

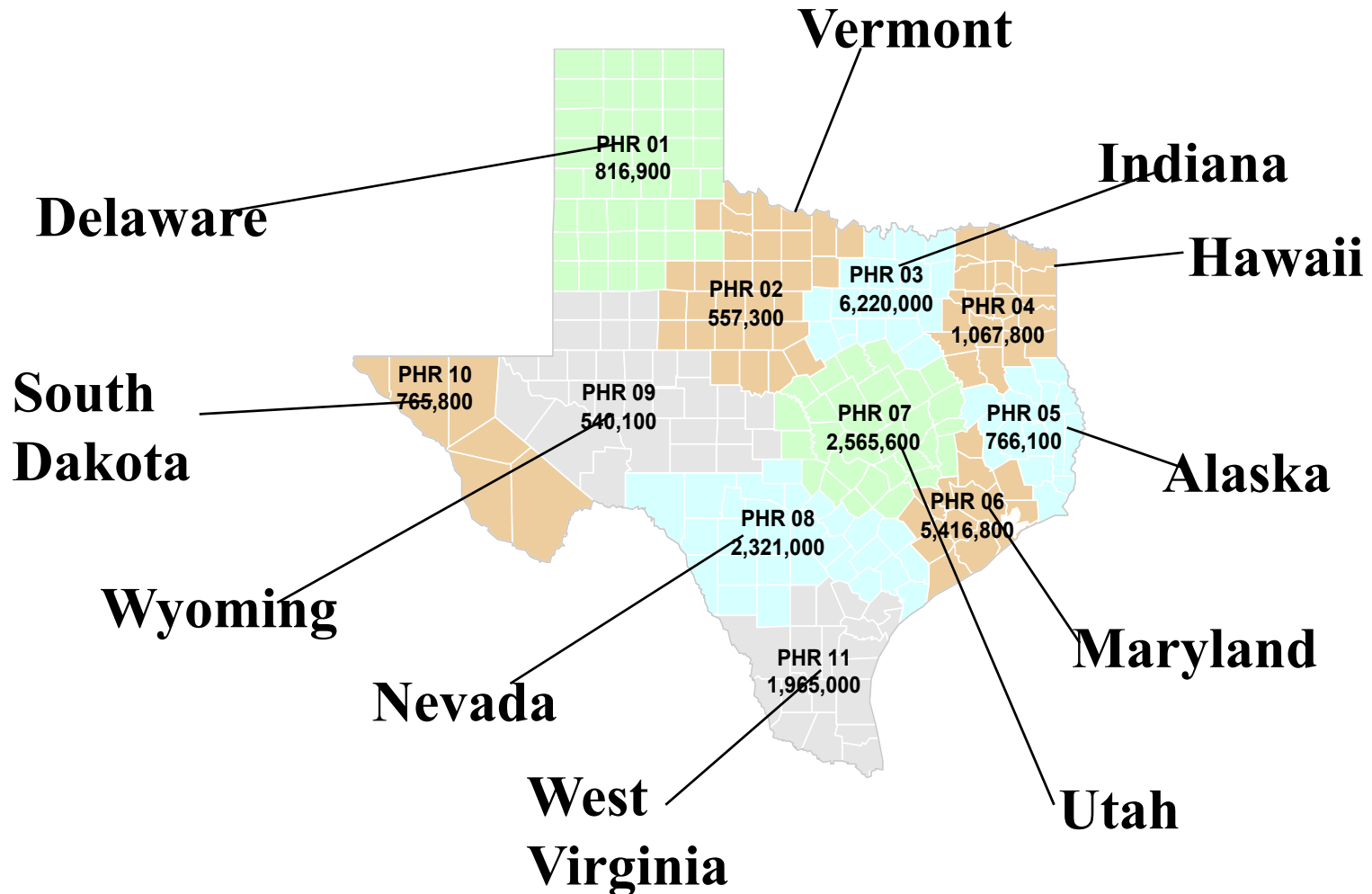
# **The Economic and Policy Initiatives Impacting Nursing in Texas**

**Taking the Long View: Nursing Shaping Health  
Economics, Policy and Practice**

**June 9, 2010**

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# State's health regions have populations comparable to those of many states



