

HB

211

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: April 11, 2003

FURTHER REFERRALS:

Date of Committee Action: 5/14/03

The FINANCE Committee considered:

HB 211

HOUSE BILL NO. 211

NURSE EDUC LOAN REPAYMENT PROGRAM

"An Act relating to a student loan repayment program for nurses, and amending the duties of the Board of Nursing that relate to this program; and providing for an effective date."

Recommends it be replaced with HCS or CS for HES ()
 For Senate Bills with new title: Technical Title New Title: HCR Same Title New Title

- attach amendments
- add new referral to _____ Committee
- Letter of Intent _____ Committee

List of Abbrev for Depts.:

- ADM
- CEC
- COR
- CRT
- EED
- DEC
- DFG
- GOV
- HSS
- LEG
- LAW
- LWF
- MVA
- DNR
- DPS
- REV
- DOT
- UA

<u>NEW FISCAL NOTES</u>				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero
<u>EED</u>		✓		

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero
<u>CEC</u>	<u>1</u>			✓

<u>Signing with recommendations</u>	Printed Last Name	DP	DNP	NR	AM
<u>K. Meyer</u>	<u>Meyer</u>	✓			
<u>Mike</u>	<u>Hawkin</u>	✓			
<u>Robert</u>	<u>Rebowitz</u>			✓	
<u>Whitaker</u>	<u>Whitaker</u>				
<u>Paul E. Moses</u>	<u>MOSES</u>			✓	
<u>Foster</u>	<u>FOSTER</u>	x			
<u>Beth Kerttula</u>	<u>Kerttula</u>	✓			
Chair:					
Vice Chair: <u>K. Meyer</u>					

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSHB 211(HES)
 (H) Publish Date: 4/11/03

Revision Date/Time (Note if correction): _____ Dept. Affected: DCED
 Title Nurse Educ. Loan Repayment Program BRU Occupational Licensing (117)
 Component Occupational Licensing
 Sponsor Representative Wilson
 Requester House Health Education & Social Services Component No. 2360

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current y . FY2003) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

HR 211 requires the Alaska Board of Nursing to establish standards and eligibility criteria for the Alaska nurse recruitment loan repayment program. New funds are not required to implement this bill.

Prepared by: Jennifer Strickler, Administrative Manager Phone (907) 465-2144
 Division Occupational Licensing Date/Time 4/10/03 1:22 PM
 Approved by: Edgar Blatchford, Commissioner Date 4/10/2003
 Agency Department of Community & Economic Development

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: CSHB211(HES)
 () Publish Date: _____

Revision Date/Time (Note if correction): April 30, 2003/4:00 p.m. Dept. Affected: Education
 Title An Act relating to student loan repayment program BRU ACPE
for nurses, and amending the duties of the Board of Nurses that... Component Student Loan Program
 Sponsor Rep. Peggy Wilson
 Requester (H)Fin Component No. 213

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services	11	11	12	12	12	12
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous	918.0	1,874.0	2,920.0	3,984.0	5,050.0	5,198.0
TOTAL OPERATING	929.0	1,885.0	2,932.0	3,996.0	5,062.0	5,210.0

CAPITAL EXPENDITURES

CHANGE IN REVENUES ()

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	918.0	1,874.0	2,920.0	3,984.0	5,050.0	5,198.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other 1106 P-Sec Rcpt	11	11	12	12	12	12
TOTAL	929.0	1,885.0	2,932.0	3,996.0	5,062.0	5,210.0

Estimate of any current year (FY2003) cost: 0.0
 Check this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time		1	1	1	1	1
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation establishes the Alaska Nurse Recruitment Loan Repayment Program as an incentive tool to attract and retain nurses to work in the state. Eligibility criteria will be set by the Alaska Board of Nursing and administrative criteria will be set by the Alaska Commission on Postsecondary Education. The Executive Director of the Commission is the designated program administrator. A program Fund is established within the General Fund. While Section 6 contemplates that the Legislature may make appropriation to the Fund from the Alaska Student Loan Corporation's annual dividend to the state, that appropriation is not mandated. Therefore, this fiscal note reflects the fund source as GF. Individual benefits may be paid to program participants of up to \$10,000 in exchange for five years of employment in the state as a nurse.

