

**Testimony of Jeanette Lancaster, PhD, RN, FAAN on behalf of the Tri-Council for Nursing
On Fiscal Year 2007 Appropriations for Nursing Workforce Development Programs**

Good morning, Mr. Chairman and members of the Subcommittee. I am Jeanette Lancaster, Dean and Professor of the School of Nursing at the University of Virginia (UVA) in Charlottesville, Virginia. On behalf of the Tri-Council for Nursing, I appreciate this opportunity to bring to the Subcommittee our funding priorities for nursing education, recruitment, and retention programs for FY 2007. This federal support is a critical piece in the nation's effort to overcome the nursing shortage. The Tri-Council for Nursing is an alliance of four national nursing organizations – the American Association of Colleges of Nursing, the American Nurses Association, the American Organization of Nurse Executives, and the National League for Nursing. The Tri-Council focuses on leadership and excellence in nursing education, practice, and research. Together, our organizations represent the interests of **our nation's largest health profession of 2.9 million registered nurses (RNs)**.

The Tri-Council recognizes your Subcommittee's support for Nursing Workforce Development Programs under Title VIII of the Public Health Service Act. We appreciate your understanding of the important role nurses play in the delivery of health care services. The Tri-Council also acknowledges the fiscal challenges that the Subcommittee and the entire Congress must work within. However, the health needs of our nation must be addressed by a strong and sustained effort to resolve this nursing workforce shortage that has been in existence since 1998. Without a federal vision and investment, our nation will continue to be plagued by a shortage of nurses that is only expected to intensify in the future.

Recent data confirms that the nursing shortage is not showing signs of abating. The U.S. Bureau of Labor Statistics (BLS) has projected that by 2014, **our nation will need an additional 1.2 million new and replacement nurses**. The American College of Healthcare Executives reported in 2005 that 85 percent of hospitals were experiencing a nursing shortage. Our nation's 'safety net' of 5,000 community health centers is experiencing an average vacancy rate of 10 percent for RNs and 9 percent for nurse practitioners. And, even though nursing is identified by BLS as the fastest growing professional occupation, the Health Resources and Services Administration (HRSA) projects that the supply of nurses in the U.S. will fall 29 percent below demand by 2020 unless there is a significant and sustained increase in the number of nurses graduating and entering the workforce each year.

More recently, nurses have been called upon to provide the foundation for disaster preparedness and response. In the event of a terrorist attack or a natural disaster, nurses are needed to evaluate patients, administer vaccines and medications, and perform disease surveillance. In 2003, the Government Accountability Office reported that state and local health officials cited the nursing shortage as an impediment to their preparedness efforts. In addition, the ongoing hostilities in the Middle East are taxing the ability of the military and the Department of Veterans Affairs to deliver needed nursing care to today's dedicated service members and veterans.

A multitude of factors continue to contribute to this growing need for nurses. The aging of America's population, a period of disinterest in a nursing career coupled with the growth of lucrative career options for women, an aging population of practicing nurses, increasing numbers of RN retirements, and the high demand for intensive health care services by chronically ill, medically complex patients all challenge the growth of the nursing workforce.

However, over the past five years schools of nursing nationwide have been working diligently to expand enrollments. These increases are attributed to intensive marketing efforts by the private sector, public-private partnerships with health care providers who contribute additional resources to expand the capacity of nursing programs, and state legislation targeting funds towards nursing scholarships and loan repayment. According to the National Council of State Boards of Nursing, the number of U.S. educated nursing school graduates who sat for the NCLEX-RN®, the national licensure examination for registered nurses, increased by a total of 30,478 in 2005 as compared with 2001. While impressive, these increases still cannot meet the demand. In spite of increasing enrollments and the demonstrated need for RNs, schools of nursing continue to turn away thousands of qualified students primarily due to insufficient numbers of faculty, clinical sites, classroom space, clinical preceptors, and budget constraints.

Mr. Chairman, my state of Virginia is 14th in the nation with the lowest proportion of RNs per 100,000 population according to HRSA's 2004 National Sample Survey of RNs. Our nursing shortage is palpable. To address the shortage, our school at the University of Virginia has worked to increase enrollments by 10.7 percent over the last five years from 2001 to 2005. In this 2005-2006 academic year we have a total of 555 students enrolled in our baccalaureate, master's, and doctoral programs. However, UVA had to turn away almost 200 qualified applicants from these programs this academic year. So, despite the best efforts of our dedicated faculty, our committed administration, and our many creative partnerships we are struggling to expand due to the lack of faculty and classroom space. UVA has been a fortunate recipient of nursing education grants from the Division of Nursing. In so many ways this focused support has played a major part in the expansion of our programs and the support of our nursing students. My story is one that I hear from nurse educators across the nation. We urge you to invest in nursing.