# Fastest Growing States, 2000-2009

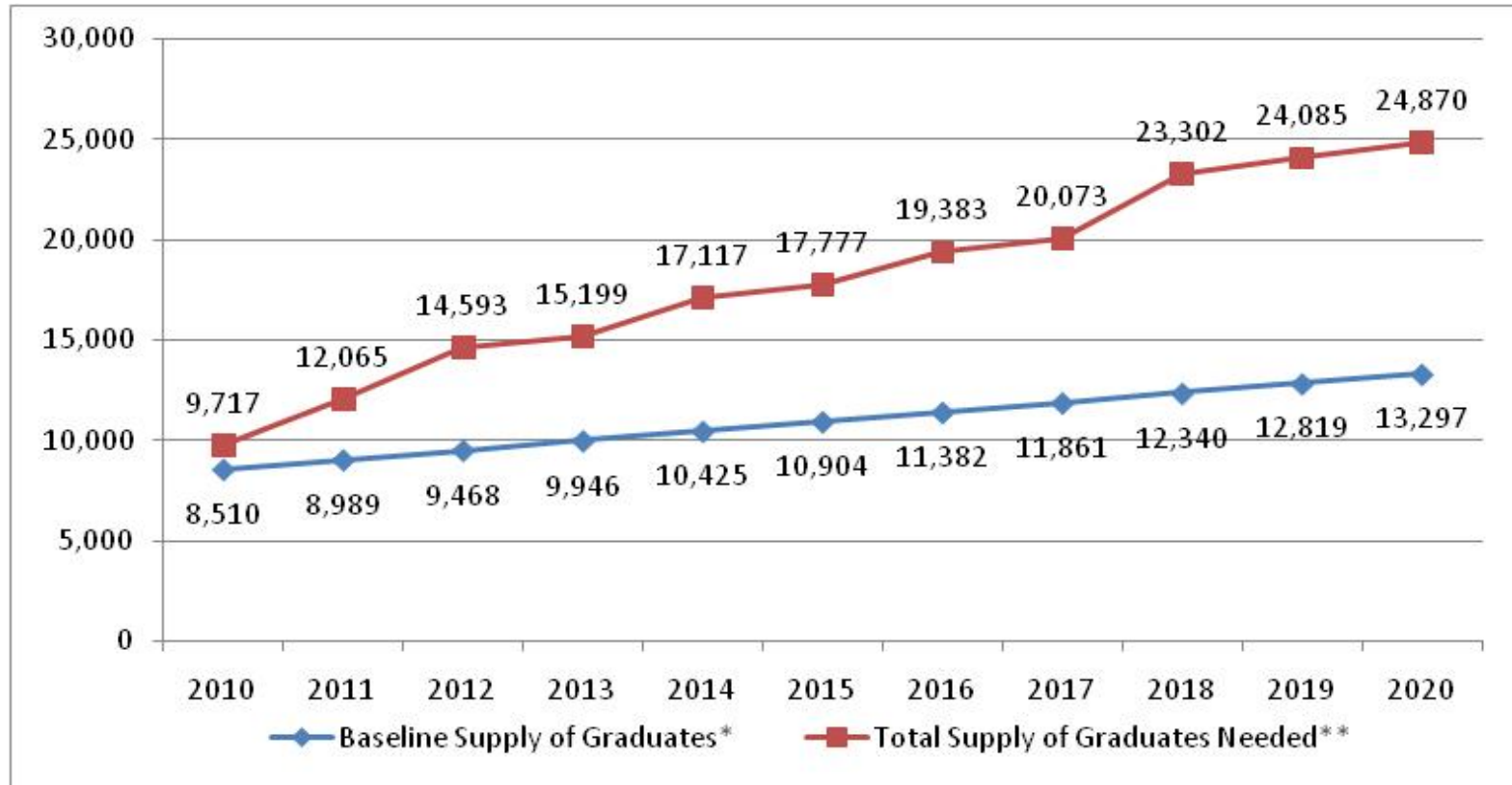
State	2000 Population	2009 Population	Numerical Change 2000-2009	Percent Change 2000-2009	Rank in Percent Change
Texas	20,851,820	24,782,302	3,930,482	18.8	6
California	33,871,648	36,961,664	3,090,016	9.1	19
Florida	15,982,378	18,537,969	2,555,591	16.0	9
Georgia	8,186,453	9,829,211	1,642,758	20.1	4
Arizona	5,130,632	6,595,778	1,465,146	28.6	2
North Carolina	8,049,313	9,380,884	1,331,571	16.5	8
Virginia	7,078,515	7,882,590	804,075	11.4	15
Washington	5,894,121	6,664,195	770,074	13.1	11
Colorado	4,301,261	5,024,748	723,487	16.8	7
Nevada	1,998,257	2,643,085	644,828	32.3	1