Prepared by: Sheila King, Finance Officer Phone 465-6757
 Division: Finance Date/Time 4/30/2003 4:00 p.m.
 Approved by: Diane Barrans, Executive Officer *Diane Barrans* Date 4/30/2003
 Agency: Alaska Commission on Postsecondary Education

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: CSHB 211(HES)
 (H) Publish Date: 4/11/03

Revision Date/Time (Note if correction): 10-Apr-03 Dept. Affected: Education
 Title An Act relating to student loan repayment program BRU ACPE
for nurses, and amending the duties of the Board of Nurses that... Component Student Loan Program
 Sponsor Rep. Peggy Wilson
 Requester (H)HESS Component No. 213

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services	11	11	12	12	12	12
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous	918.0	1,874.0	2,920.0	3,984.0	5,050.0	5,198.0
TOTAL OPERATING	929.0	1,885.0	2,932.0	3,996.0	5,062.0	5,210.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	918.0	1,874.0	2,920.0	3,984.0	5,050.0	5,198.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other 1106 P-Sec Rcpt	11	11	12	12	12	12
TOTAL	929.0	1,885.0	2,932.0	3,996.0	5,062.0	5,210.0

Estimate of any current year (FY2003) cost: 0.0
 Check this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time		1	1	1	1	1
Temporary						

ANALYSIS: (Attach a separate page if necessary)
 This legislation establishes the Alaska Nurse Recruitment Loan Repayment Program as an incentive tool to attract and retain nurses to work in the state. Eligibility criteria will be set by the Alaska Board of Nursing and administrative criteria will be set by the Alaska Commission on Postsecondary Education. The Executive Director of the Commission is the designated program administrator. A program Fund is established within the General Fund. While Section 6 contemplates that the Legislature may make appropriation to the Fund from the Alaska Student Loan Corporation's annual dividend to the state, that appropriation is not mandated. Therefore, this fiscal note reflects the fund source as GF. Individual benefits may be paid to program participants of up to \$10,000 in exchange for five years of employment in the state as a nurse.

Prepared by: Sheila King, Finance Officer Phone 465-6757
 Division: Finance Date/Time 4/10/03 11:49 AM
 Approved by: Diane Barrans, Executive Officer *Diane Barrans* Date 4/10/2003
 Agency: Alaska Commission on Postsecondary Education

STATE OF ALASKA
2003 LEGISLATIVE SESSION

BILL NO. CSHB 211(HES)

ANALYSIS CONTINUATION

The chart below provides additional details relating to the cost estimates in this fiscal note. Staff has assumed an average individual education loan debt burden of \$16,000 based on average borrowing in this field from the Alaska state education loan programs. A combination of data from the April 2003 issue of *Alaska Economic Trends* (published by the Alaska Department of Labor and Workforce Development) and from a recent state health workforce report were the basis for the expected numbers of participants in each of the first six years of program operations.

Growth/Cost Projection Estimates for Alaska Nurse Recruitment Loan Repayment Program
(Dollar Amounts Shown in Thousands)

Year	# of New Nurses	2004	2005	2006	2007	2008	2009
2003	459	\$ 918	\$ 918	\$ 918	\$ 918	\$ 918	
2004	478		\$ 956	\$ 956	\$ 956	\$ 956	\$ 956
2005	523			\$1,046	\$1,046	\$1,046	\$1,046
2006	532				\$1,064	\$1,046	\$1,046
2007	533					\$1,065	\$1,065
	4,075 2,525	\$ 918	\$1,874	\$2,920	\$3,984	\$5,050	\$5,198



Alaska State Legislature

*Representative Peggy Wilson
Putting Alaska's Families First*

SPONSOR STATEMENT – CSHB 211 (HESS) **Alaska Nurse Recruitment Loan Repayment Program**

Alaska and the nation are experiencing a severe shortage of nurses. HB 211, which establishes the Alaska Nurse Recruitment Loan Repayment Program, could help to change that. The program would offer up to \$2,000 per year, not to exceed \$10,000 total for nurses to repay nursing loans. Hopefully this incentive will attract new nurses to the state and encourage Alaskans to pursue their nursing vocations here in Alaska.

