



Coal-in-the-Stocking Metaphors for Health Budgets

Table with 6 columns: Nursing Workforce Development Programs, FY 2005 Final, President's FY 2006 Request, House Passed 6/24/05, Senate Passed 10/27/05, FY 2006 Final. Rows include Total (Amounts in Thousands), Advanced Education Nursing, Comprehensive Geriatric Education, Loan Repayment & Scholarships, Nurse Education, Practice, and Retention Grants, Nursing Faculty Loan Program, and Nursing Workforce Diversity.

*Includes 1 percent across-the-board cut
**\$8 million total for both programs

Even for those who make a living keeping on top of Capitol Hill legislation, December's news on the 2006 budget and appropriations processes has been as difficult to follow as a soap opera. The federal health services program funding levels - as contained in a conference agreement on the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2006 (House Report 109-337) - should have been approved before the 2006 fiscal year commenced on October 1, more than three months ago. However, this bill was not cleared for the White House until December 21 and was finally signed into law by President Bush on December 30.

The final measure reflects the second conference agreement on the Labor-HHS bill. The House defeated the first conference agreement on November 17 by a vote of 224 to 209. The second agreement made relatively minor changes - providing \$90 million more for rural health programs and removing a provision that would have barred Medicare coverage for erectile dysfunction drugs - in order to secure enough votes for House adoption.

Some of the largest cuts are to programs that help shore up the health care safety net for people lacking other access to care, as well as to programs that try to alleviate shortages of (Cont'd page 2)

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health care providers in underserved urban and rural areas. The second agreement, although devastating, lessens the cuts that the House had made to the Bureau of Health Professions - wherein Nursing Workforce Development Programs reside - by reducing the bureau budgets only 69 percent below the 2005 level, instead of the 84 percent cut initially proposed by the House.

Though still failing to meet even the minimum of the nation's nursing needs, programs related to nursing in the Title VIII provisions were spared the slashing and elimination perpetrated on the Title VII programs, which are aimed at increasing the numbers of minority and disadvantaged students in the health professions. As the result of a 1 percent across-the-board cut for FY 2006, however, the **Title VIII allocations fell from the 2005 level of \$150,674 million to 2006's final budget of \$149,679 million, a 0.6 percent decrease.**

At the same time that the Labor-HHS bill was moving through the Congress, the budget reconciliation for FY 2006 also was under consideration. The current conference agreement appropriates \$602 billion, \$105 billion (21 percent) more than the 2005 level, and a tad more than the original House bill. More than three-quarters is for mandatory spending (e.g., the new prescription drug program and other Medicare and Medicaid spending). The \$142.5 billion in discretionary spending is \$163 million less than the 2005 level, but \$785 million more than requested by the Bush Administration. This second agreement was adopted by the House in a 212-206 vote just before dawn on Monday, December 19, with only five hours for members to read the 700-page conference report prior to voting.

The debate on the budget package has focused on the level of savings - from programs for the poor, farmers, and students - and whether the savings would reduce the deficit. Some Republicans argued that the measure is the first attempt in eight years to control the growth of mandatory spending (e.g., Medicare and Medicaid), although it cuts spending by less than one-half of 1 percent. Meanwhile, Democrats opposed the bill, considering it to be a mean-spirited attack on the poor that the Republican Party is using to help offset almost \$100 billion in tax giveaways on dividends and capital gains.

The second agreement was reported into the Senate as S.1932, the **Deficit Reduction Omnibus Reconciliation Act of 2005**. On December 21 the Senate Democrats delayed final action on the budget savings package when they forced the deletion of three provisions, from the text of the House-Senate conference agreement, which violated Senate budget reconciliation rules. By a 51-50 vote, with Vice President Dick Cheney breaking a 50-50 tie, the Senate amended the budget measure and essentially sent it back to the House for reconsideration. The House is now faced with bringing its members back to vote on the measure early this month, or when it is scheduled to reconvene on January 31. Interest groups that oppose the reconciliation measure applaud the delay, which they believe may give them several days, if not weeks, to influence House members to defeat the current package.

Congress Examines Lack of Faculty Contributing to Nursing Shortage

Members of the House Committee on Education and the Workforce's Subcommittee on Select Education traveled to the West, during the Congressional Thanksgiving recess, to conduct two field hearings aimed at examining how a lack of higher education faculty contributes to shortages in the nursing

workforce. The first hearing was held November 30, 2005 in Greeley, Colorado and was chaired by Representative Marilyn Musgrave (R-CO). The second hearing, held on December 2 at Nevada State College, was chaired by Representative Jon Porter (R-NV). (Cont'd page 3)

Congress Examines Lack of Faculty [\(Cont'd from page 2\)](#)

Representative Musgrave cited the US Bureau of Labor projection that "one million new replacement nurses will be needed by 2012." Then noting that the number of qualified nursing instructors has not kept pace with the growing nurse education programs, Musgrave concluded that, "these factors have created a bottleneck in the supply of nurses."

Witnesses at both hearings expanded on the representatives' contentions, providing evidence relevant to the circumstances of each state, as well as descriptions of state and local initiatives aimed at increasing the number of students entering the nursing field and the number of faculty available to train prospective nurses.