Source: 2000 Census and 2009 Vintage Census Bureau Estimates

# Current Population Trends with Implications for Health Care Demand

- Rapid growth rate
- Geographic shifts
- Shifts in ethnic composition
- Aging of the population
- Increases in morbidity

# The Challenge: Increasing the number of initial licensure graduates to meet need by 2020



**Sources:** Texas Center of Nursing Workforce Studies and Coordinating Board. \*Numbers are based on a simple regression formula of actual graduation data reported from 2002 to 2007. Graduation numbers do not include those from programs that have not yet produced graduates. \*\*U.S. Health Resources and Services Administration, Supply Model.



## **Texas Center for Nursing Workforce Studies**

### **Highlights: The Economic Impact of the Nursing Shortage**

**September 2006**

**Publication # 25-12515**

**EPublication # E25-12515**

- Effect of the Nursing Shortage on Hospitals
- Cost to Recruit Internationally Educated Nurses
- Impact of the Shortage of Nursing Faculty
- The Economic Benefit and Impact of Nursing Education

**Full report located on TCNWS website under  
publications:**

[www.dshs.state.tx.us/chs/cnws](http://www.dshs.state.tx.us/chs/cnws)



# Economic Impact of the Nursing Shortage

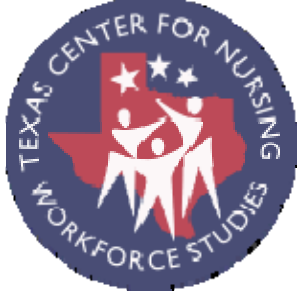
## In the 2008 Hospital Nurse Staffing Study:

- ▶ Statewide RN vacancy rate 11% and turnover rate 16%.
- ▶ Over 12 million hours were used by hospitals for interim staffing coverage.
- ▶ Over \$169 million were spent by hospitals for staffing coverage.



## Economic Impact of the Nursing Shortage

- ❖ Some research suggests RN vacancy rate over 8% encourages more turnover.
- ❖ Cost to replace staff RN is 1.2-1.3 times that of the RN's average annual salary.
- ❖ Nationally total cost of turnover in U.S. hospitals estimated to be \$12.3 billion.
- ❖ Use of retention strategies to minimize vacancy and turnover rates are more cost effective than paying the cost to replace a nurse.



## Economic Impact of the Nursing Shortage

- Partnerships with hospitals and nursing programs have been good investment of recruitment dollars.
- Educating more nurses can help address patient safety.
- Increasing capacity to graduate more RNs would have same economic impact of recruiting 2 new Toyota plants to Tx each year for 7 years.
- Economic value of a SON in 2004 dollars:
  - \$110 million to the local economy
  - \$115 million to the state economy

# Creation of a Nursing Shortage Coalition

- Coalition established under the leadership of the Texas Nurses Association and the Texas Hospital Association.
- Coalition included 100 members representing college and university presidents, nurse educators, healthcare organizations, Texas Association of Business, and 13 local Texas Chambers of Commerce.
- Through the efforts of the members of the coalition, \$60 million was appropriated to increase educational capacity and number of graduates from initial RN licensure programs.

# State Funding Initiatives

- ❖ **Professional Nursing Shortage Reduction Program - \$49.7 million**
- ❖ **Nursing Innovation Grant Program  
- Min. \$5 million**
- ❖ **Hospital-based Nursing Education Grant Program - \$5 million**

# Additional Funding for Nursing Programs with 70% or Higher Graduation Rate

## ❖ **Based on increased enrollments**

- Requires 12% increase in 2009 and additional 6% (18% total) in 2010
- \$10,000 per new enrollee/ per year (two yrs max)

# Additional Funding for Nursing Programs with Less Than 70% Graduation Rate

- ❖ **Based on projected new graduates**
  - Programs set benchmarks of graduates
  - Optimal distribution
    - 1-yr program graduates= \$10,000
    - 2-yr program graduates= \$20,000

# Nursing Innovation Grant Program Competition

3-year grants

Min. \$5 million available

- ❖ Maximum individual award of \$2.25 million
- ❖ One grant per region
  - Align project with Goal 2 strategies in Texas Team's Strategic Plan
- ❖ Emphasis on quantitative results: project enrollment and graduation increases