In 2002, the Alaska Colleagues in Caring, in collaboration with the Alaska Hospital and Nursing Home Association, surveyed facilities in Alaska regarding nursing workforce needs. Results showed that vacancy rates for RNs had increased from 5.7% in 2000 to 11.5% in 2002, with increasing vacancy rates projected into the future. Facilities in western and northern Alaska reported a vacancy rate of over 20% and, according to information from other sources; the vacancy rate in some remote areas of Alaska is as high as 35 percent.

To qualify for loan reimbursement, an individual must be hired as a nurse in Alaska on or after July 1, 2003, be licensed to practice as a nurse in Alaska, work as a nurse in the state throughout the loan repayment period, and have outstanding educational loans from a recognized lending institution.

Additional eligibility criteria and guidelines for the loan program will be set in regulations adopted by the Board of Nursing, in consultation with the Alaska Commission on Postsecondary Education. These may include guidelines on establishing priorities for participation in the loan repayment program if funding for the program is not adequate to meet need. The guidelines may include determinations based on areas of the state and nursing specialties affected by shortages.

Funding for the program may be appropriated from the Student Loan Corporation dividend (the return of contributed capital authorized in AS 14.42.295(a)) or alternate state, federal, or other sources. The executive director of the Alaska Commission on Postsecondary Education will administer the program.

*Representative Peggy Wilson
April 4, 2003*

**Testimony of
Camille Soleil
Executive Director
Alaska Nurses Association**

In Front of the House Finance Committee
April 25, 2003
In support of HB 211

Mr. Chairman,

I would like to take this opportunity to express the Alaska Nurses Association's support for HB211.

This bill is one of several critical steps that need to be taken to address the current and expanding nursing shortage. Our population is aging and the average age of nurses is about 47. As the need for nurses grows, the majority of our nurses will be retiring from the profession.

To answer that dynamic, Alaska must find ways to recruit new nurses as well as retain the practicing nurses within the profession and the State. HB 211 is a strong step in recruiting new nurses to practice in the State and stay for multiple years. The design of the bill is flexible enough to allow prioritizing areas in critical need of nurses if the funding is limited, a strength that will make it highly effective in addressing the shortage.

The Alaska Nurses Association would like to express our appreciation of Representative Wilson and Senator French for their work on this critical issue, and we thank the Committee for the opportunity to speak in support of this bill.

Good afternoon,

~~For the record~~ I am Linda Fink, Assistant Director of the Alaska State Hospital and Nursing Home Association. The Association strongly supports ~~this legislation.~~

Workforce development has been a priority of the association for the last several years. ASHNHA has worked closely with the University to double the number of nurses graduating by 2006 to 2007. ~~It is estimated~~

~~that by 2008 the need will be for 400 new nurses each year.~~ ASHNHA has also worked to develop distance delivery programs to several communities in the state for certified nurse aides

as well as other training programs. ~~The Association has~~ a person working full time to develop

~~programs and education the schools~~ work with job centers to further interest and opportunity to

train people in the health care field. As you are aware, there is a tremendous shortage of nurses

~~currently~~ and we would sincerely appreciate your support of this legislation.

the loan repayment for nurses - bill

advanced training

K-12 on health care careers

Wise this is another avenue to recruit

Return essential nurses

House Finance Committee

April 23, 2003

RE: HB 211 "student loan repayment program for nurses"
to be heard in House Finance on April 25, 2003

Dear Representative Bill Williams fax: 907-465-3793

I am writing in support of CSHB 211. This legislation is a valuable step in addressing the nursing shortage affecting Alaska. The average age of Alaska's RNs is 45.1 years (2000). We need to educate more nurses and the University of Alaska is working to expand its programs. But until then, we must rely on recruitment of nurses from the Lower 48 to fill the need now.

Nursing education is rigorous and expensive. Pay and working conditions have not kept up with the increased mental and physical demands of the job. Loan repayment strategies are being used in other states to address the nursing recruitment issue. Examples are Florida (HB 519/SB 1618), South Dakota (HB 1258) and Virginia (HB 1079). Loan repayment offers may provide the incentive needed to prompt a person to choose a career in nursing.

