



**STATEMENT OF THE**

**NEW YORK STATE NURSES ASSOCIATION**

**SUBMITTED TO THE**

**DIVISION OF BUDGET, PUBLIC HEARINGS**

**REGARDING THE 2008-2009**

**EXECUTIVE BUDGET**

**NOVEMBER 30, 2007**

Constituent of United American Nurses  
Constituent of the American Nurses Association

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# **Executive Budget Relating to Health Issues Public Hearings Regarding the 2008-2009 Executive Budget**

## **Statement by the New York State Nurses Association, submitted to the Division of Budget, Public Hearings Regarding the 2008-2009 Executive Budget, November 30, 2007.**

The New York State Nurses Association, which represents the interests of over 200,000 registered nurses and serves as the collective bargaining agent for more than 34,000 RNs at more than 150 facilities, including hospitals, nursing homes, clinics, home care agencies, hospices, schools, and public health agencies, is the oldest and largest professional organization for registered nurses in New York State. A key part of the Nurses Association's mission is to improve the public's health while advancing the nursing profession. This includes addressing New York's critical nursing shortage. The Nurses Association's top budget priorities, detailed below, support the Governor's goal of putting patients first by actively combating a growing nursing shortage and ensuring an adequate supply of skilled, competent nurses to care for those in need. Each of the Association's budget priorities reflects a concrete step toward increasing access to quality health care for all New Yorkers. The Nurses Association appreciates the opportunity to submit testimony on the Governor's upcoming budget as it relates to health issues.

### **SUPPORT FOR NURSING EDUCATION**

The health and well-being of New Yorkers and plans for health care reform are dependent upon the State's nursing workforce. Accordingly, the Governor's budget must address New York's inadequate supply of registered nurses. Building a stronger nursing workforce is a complex task that requires a complex solution. Recognizing this, the Nurse's Association suggests a three-pronged approach to enhancing nursing education to help solve the current shortage and ultimately expand access to care. The Association recommends that the Governor's budget support nursing education by allocating funds for the following: scholarships for nursing students, the expansion of nursing programs, and initiatives to better orient and retain RNs once they are employed by healthcare facilities.

### **SCHOLARSHIPS**

New York State's hospitals and nursing homes continue to face a worsening nursing shortage. The Health Resources Services Administration has predicted that New York State will have a shortage of 17,000 registered nurses by 2010 that is expected to grow to 30,000 by the year 2020. Causes of this shortage include but are not limited to:

- an aging workforce (average age of an RN is 47 in New York State and more than one-third are 55 or older);
- nurses leaving the profession altogether due to high rates of on-the-job injuries from years of manually lifting and repositioning patients, mandatory overtime policies, working in a short staffed environment, and frustration with administrative processes;
- growing demands for RNs to meet the needs of an aging population with longer life expectancy;
- the inability of New York's nursing education institutions to generate a sufficient supply of new nurses.

Despite the current shortage, the demand for new RNs continues to rise. According to the New York State Department of Labor, nursing is one of the top 25 occupations with the most openings. The Department of Labor projects that between 2002 and 2012 the number of RN jobs will increase by nearly 34,000. It is clear that New York must produce a greater number of newly licensed RNs to meet current shortages and future demands.

To increase entry into the profession and build a nursing workforce capable of meeting the healthcare needs of its residents, the State must provide scholarship incentives to potential nursing students. The average age of a nursing student is 31, and adult learners often have outstanding personal debt (cars, homes, childcare, and college loans) that makes the pursuit of higher education an unmanageable financial burden. With the additional expenses unique to nursing students, such as the purchase of

uniforms and transportation to clinical sites, the need for financial support is even greater. Because the nursing student population is largely comprised of non-traditional students, an infusion of funds is critical to helping these individuals enroll in programs.

The Nurses Association urges the Governor to make nursing education a priority in the 2008-2009 Executive Budget and requests that approximately \$7.7 million be allocated for nursing scholarships.

### **EXPANSION OF NEW YORK'S NURSING EDUCATION INFRASTRUCTURE**

While we know that the demand for nursing education programs has increased over recent years, there are still not enough programs to meet that growing need. New York's nursing programs have limited capacity.

- An increasing number of qualified applicants are being turned away from nursing education programs.
- A July 2006 report issued by the Center for Public Health Workforce Studies shows that nursing schools continue to turn away qualified applicants at an alarming rate: 67% of nursing schools reported turning away qualified applicants, an increase of 10% from the previous year.

A large number of nursing programs cite a lack of qualified faculty, clinical training sites, and classroom space as reasons for turning away potential RNs. While leaders in nursing education recognize the need to expand capacity, the reality is that nursing education is a high-cost program of study. The creation and maintenance of laboratory space as well as the need for low student-faculty ratios for clinical teaching render the expansion of nursing education cost-prohibitive for many colleges and universities that need to make difficult decisions about what programs to offer.