The Tri-Council urges the Subcommittee to consider a **funding request of \$175 million for Nursing Workforce Development Programs at the Division of Nursing**. This request is minimal when considering the effect that an unresolved nursing shortage of this magnitude will have on the future of health care in America.

NURSING WORKFORCE DEVELOPMENT PROGRAMS

The Division of Nursing at HRSA provides national leadership to assure an adequate supply and distribution of qualified nursing personnel to meet our nation's health care needs. The Division is responsible for implementing the Nursing Workforce Development authorities with the overarching goals cited as: 1) Increase access to quality care through improved composition, distribution, and retention of the nursing workforce; 2) Increase diversity and cultural competence in the workforce; 3) Improve the quality of nursing education and practice; 4) Identify and use data, program performance measures, and outcomes to make informed decisions on nursing workforce issues; and 5) Increase the supply, distribution, and retention of the nursing workforce through financial assistance.

Currently, Title VIII programs provide grants to institutions as well as scholarships and loans to individual students in pursuit of graduate or undergraduate nursing education. These authorities provide flexible and effective support and are the **largest source of federal funding that assists students, schools of nursing, and health systems in their efforts to recruit, educate, and retain registered nurses**. Preference is given to projects that benefit rural or underserved populations and help meet public health needs in medically underserved areas. In FY 2004, **Nursing Workforce Development Programs assisted over 50,000 students** in obtaining their nursing education through individual student support and

programmatic support. The requested funding of \$175 million would provide an additional \$25 million to support the following programs:

Sec. 811 - Advanced Education Nursing Program

Program Description: Grants help schools of nursing, academic health centers, and other nonprofit entities improve the education and practice of nurse practitioners (NP), nurse-midwives, nurse anesthetists, nurse educators, nurse administrators, public health nurses, and clinical nurse specialists. Institutional grants support master's and doctoral programs, combined RN/master's degree programs, and post-nursing master's certificate programs. In addition, traineeship grants to institutions directly support individual students seeking advanced education. In FY 2005, 422 schools of nursing received traineeship grants, which in turn **directly supported 9,000 individual student nurses**. FY 2005, 157 programmatic grants were awarded. **Advanced Education Nursing received \$57.06 million in FY 2006.**

Mr. Chairman, at UVA these grants have made a difference in the lives of our students, particularly those who come from underserved areas, as well as those who want to work with underserved populations. Since these individuals graduate without debt, they do not have to move to a better-paying job in another facility or state. We had two federal grants to transmit our family NP and pediatric NP programs via satellite to Southwest Virginia. Our experience has been that it is better to deliver the education to underserved areas than to expect students to relocate to more urban areas to study if the goal is to have more NPs in rural areas. Eighteen of the 20 NPs that we educated with that grant received additional traineeship support. These 18 NPs are still working in Southwest Virginia.

Sec. 821 - Nursing Workforce Diversity Program

Program Description: Grants and contract opportunities are awarded to schools of nursing, nurse-managed health centers, academic health centers, and nonprofit entities to increase access to nursing education for disadvantaged students, including racial and ethnic minorities under-represented among RNs. The program funds scholarships or stipends, pre-entry preparation, and retention activities to enable students to complete their nursing education. It targets students enrolled in elementary and secondary schools, pre-nursing and nursing programs. In FY 2005, 171 applications were reviewed; of those 59 new and continuation grants were awarded that supported 6,344 students. **Workforce Diversity received \$16.11 million in FY 2006.**

Our sister school at Virginia Commonwealth University (VCU) has a grant supporting the education of bilingual RNs. This program provides funding for Hispanic students who are taking their basic education courses in community colleges to transfer into the baccalaureate nursing program at VCU. It also supports Hispanic students with their associate degree in completing their baccalaureate in nursing. They expect to educate more than 30 bilingual nurses as a result of this program. VCU is having great success with its Hispanic nursing grant. They could not have done this without federal support.

Sec. 831 - Nursing Education, Practice and Retention Program

Program Description: This competitive grant program helps schools of nursing, academic health centers, nurse-managed health centers, and health care facilities strengthen nursing education, practice, and workforce retention with purposes stated below:

Education Grants: 1) Expand enrollments in baccalaureate nursing programs; 2) Develop internship and residency programs to enhance mentoring and specialty training; and 3) Provide for new technology in education, including distance learning.

Practice Grants: 1) Expand practice arrangements in non-institutional settings to improve primary health care in medically underserved communities; 2) Provide care for underserved populations such as the elderly, HIV/AIDS patients, substance abusers, the homeless, and domestic abuse victims; 3) Provide skills to practice in existing and emerging health systems; and 4) Develop cultural competencies.