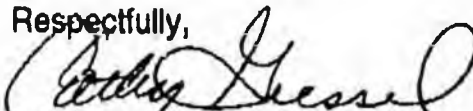
The nursing shortage is affecting all Alaskans, not just those who are hospitalized. Clinics and provider offices are unable to fill office nurse positions with LPNs or RNs. Instead they are filling the positions with Unlicensed Assistive Personnel, commonly Medical Assistants (MA). MA training is less than a year in length and, while trained to take vital signs and administer some medications, these staff people do not have the education base that a nurse has. They lack the education to make judgments about acuity of illness or, in some cases, to administer medications safely.

We must find solutions to the nursing workforce shortage. HB 211 is a start. The bill provides a safeguard that addresses insufficient funds, so that I don't believe this is the creation of another entitlement program. I would be my sincere hope that the projected recruitment of 533 nurses by 2007 would be nurses educated in our state, so that the funds would be remaining in Alaska, rather than funding education institutions Outside.

Please support CSHB 211 by passing it out of House Finance on April 25.

Thank you for your service to Alaska as a legislator.

Respectfully,



Cathy Glessel, MSN, FNP-CS
12701 Ridgewood Rd
Anchorage, AK 99518
907 345 5470



Alaska State Legislature

Representative Peggy Wilson
Putting Alaska's Families First

SECTIONAL ANALYSIS – CSHB 211 (HESS)

ALASKA NURSE RECRUITMENT LOAN REPAYMENT PROGRAM

- Section 1:** Findings and purpose.
- Section 2:** Adds responsibility for establishing standards and eligibility criteria for the Alaska Nurse Recruitment Loan Repayment Program, including the adoption of necessary regulations and determination of areas of the state and specialties that have a shortage of nurses, to the Alaska Board of Nursing, in consultation with the Alaska Commission on Postsecondary Education.
- Section 3:** Adds responsibility to perform duties relating to the Alaska Nurse Recruitment Loan Repayment Program to the list of responsibilities of the Alaska Commission on Postsecondary Education (ACPE).
- Section 4:** Directs the executive director of ACPE to administer the Alaska Nurse Recruitment Loan Repayment Program.
- Section 5:** Establishes that the money made available to the state from the dividend of the Student Loan Corporation may be appropriated for the Alaska Nurse Recruitment Loan Repayment Program.
- Section 6:** Establishes the Alaska Nurse Recruitment Loan Repayment Program.

Sec. 14.43.530 – Establishes the loan repayment program to provide financial incentives for qualified registered nurses to work in the state through the repayment of education loans.

Sec. 14.43.540 – Establishes the Alaska Nurse Recruitment Loan Repayment Program account in the general fund. The account shall be used to provide financial awards for the repayment of education loans and to pay for the costs of administering the program. The account includes money appropriated by the legislature from the dividend paid to the state by the Alaska Student Loan Corporation or other sources.

Sec. 14.43.550 –Establishes that the Alaska Nurse Recruitment Loan

Repayment Program shall be administered by the executive director of the ACPE using standards and eligibility criteria established by the Board of Nursing and financial management standards established by the commission. Gives the commission authority to adopt regulations to carry out the duties involved with administering the program, after consultation with the Board of Nursing.

Sec. 14.43.560 – Establishes these eligibility criteria:

- Applicant was hired as a nurse in Alaska on or after July 1, 2003.
- Applicant is employed as a nurse in Alaska during the loan repayment period.
- Applicant is licensed to practice as a nurse in Alaska.
- Applicant must agree to fulfill any requirement of the program.
- Applicant must have outstanding education loans from a recognized lending institution..

Sec. 14.43.570 – Establishes conditions and limitations on loan payments. The total repayment amount to any individual is limited to \$10,000. An annual loan repayment to an individual may be the lesser of \$2,000 or 20 percent of the total loan and interest owed by the person.

Financial awards under the program will be conditioned on the availability of funds. If adequate funds are not available to meet all needs, the executive director of ACPE may prorate available funds and suspend the acceptance of new applications or award funds available for new or pending applicants according to criteria approved by the Board of Nursing.