Lynn Dierker, director for community initiatives with the Colorado Health Institute (CHI), presented testimony about the CHI Colorado Nursing Faculty Supply and Demand Study. This study was designed to identify and analyze key factors and issues affecting the supply of and demand for nurse faculty, including the relationship between nurse education programs and the market for professional nurses in Colorado. The study found that "Colorado's current nurse faculty shortage is significantly greater than the national average shortage of 8.6 percent, with shortages ranging from 15 percent in our four-year institutions, to 25 percent among two-year institutions including community colleges," said Dierker. "With population growth and increasing demand for nursing services, Colorado, like other states," continued Dierker, "has called upon its education system to produce greater numbers of nursing graduates. The study found that nursing education deployed significant and rapid program expansions over the past three years in response to the workforce shortage."

Kay Norton, president of the University of Northern Colorado, reported that the faculty

shortage will heighten as increasing numbers of faculty retire. "The University of Northern Colorado's School of Nursing is a microcosm of this problem as one-third of the doctorally prepared nursing faculty at UNC retired in 2004 and 2005," stated Norton. To address the shortage of nurses and nurse educators, especially in rural and underserved areas, UNC is involved in several intervention models to prepare masters' and doctoral nursing faculty. A few of their efforts include the delivery of an online PhD program in Nursing Education; the creation of the National Center for Nursing Education to offer graduate-level academic programs in nursing education and

professional development opportunities for nurse educators; and the institution of the National Nursing Education Resource Center to enable nurse faculty access to information and resources pertaining to contemporary issues and trends in nursing education through a centralized database.

Acknowledging a nationwide shortage and the competition to attract faculty due to both economic and non-

economic factors, Sue Carparelli, president and CEO of the Colorado Center for Nursing Excellence, noted that the state of Colorado has developed a comprehensive approach to addressing the nursing shortage. The center brings together "educational institutions, health care providers, governmental agencies, and foundations to investigate the sources of the nursing shortfall, to develop strategies to address it and to secure resources needed for effective solution building," said Carparelli.

Likewise, witness Elise Lowe-Vaughn, operations director for the Colorado State Workforce Development Council (CSWDC) of the Colorado Department of Labor and Employment (CDLE), discussed the nursing shortage in light of CDLE's goal of being [\(Cont'd page 4\)](#)

In opening remarks that set the scene for the hearings, Congressman Jon Porter (R-NV) referred to the [National League for Nursing](#) estimates ". . . that more than 125,000 qualified applications were rejected by nursing programs in the 2003-2004 academic year. The shortage of nursing faculty is one of several factors most commonly cited as reasons behind this [nursing shortage] trend."

"competitive in today's global economy requires innovative workforce solutions." She explained that during the last three years, "the CDLE and the CSWDC funded over three million dollars in . . . projects targeted at improving the supply of nurses and allied health care professionals, providing career ladders to support advancement opportunities and faculty development opportunities."

The witnesses at the Nevada field hearing reinforced the messages iterated in Colorado. Sandy Rush, the chief nursing officer of St. Rose Dominican Hospitals – Siena Campus and a board member of the Nevada Organization of Nurse Leaders, remarked that "although national in scope, the shortage is particularly acute in Nevada. In 2000, Nevada had 514.4 [registered nurses] per 100,000 people, significantly less than the national rate of 780.2."

Connie Carpenter, director of nursing at Nevada State College, gave scope to the Nevada situation by reporting that, "there are approximately 1,500 schools of nursing in the US, with eight in Nevada and two new programs beginning in the spring of 2006." Nevada State College, mandated through the Nevada Statewide Doubling of Enrollment in Nursing Initiative, has undertaken several initiatives to address the nursing and nurse faculty shortages. In particular, Carpenter cited the "implementation of the baccalaureate nursing program a year earlier than planned; addition of a second admission period each year; and implementation of an accelerated program track."

Kansas Regents Report on Nurse Shortage and Education Funding Needs

On December 14, the Kansas Board of Regents released a report calling for more faculty, classroom and laboratory space, clinical sites, and equipment to accommodate 250 additional nursing student admissions annually at the state's 24 nursing schools. Based on the report, the board will ask lawmakers for \$5.6 million next year.

That amount is the first-year cost of implementing the report's suggestions for facilities, equipment, personnel, and salaries for an additional 25 nursing faculty. After that, the cost will be about \$2.9 million annually through 2010. By then, 6,890 more RN positions will be needed in Kansas. With the large numbers of nurses expected to retire over the next two decades, coupled with an aging population that is living longer and requiring more health care, that need could reach a record demand for more than 11,350 RNs.

Kansas' anticipated need for nurses is in line with figures from the Bureau of Labor Statistics, which has reported that from 2002 to 2012, RNs will have the greatest job growth of

all professions in the United States. During that 10-year period, the health care system will require more than 1.1 million new nurses.

Throughout the presentation of the board's report, discussion focused on the extensive applicant waiting lists schools have because of not enough space or faculty to accommodate them. Citing an applicant acceptance rate of only 28 to 41 percent, Terri Roberts, executive director of the Kansas State Nurses Association, said, "Every [nursing school] program in the state is turning down applicants. We don't have the faculty to teach them. That is the main pipeline breakdown." To hire more faculty, the board will follow the report's recommendation and seek funding designated to forgive student loans for every year a nurse agrees to teach at a state nursing school.

Reactions to the report were positive. Karen Miller, dean of the University of Kansas School of Nursing, said, "This is a very proactive report on the part of the Board of Regents. It includes some very thoughtful thinking about the future of our state's health care system."