If New York is to find a long-term solution, the supply of new RNs must match the demand. Despite renewed interest in RN education programs, capacity limits and program closures have kept the production of newly licensed RNs from keeping pace with the escalating demand, increasing the likelihood that the RN shortage in New York State will worsen. For this reason, the Nurses Association urges the Governor to take action to expand New York's nursing educational infrastructure and increase the State's capacity to educate an adequate supply of nursing students. Last year, the Legislature allocated approximately \$1 million in new money to assist independent colleges and universities to expand and improve their nursing education programs. The Nurses Association urges the Governor to include a significant investment in public schools of nursing in the 2008-2009 Executive Budget by allocating \$4 million for SUNY nursing education programs and \$4 million for CUNY nursing education programs. We recommend that these funds be designated exclusively for the expansion of existing programs or creation of new nursing education programs within the SUNY and CUNY systems.

### **NURSING RESIDENCY/INTERNSHIP PROGRAMS**

A key contributing factor to the nursing shortage in New York State is high turnover rates due to job dissatisfaction. New graduates, who face the challenge of developing the necessary skills and expertise to become effective practitioners in a short period of time, are among those prone to exiting the profession prematurely.

Nurse residencies, which provide further training, education, and professional development opportunities, have been recommended as a strategy to increase the retention of new graduate nurses, while also ensuring that patients receive quality care delivered by skilled and confident nurses. The overarching goal of implementing a nurse residency program is the retention of highly qualified nurses who will have a positive impact on patients.

Recognizing that nursing education extends beyond colleges and universities and into practice settings, a public policy action plan devised by the Joint Commission on Accreditation of Healthcare Organizations recommends nurse residency programs as a means for providing new nurses opportunities to further develop their skills in clinical settings, similar to physician residency programs (2003). The implementation of strategies such as the nurse residency program is vital because the high turnover rate of new graduates worsens the existing shortage, decreases the quality of care and is detrimental to the health and welfare of New Yorkers.

Additionally, nurse residencies and the subsequent retention of nurses saves money. Despite the cost of nurse residency programs, the research shows that they are a fiscally sound investment as the costs of program development and implementation are more than compensated for by the return on investment. A 2001 study in the Journal of Nursing Administration found a 67.3% return on investment for a six-month nurse internship program that included an average of 716 hours of guided clinical experience with a one-to-one preceptor, clinical experiences in a variety of areas of the hospital, and an average of 224.5 hours of classroom time that included hands-on laboratory training (Beecroft, Kunzman, & Krozek).

In an ongoing commitment to improving the public's health by promoting safer working conditions and the development of a stronger, more highly qualified nursing workforce, the Nurses Association welcomes the opportunity to further explore, with the Governor, a pilot program for nurse residencies. The Association urges the Governor to include funding for the development of a pilot nurse residency program in the 2008-2009 Executive Budget.

By making the above three-pronged investment in nursing education, the Executive Budget would play an integral role in helping to alleviate the growing nursing shortage while ensuring access to quality health care for all New Yorkers. An investment in nursing education is an investment in New York's patients.

## **MEDICAID FUNDING**

Many New Yorkers depend on the Medicaid program for vital healthcare services. While we agree with the Governor that New York's healthcare system is in need of serious reform, the Nurses Association is concerned that 'reform' will simply mean cuts to vulnerable New Yorkers and those institutions that provide their care. The Nurses Association is concerned that cuts to hospitals and nursing homes would severely limit access to care and endanger patient safety. Many facilities across the state are struggling to care for the uninsured or underinsured with fewer resources. Combined with the actions of the "Hospital Closure Commission," Medicaid cuts, if enacted, would result in fewer access points to quality care for the state's most vulnerable citizens.

Facilities react to reimbursement cuts by reducing direct-care staff, including nurses. Having fewer nurses on staff compromises the quality of care patients receive. Without laws or regulations in place to set staffing standards or ban mandatory overtime, less money for hospitals would likely result in staff cutbacks and a riskier environment for patients.

## **OFFICE OF THE PROFESSIONS**

The Nurses Association opposes any sweep of professional licensure funds. These funds originate from fees paid by nurses and other professionals who have demonstrated competence to practice their profession safely and effectively. The Office of the Professions oversees the licensure of 47 professions and does so with a staff and fee schedule that has remained unchanged for over 15 years. In addition to protecting the public through the licensure of professions, the Office of the Professions is currently increasing its enforcement efforts aimed at stopping unlicensed individuals from illegally practicing a profession. The office will need all available resources to ensure that this effort to protect the public from harm is successful.

As you continue your deliberation on the state budget, the New York State Nurses Association urges you to consider the above budget priorities as a means to ensuring that New Yorkers' access to quality healthcare is not lost in efforts to contain costs.

For more information, contact the New York State Nurses Association Governmental Affairs Department at **518.782.9400, ext. 283** or by email, [legislative@nysna.org](mailto:legislative@nysna.org).