A loan is not eligible for repayment under the program if it is eligible for repayment or forgiveness under any other program

Sec. 14.43.590 – Definitions of terms.

Section 7: Allows the Board of Nursing and ACPE to adopt necessary regulations immediately upon passage of the Act.

Section 8: Establishes an immediate effective date for Section 7.

Section 9: Establishes an effective date of July 1, 2003, for the remainder of the Act.



APR - 4 2003

April 2, 2003

Honorable Peggy Wilson
State Capitol
Juneau, AK 99801-1182

Dear Representative Wilson;

On behalf of Alaska's 6,000 RNs I would like to thank you for taking the leadership in drafting HB 211, "An Act relating relating to a student loan repayment program for nurses."

Alaska is already facing a nursing shortage with health care facilities reporting average vacancy rates of 11%, with some rural facilities reporting vacancies as high as 35%. This shortage is only going to get worse over the next five years since the average age of nurses in the state is 47, and many hospital nurses retire in their mid-fifties.

The nursing shortage is contributing to the rise in health care costs because it is forcing health care institutions to staff with traveling and agency nurses who are more expensive to institutions than their regular staff. It is also leading to an increase in overtime, which is expensive to institutions and has be shown to contribute to nursing errors and injury.

The University of Alaska is responding to this shortage by doubling the number of nursing students they teach each year by the year 2006. SB 154 is an excellent companion to this effort by the University. It will provide an incentive for Alaskans to enter the profession, and remain in the state to practice.

With the armed conflict in the middle east, the threat of bioterrorism, and the emergence of fatal illnesses such as West Nile virus and SARS, now more than ever we need to take action to insure we have an adequate number of nurses to serve Alaskans in the coming years.

Sincerely,

Patricia K. Senner, MS, RN, ANP
President

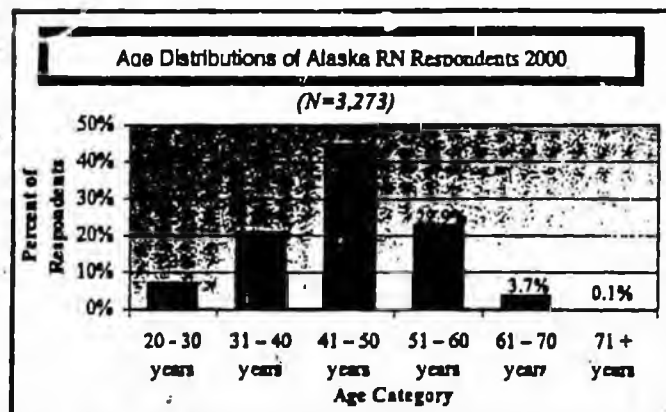
THE
FOLLOWING
DOCUMENT(S)
ARE
POOR
ORIGINAL
COPIES



Background On the Nursing Shortage in Alaska

There are currently about 5,200 RNs living in Alaska. Since the late 1990's there has been an increasing shortage of Registered Nurses in Alaska and the US as a whole. This has led to an 11.5% vacancy rate for nursing positions in the State. Contributing factors for this shortage include:

- The aging of the workforce. In 2000 the average age of a RN in Alaska 45.1 years compared to 43.3 years nationally. 72% of the RNs in Alaska are over the age of 40 years old. Data from the 2002 license renewal is currently being evaluated, but it is expected that the average age has only increased.¹



- Hospital and nursing home nursing is very physically demanding. Because of this most nurses working in these settings retire in their 50s. Nationally it is projected that half the nursing workforce will retire in the next five years.
- Fewer young people have gone into the profession. This is graphically illustrated by the above figure.² Formerly, the two primary occupations available to women were teaching and nursing. Now there are a larger number of options available. Many women who previously would have become nurses are now becoming doctors.
- Increased complexity of patient care. In order to reduce health care costs more procedures are being done on an outpatient basis, and hospital stays have been shortened. This means that the patients in hospitals are much sicker than 15 years ago, requiring more skilled care.
- In order to reduce costs, hospitals in the 90's increased the number of patients nurses were required to care for at the same time that the patients became sicker. This led many nurses to leave the workforce because of concern about patient and nurse safety.