# Hospital-Based Nursing Education Grant Program

Max. 3-year grants

- ❖ Hospitals as grantee will partner with nursing programs
- ❖ ADN, BSN, MSN-Educator programs
- ❖ \$5 million
- ❖ Maximum award of \$2.25 million

# *Center to Champion Nursing in America*

Initiative of:

- AARP
- AARP Foundation
- Robert Wood Johnson Foundation
- First National Summit – Summer 2008

[www.championnursing.org](http://www.championnursing.org)

# TEXAS TEAM

*TEXAS NURSING – OUR FUTURE DEPENDS ON IT*

- Created in Spring 2008
  - Appointed by Governor in Response to Center to Champion Nursing Call to Action
  - Ten Member Team with Reps from Nursing Schools, State Agencies, Texas Nursing Workforce Center, Associations (THA/TNA) and RN State Legislator
- ▶ TX already had history of strong collaboration across state
  - ▶ Nursing (TNA & TX Deans and Directors) and others (THA) working together since 1999 to address shortage



# TEXAS

## Historical Overview of Long-Term Strategies to Address Shortage

- ▶ Initial work began in 1999 via Texas Nurses Association & Texas Hospital Association
- ▶ Biennial Legislative Sessions
- ▶ Partnership expanded to include Texas Team and Texas Chambers of Commerce in 2008
- ▶ Legislative Appropriations
  - 2001 = \$14.8 million
  - 2003 = \$11.2 million
  - 2005 = \$12.8 million
  - 2007 = \$20.6 million
  - 2009 = \$50.6 million



- ▶ Strategic Plan for State Developed by Dec. 2008 with endorsement by Texas Deans and Directors & other stakeholders

[http://www.dshs.state.tx.us/chs/  
cnws/default.shtm](http://www.dshs.state.tx.us/chs/cnws/default.shtm)