Retention Grants: 1) Develop Career Ladder Programs to support nursing education and assist individuals in obtaining the education necessary to enter the profession or advance within it and; 2) Enhance Patient Care Delivery Systems through incorporation of best practices for both increased collaboration and improved communication--innovations that have proven to double nurse retention rates and improve patient care quality. In FY 2005, 266 applications were reviewed; of those 38 new grants and 103 continuations were awarded. **Nurse Education, Practice, and Retention received \$37.29 million in FY 2006.**

At UVA, we completed a grant that enabled us, in cooperation with our local community college and area hospitals, to develop a career ladder program. The community college developed an LPN to BSN program. We expanded our second degree program for college graduates who wished to become nurses from 24 to 40 students a year. We will graduate the last cohort of students this May and will graduate 20 more students than indicated in the grant. Nearly all of those who were Virginia residents have stayed in state.

Sec. 846 - Nursing Loan Repayment and Scholarship Programs

Program Description: These much needed programs support current students and new graduates directing them to practice in areas with the greatest need including departments of public health, community health centers, home health agencies, nursing homes, and disproportionate share hospitals. The **Nursing Education Loan Repayment Program** assists participating RNs by repaying 85 percent of nursing student loans in return for three years of practice in a designated health care facility. In FY 2005, **4,445 nursing students applied, only 803 were accepted, leaving 82 percent turned away** due to the lack of funding. This means that 3,662 RNs interested in working in facilities deemed to have a critical shortage of nurses were not accepted. The **Nursing Scholarship Program** offers individuals who are enrolled as full-time nursing students the opportunity to apply for scholarship funds. Upon graduation, a nurse is required 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. In FY 2005, **3,379 applications were submitted, only 212 received scholarships, and 98 percent were turned away** from this program. **The Loan Repayment and Scholarship Programs received a combined \$31.06 million in FY 2006.**

Sec. 846A - Nurse Faculty Loan Program

Program Description: This program supports the establishment and operation of a loan fund within participating schools of nursing to assist nurses in completing their graduate education to become qualified nurse faculty. Students may pursue a master's or doctoral degree full-time in a program for Advanced Education Nursing. Students must agree to teach at a school of nursing in exchange for cancellation of up to 85 percent of their educational loans over a four-year period. Student loans may cover the costs of tuition, fees, books, laboratory expenses, and other educational expenses. The maximum loan is \$30,000 per student per academic year. In FY 2005, 92 grants were awarded to schools of nursing that are projected to support 475 future faculty. **The Nurse Faculty Loan Program received \$4.77 million in FY 2006.**

UVA is one of four schools in Virginia participating in the Nurse Faculty Loan Program. All of the individuals borrowing money this year are doctoral students, though there is one master's student who will apply for a clinical faculty position next year. The doctoral students have used funds to pay research fees and purchase books, educational software, and other supplies. Still, some of our doctoral students are borrowing money for housing and basic living expenses. These loans, however, are not forgiven.

Sec. 855 - Comprehensive Geriatric Education Grant Program

Program Description: Grants are awarded to better provide health care services for the elderly. These grants may be used to educate RNs who will provide direct care to older Americans, develop and disseminate geriatric curricula, prepare faculty members, and provide continuing education. They allow participating RNs to use their knowledge to strengthen the skills of other nursing care providers who care for seniors. In FY 2005, 27 grants were awarded. **The Comprehensive Geriatric Education Program received \$3.39 million in FY 2006.**

Sec. 835 – Nursing Student Loan Program

Program Description: This revolving fund was established in 1964 to address nursing workforce shortages. It provides undergraduate or graduate nursing students with a maximum of \$13,000 in loans at 5 percent interest. Schools of nursing participating in the Nursing Student Loan (NSL) Program select recipients and determine the level of assistance provided. There is a preference for those in financial need. Funds are loaned to new students as existing loans are repaid. **This program has not received additional appropriations since 1983.** However, in FY 2005, the NSL program provided financial assistance to 17,240 nursing students. In FY 2005, Sec. 222 of the *Consolidated Appropriations Act of 2005 (P.L. 108-447)* included language that stated: *“The unobligated balance of the Nursing Student Loan program authorized by section 835 of the Public Health Services Act is rescinded.”* **The NSL Program gave back \$6.1 million to the treasury in July 2005.** A similar provision in the FY 2006 appropriations law will return additional funds to the Treasury that could help nursing students complete their education.

CONCLUSION

In summary, the authorities under Nursing Workforce Development enable schools of nursing to increase their enrollments, provide programmatic innovation, and prepare students for the realities of caring for our nation's diverse populations in many health care settings across the life span. However, despite these excellent authorities the programs are severely under funded. The Tri-Council for Nursing urges you to support the modest request of \$175 million for these critical programs to address the nursing shortage.

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