- A decrease in job satisfaction, as inadequate staffing is preventing RNs from providing high quality care to patients. One of the single most important factors in nurses being satisfied with their working conditions is the RN having ample time to provide quality care to their patients. This is usually directly tied the number and the acuity of the patients they are required to care for.
- Increased work-acquired injury and illness. This is addressed in detail elsewhere, but between the increased number of HIV and hepatitis infected patients and the increased weight of the population, many nurses have suffered career ending injuries or illnesses. It is not unusual for nurses to be asked to care for 300-500 lb patients.

Importance of RNs to Patient Health and Safety

The nursing shortage effects patient care in two main ways. Studies tie RNs to positive patient outcomes and poor staffing causes experienced RNs to leave the profession due to job dissatisfaction.

- A 2000 studyⁱⁱⁱ looked at hospital and Medicare data from hospitals in nine states in five categories of adverse outcomes: length of hospital stay, pneumonia contracted in the hospital, postoperative infection, bed sores, and urinary tract infections contracted while in the hospital. All five measures are markedly decreased with higher levels of RN involvement in patient care.
- A study published in the October 2002 Journal of the American Medical Association^{iv}, found the risk of patient mortality increased by 7% for every additional patient in the average nurse's workload in the hospital;
- The study suggests that RNs contribute importantly to surveillance, early detection, and timely interventions that save lives;
- The benefits of improved RN staffing also extend to larger numbers of hospitalized patients who are not at risk for mortality but nevertheless are vulnerable to a wide range of unfavorable outcomes;
- Higher emotional exhaustion and greater job dissatisfaction in nurses were strongly and significantly associated with patient-to-nurse ratios;
- Improving nurse staffing levels may reduce alarming turnover rates in hospitals by reducing burnout and job dissatisfaction, major precursors of job resignation;
- Improving staffing may not only save patient lives and decrease nurse turnover but also reduce hospital costs, if recently published estimates of the costs of replacing a hospital medical and surgical general unit and a specialty nurse (\$42,000 to \$64,000) are correct.



Health and Safety Issues Related to the Nursing Shortage

Health care is rapidly becoming the most hazardous industry in America, as well as Alaska. RNs report that health and safety concerns play a major role in their decisions to remain in the profession. Nurses and other health care workers are exposed to the following hazards:

- Biological hazards: HIV, hepatitis B and C and more than 20 other infectious agents have caused infections in nurses caring for patients with these infections.
- Ergonomic Injuries – Ergonomics hazards of manual lifting and transfer of patients cause back injuries to over 1/3 of all nurses. Nurses are more prone to back injuries than construction laborer, truck loader, or warehouse worker.^v Nurses accounted for more than 10% of the total for all occupations combined for neck, back and muscle injuries.^{vi}
- Chemical hazards: latex allergy and disinfectants cause occupational asthma, and laser smoke, exposure to carcinogenic chemotherapeutic agents result in illness.

The Shortage Will Grow

Alaska Department of Labor and Workforce Development^{vii} provided the below statistics related to the current and growing nursing shortage.

- Employment demand for RNs is projected to grow nearly 40% between 1998 – 2008, faster than the all-occupational average (16.6%)
- The number of RNs needed to fill the new jobs resulting from industry growth will increase by nearly 1,600.
- If 2008 projections hold true, RNs will be the largest single healthcare occupation and the seventh largest occupation in the state.
- Nursing shortage is nationwide and Alaska must compete for RNs, or grow more of our own, to keep up with demand caused by the aging of society, as well as the aging of the RNs.

Alaska Nursing Employer Survey Results^{viii}

In 2002, the Alaska Colleagues in Caring, in collaboration with the Alaska Hospital and Nursing Home Association, surveyed facilities in Alaska regarding their nursing workforce needs.

- Vacancy rates for RNs increased on average from 5.7% in 2000 to 11.5% in 2002 with the West and North respondents reporting a 20.8% vacancy rate in 2002.