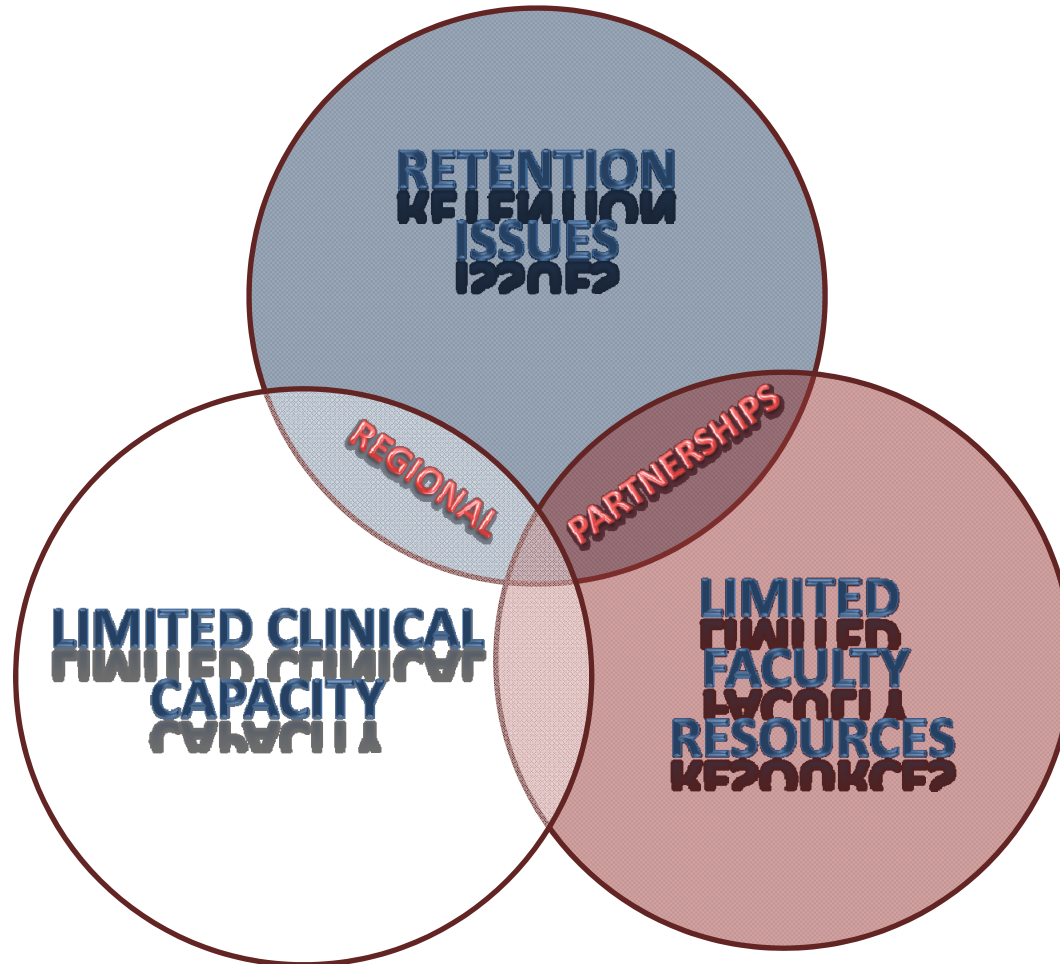


**Texas Nursing:  
Our Future Depends on It**

# Texas Team Strategic Plan: Three Goals

- Goal 1: Support growth and accountability
- Goal 2: Develop regional academic partnerships
- Goal 3: Leverage new partnerships

# NEW STRATEGIC PLAN FOCUSED ON ADDRESSING COMMON CHALLENGES



# Insufficient Capacity in Schools

100 initial licensure programs

+ limited resources

+ short time to increase  
graduates to meet  
statewide targets

= “Regionalization”

# Insufficient Retention of Students Admitted to Schools

- ▶ Retention rates varied across state
- ▶ 44 Programs below 70%
  - Some graduating less than 20%
- ▶ 56 Programs above 70%

Is retention a problem in your state or your school?

# Partnership Strategies

## Programs within regions share:

- ▶ Curriculum
- ▶ Faculty & faculty development efforts
- ▶ Clinical simulation instruction
- ▶ Clinical placement & scheduling
- ▶ Administrative & academic functions
- ▶ Clinical & community resources

# Texas Workforce Commission Grant

- ❖ TWC a member of the Texas Team
- ❖ Awarded a \$1 million grant to the Texas Team
- ❖ Focus of the grant is to implement the Strategic Plan and regional partnerships among nursing programs

# Partnership Strategy #1

## Sharing Curriculum/Curriculum Redesign

- ▶ The “epicenter” for all regional sharing
- ▶ Enhances transfer / pipeline issues
- ▶ Sharing of best practices & faculty

Models: Oregon, California, North Carolina

Texas Regional Innovators: 2010 Statewide Grant  
Competition



# Partnership Strategy #2

## Sharing Faculty & Faculty Development

- ▶ Minimizes nursing faculty shortage
- ▶ Encourages “grow your own”
- ▶ Promotes academic specialization

Model: North Carolina

Texas Regional Innovators: North Central , Gulf Coast  
and East Texas Regions



# Sharing Faculty & Faculty Development

- Central Texas Region – developing 100 faculty specialists in simulation focusing on:
  - Expertise in debriefing facilitation
  - Simulation scenario development
  - Curriculum integration
  - Scheduling
  - Equipment & technology use

# Sharing Faculty & Faculty Development

- ▶ North Texas Region – developing a common web site to:
  - Recruit faculty for schools in DFW Metroplex
  - Post faculty openings for all schools
  - A standard hospital orientation for all new faculty
  - Share clinical faculty
  - Will be managed by DFW Hospital Council



# Partnership Strategy #3

## Sharing Clinical Simulation Resources

- ▶ Reduces equipment costs
- ▶ Consolidates faculty & technical, curricular expertise
- ▶ Reduces number / use of clinical sites

Model: South Carolina

Texas Regional Innovators: Upper Rio Grande,  
Central and Gulf Coast Regions



# Sharing Clinical Simulation Resources

## ▶ Central Texas

- Large hospital based CS Center shared by 8 schools
- Roving “van” for outlying schools/hospitals

## ▶ Gulf Coast Region

- Common website to access curricular resources & equipment inventory for 15 schools

## ▶ Upper Rio Grande Region

- 3 hospitals & 3 schools of nursing
- Developed 3 mini-labs with different foci

# Partnership Strategy #4

## Sharing Clinical Placement & Scheduling

- ▶ Maximizes administrative efficiency
- ▶ Increases availability of clinical sites
- ▶ Strengthens partnerships

