritis among older Hispanics; home nursing visits benefit low-income mothers and their children; and transitional care improves outcomes for elders after leaving the hospital. NINR is leading the NIH research on end-of-life and palliative care. NINR is also the lowest funded institute at NIH. In FY 2009, NINR received \$141.88 million. ANA recommends \$178 million, or a 25% increase over FY 2009, in FY 2010 NINR funding.

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. The nursing shortage will continue to worsen if significant investments are not made. Recent efforts have shown that aggressive and innovative recruitment efforts can help avert the impending nursing shortage – if they are adequately funded.

ANA asks you to meet today's shortage with a relatively modest investment of \$263 million in Title VIII programs. Additionally, an investment of \$178 million in the NINR will help assure that nurses are equipped with the latest information and research needed to provide the best patient care possible.