- Rate of Turnover reported for RNs in 2002 was 24% indicating difficulties with retaining RNs
- Employers identified the most successful retention incentives included
 - Decreased workload and greater scheduling choices
 - Educational Options
 - Management education and involvement
 - Positive work environment
- The percentage of facilities that actively recruit RNs from other states increased from 47.5% of facilities in 2000 to 83.3% of facilities in 2002.
- Employers identified the following anticipated changes in demand for nurses in the next two years
 1. Aging population/increased number of nurses retiring
 2. Increase in medical services used and number of patients
 3. Increased need for nurses, especially RNs
 4. Possible closure of facilities
 5. New facilities built/facility expansion
 6. An increased difficulty in recruiting and retaining nurses

Current Nursing Education in Alaska

The University of Alaska is the primary educator of nurses in the state. Weber State has had a small LPN program in the state for many years, but they will soon be leaving the state. Nursing education is very expensive to provide due to the cost of labs and clinical rotations. This cost is why there are not more providers of nursing education, and why nationally there has been a decrease in nursing education programs.

Current RN Programs Provided by UAA (110 RN graduates per year)

- 2 year RN – Anchorage 32 students admitted per year; Fairbanks 16 students, Kodiak 9 students (every 2 years)
- 4 year RN – Anchorage 80 students admitted per year, with an additional 40 being added this summer
- 1 year LPN – Anchorage 16 students admitted per year, Bethel 7, Fairbanks 8 (rotates), Ketchikan 6 (rotates)

Projected Locations and Numbers of Nursing Students 2006 (220 RN graduates per year)

- 2 year RN – Anchorage 32 students admitted per year, Fairbanks 16, and about 40 students admitted per year in Juneau, Bethel, Kodiak, Kenai, Ketchikan, or Sitka on a rotating basis. Other sites are also being investigated.
- 4 year RN – Anchorage 120 students admitted per year.



Articulation Programs

The University already has an RN to BSN program in place that can be completed through distance learning. UAA is in the process of refining the LPN to RN program to make mobility within the profession easier.

Current Demand for Nursing Education Exceeds Slots

The UAA four-year BSN program has only a minimal waiting list, which should be eliminated with this year's planned expansion. This year the 2-year (AAS) RN program had 2 applicants for every position. Initial interest meetings in expansion sites such as Kenai have shown a tremendous interest from persons in the community.



SOLUTIONS

The Alaska Nurses Association suggests the following solutions to the Alaska nursing shortage, which come under three main categories:

- Recruitment and education of new RNs
- Retention of experienced RNs
- Adapting the work environment to prolong the careers of aging RNs

RECRUITMENT AND EDUCATION

- State funding support of UAA and Industry Consortium's effort to double the number of RN graduates by 2006. This requires the State to match the industries commitment of 2.4 million over the next three years.
- Continue Federal funding of the Recruitment and Retention of Alaska Natives into Nursing (RRANN Program) at UAA.
- Support legislation for tuition loan reimbursement of nurses who work in Alaska. Currently several legislators are working to draft such legislation.
- Support an increase to competitive salaries for nursing professors. RNs can currently make more practicing in a hospital than teaching at the University, making the recruitment of qualified instructors very difficult.
- The Alaska Nurses Association is working to develop a recruitment program aimed at grade school children to show them the variety of careers available in the nursing profession.
- The Alaska Nurses Association, hopefully with the support of the Alaska Department of Labor and the University, is planning to work with high schools in developing a pre-nursing preparation program to ensure a successful foundation is created in math and science, especially for rural and non-traditional students.
- With the help of industry, identify and develop training for post-graduate RNs in high-need specialty areas, such as OR and ICU.
- Encourage employers to provide financial incentives for nurses working in facilities to mentor nursing students and new graduates.



RETENTION OF EXPERIENCED RNS

Workplace Conditions

- Support creation and adoption of legislation and/or standards for an appropriate nurse to patient acuity system that creates a safe and satisfying work environment. Several states have passed or are considering similar legislation.
- Create financial incentives for facilities to apply for Nursing Magnet Status with American Nurses Credentialing Center. Magnet status ensures RN participation in workplace design, and promotes quality patient care, highly increasing job satisfaction.
- Encourage employers to make nursing attractive as a long-term career by increasing retirement and medical benefits.
- Encourage Employers to be responsive to RN needs, such as providing daycare that is available during the hours that nurses work and providing flexible scheduling options.
- Create legislation to prohibit mandatory overtime as a staffing solution to the nursing shortage. Other states have successfully passed such legislation.