Texas Regional Innovators: North, Gulf Coast and Central Texas Regions



# Sharing Clinical Placement and Scheduling Via Shared Web Site

- Supports streamlining student clinical placement
- Community agreement on standards of criminal background and drug screening
- A standard hospital orientation module
- Results in increased number of clinical placement sites available and maximizes clinical resources

Example of Cost = \$17,500 for unlimited schools/partners  
One time cloning fee to brand/load system = \$15,000

# Partnership Strategy #5

## Sharing Common Administrative and Academic Functions

- Reduces costs of common functions (applications, admissions, recruiting faculty and students)
- Enhances development of tracking systems

Texas Regional Innovators: West and North Texas



# Sharing Common Administrative Functions

- ▶ West Texas Region

Developed centralized application portal

<http://portal.wtnec.org>

- Evolved into National Model adopted by AACN

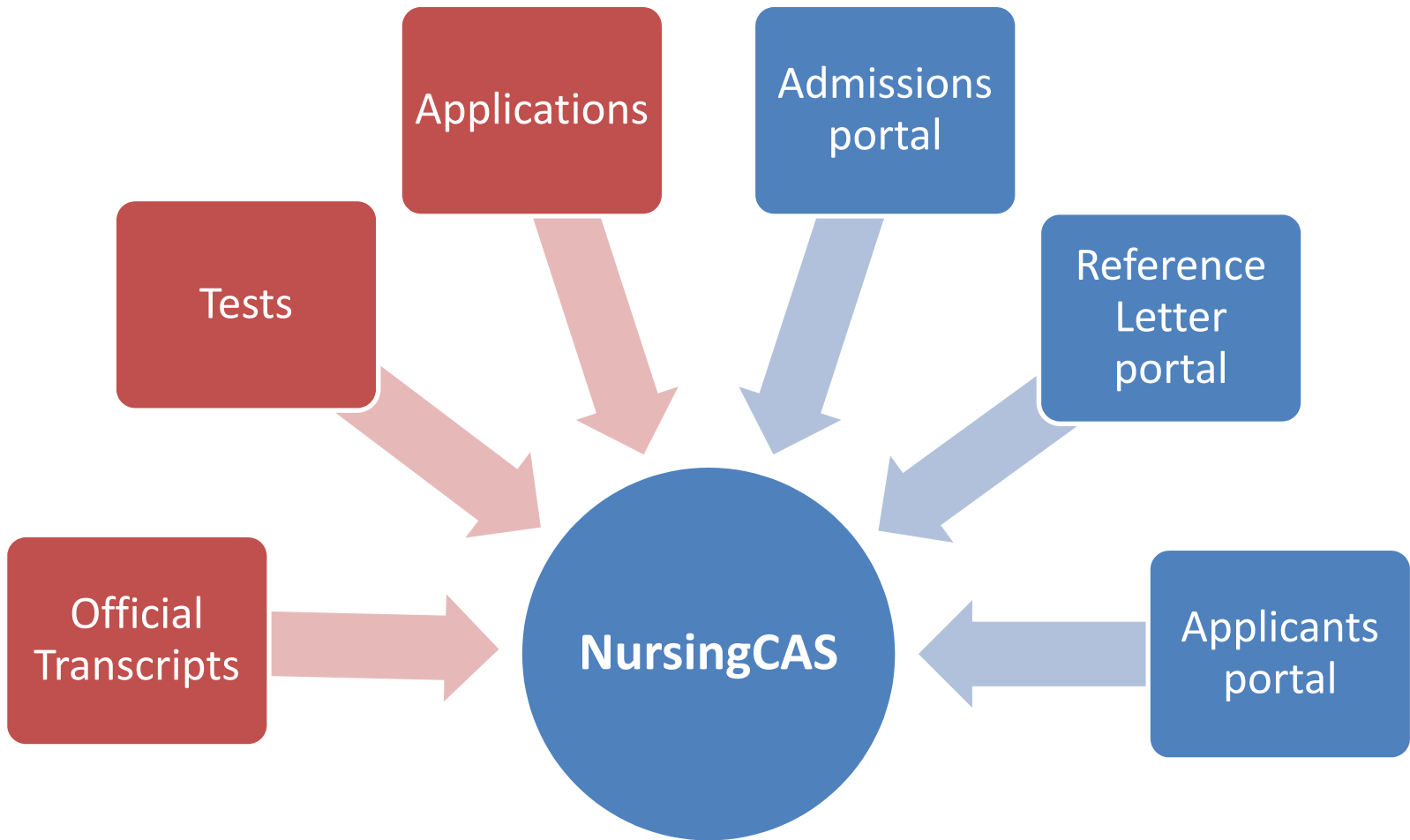
**NursingCAS**

The Centralized Application Service for Nursing Programs

<http://www.aacn.nche.edu/CAS/index.htm>

- ▶ Cost = \$40 for 1<sup>st</sup> app/\$35 every other

# What is a Centralized Application System?



# Benefits of a Centralized System

- A convenient and efficient process to apply to multiple programs using a single web-based application
- A comprehensive online checklist and instructions helping applicants easily navigate through the application
- Eliminates the need for duplicate application data, letters of reference, test scores and transcripts for those applying to more than one school

# Benefits of a Centralized System

- Provide applicants with real-time portal to check the receipt of their applications, transcripts, and letters of reference
- A single portal to research and compare different sites using comparative data
- A seamless and integrated letters of reference process (electronic and paper)
- Robust application validation rules that reduce unintended applicant errors and omissions
- Dedicated and knowledgeable NursingCAS support staff are available throughout the application cycle (one contact)

# Sharing Retention Initiatives

- ▶ East Texas Region – Common identification of “at risk” students
  - Reading comprehension was found to be the main variable connected to success
  - Low Nurse Entrance Test (NET)
  - Low grades in science courses
  - Low scores on NTI and HESI

Texas Regional Innovators: East and West Texas



# Sharing Retention Initiatives

- East Texas Interventions Focus on READING
  - Regional Assessment Portal (RAP)
  - Guided intervention with *Rocket Reader*