Health and Safety Solutions

- Provide legislative or administrative incentives for facilities to purchasing latex free products in order to limit latex injuries to RNs and patients, as well as decrease related costs.
- Support the revision and passage of Alaska's existing Needlestick Legislation^{ix} to meet federal standards, to protect patients and healthcare workers from HIV, Hepatitis, and other infectious diseases.
- Department of Labor's development of Regulations aimed at reducing injuries, and related costs, acquired from lifting and transferring patients in facilities, such as lift teams and assistive devices. Alaska Native Medical Center has had significant success in this area.

ADAPTING THE WORK ENVIRONMENT TO PROLONG THE CAREERS OF AGING RNS

- Encourage institutions to be flexible about working hours and patient loads to allow aging nurses to physically prolong their careers. Many facilities demand 12-hour shifts, which are physically demanding and difficult for aging RNs.
- Fund a study to explore what measures need to be adopted to keep RNs who are over 50 in the workforce.



- Find creative ways to utilize experienced nurses to educate, mentor and recruit new nurses into the profession.

ⁱ "Alaska Colleagues in Caring, Alaska Re-Licensure Survey for RNs, 1996, 1998, and 2000", October 2001

ⁱⁱ Id.

ⁱⁱⁱ ANA's Nurse Staffing and Patient Outcomes in the Inpatient Hospital Setting released in May of 2000.

^{iv} "Hospital Nurse Staffing and Patient Mortality, Nurse Burnout, and Job Dissatisfaction," by Linda Aiken, PhD, RN, et. al., is in the October 23/30, 2002, issue of JAMA. The study looked at 232,342 patients between the ages of 20 and 85 who underwent general surgical, orthopedic, or vascular procedures in 168 Pennsylvania hospitals from April 1, 1998 to November 30, 1999.

^v Labor Department's Bureau of Labor Statistics, in 1998.

^{vi} Id.

^{vii} Alaska Department of Labor and Workforce Development, Research and Analysis Section (April 9, 2002)

^{viii} Alaska Colleagues in Caring Nursing Employer Survey, 1998, 200, & 2002.

^{ix} Sec. 18.60.880. Needlestick and sharps injury protections for health care workers.



**LEGISLATIVE AFFAIRS AGENCY
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DATE: 5-12-03

TO: Rep. Peggy Wilson, House Finance Comm.

FAX: 465-3175 1 # pages, including cover sheet

RE: HB 211

FROM: George Paul

747-0673

MESSAGE: Thank you Peggy for HB211. There are a group of 9 of us here in Sitka starting a Nursing Program on Aug 25. It is being run by Weber St. in conjunction with U.A.S.-Sitka Campus. All of us are struggling with finances so if there is a way to help we would all appreciate it. ONCE again Thank You and you can tell I support this bill.

George Paul

Past Camp #1 A.N.B. President

and now "student"

To:
Senate Finance Committee Members
House Finance Committee Members
Senator Gury Stevens
Representative Dan Ogg

We appreciate all of your hard work on this bill and the exemption for Medical services. It is a tough job, we appreciate you doing it but unfortunately, we have to strongly disagree with your conclusions.

I (Pat) have been a conservative voter since I turned voting age in North Pole in 1960. While you profess to following a conservative philosophy it seems that you are not listening to the comments raised in objection to the sales tax and its impacts. After watching the teleconferences and listening to the few questions by asked by the membership, it seemed that you had already planned to press this issue through. Why not have an advisory vote on the Issue?

Our family still feels that this bill is unacceptable. It will cause undue hardships for smaller communities that already have a sales tax. It also disproportionately takes a larger portion of the income from folks that are retired or have low incomes. In your teleconferences you have heard opposition to this concept from most of the smaller municipalities in Alaska including our home of Kodiak as well as the Mayor Beigich of Anchorage.

If there is no option except for a sales tax then exempt communities of less than 25,000!

We believe that the graduated income tax is a much better option for raising money for State operations and it should have never been dropped! Boomers coming to Alaska and taking their money home should be taxed. A second but less desirable option is tapping the unencumbered earnings of the permanent fund.

Sincerely:

Patrick, Patricia, and Anron Holmes