  - Tracking of improvements in reading
  - Retention Specialists Support

<http://www.nursingstudentsupport.net/>

# Sharing Retention Initiatives



- [www.rocketreader.com](http://www.rocketreader.com)
- Offers a variety of reading comprehension products
- Offers English as Second Language Support (ESL)
- Cost vary from \$69. to around \$200./ per student

# Sharing Retention Initiatives

## West Texas Region – Shared Retention Portal

- ▶ Student resources & learning tools
- ▶ Purdue Online Writing Lab (OWL)
- ▶ Competency Transcript
- ▶ High risk student success podcasts
- ▶ Faculty resources for retaining students

<http://nursing.ttuhscc.edu/wtnepp/>

- ▶ <http://owl.english.purdue.edu/owl/resource/560/01/>

# Partnership Strategy #6

## Develop Hospital & Clinical Partnerships

- ▶ Expands resources for student financial aid and clinical faculty
- ▶ Promotes work-study opportunities
- ▶ Builds community support

# Partnership Strategy # 7

## Seek Foundation Support

### Supporting Faculty Development

- ▶ Doctoral Studies for Faculty
- ▶ Endowed Chairs
- ▶ Endowed Professorships

### Supporting Curricular Innovations

- ▶ Programs focused on aging or other special populations

### Supporting Program Expansions

- ▶ New Buildings
- ▶ New Faculty Hires

### Supporting Clinical Simulation

- ▶ New Buildings and New Equipment

# Partnership Strategy #8

## Community & School Partnerships

### American State Bank / West Texas

- ▶ Provides scholarships to students
- ▶ Promotes recruitment to profession
- ▶ Builds community support – hosting events “flag day”, “health fairs”, festivals

# Partnership Strategy #8

## Community & School Partnerships Cont.

### ❖ American State Bank / West Texas

- Media Campaign – Mash's Hot Lips Houlihan/  
Loretta Swit
- Matching Funds from RWJ Partners Investing in Nursing's (PIN)  
Future Grant
  - ▶ Collaborative initiative of RWJ and the Northwest  
Health Foundation
  - ▶ Supported regional expansion of clinical simulation

[www.partnersinnursing.org](http://www.partnersinnursing.org)



# Partnership Strategy #9

## Support New Producers

- Multiple new programs emerging across all regions
- Public, Private and For-Profit
- All required to meet TBON requirements for new programs
- Support provided by “partner schools” in region

Texas Regional Innovators: West and Central Texas



# Summary / Questions



- ❖ Questions ???
- ❖ How can your schools share resources?
- ❖ What economic, policy & practice strategies have you used in your state or organization?

# Contact Information

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Thank You!

**When we can get our heads together, we can  
accomplish a lot!**