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Nursing Workforce Programs in Title VIII of the Public Health Service Act

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March 10, 2005

Abstract. This report examines the legislative, programmatic, and funding aspects of Title VIII. It describes the registered nurse workforce, and requirements for education and licensing in the nurse workforce, as these relate to Title VIII. In the 108th Congress, legislation to reauthorize or amend Title VIII was introduced but did not become law. The 109th Congress may see similar proposals introduced to reauthorize or support Title VIII. A list of relevant legislation is provided.

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Nursing Workforce Programs in Title VIII of the Public Health Service Act

Summary

Responding to concerns about existing or impending shortages of nurses, Congress passed the Nurse Training Act of 1964 (P.L. 88-581). It established in Title VIII of the Public Health Service Act (PHSA) the first comprehensive federal support for programs to develop the nursing workforce. Through subsequent authorizations, these programs have been amended to increase opportunities in nurse education and training for individuals and institutions. Currently, Title VIII authorizes grants to institutions, and scholarships and loans to individuals, for basic and advanced levels of nursing education and training. Programs and authorities in Title VIII are administered by the Bureau of Health Professions (BHP) in the Health Resources and Services Administration (HRSA) of the Department of Health and Human Services (HHS).

Congress passed the Health Professions Education Partnerships Act of 1998 (P.L. 105-392) and the Nurse Reinvestment Act of 2002 (P.L. 107-205). Under Title VIII, programs for Basic Nurse Education and Practice, Advanced Education Nursing, Nurse Education Practice and Retention and Nursing Workforce Diversity have received continuous support since 1998. The 2002 law reauthorized some of these programs and created new ones, including the programs for Nurse Faculty Loans and Comprehensive Geriatric Education. Still, a number of programs in Title VIII are due for reauthorization.

In 2002, the HHS reported on the supply of, demand for, and shortage of registered nurses in the United States and projected that shortages are likely to increase through 2020. In 2000, 2002, and 2003, the National Advisory Committee on Nursing Education and Practice (NACNEP), a federal advisory committee, made recommendations to the Secretary and Congress. According to NACNEP, the first priority in alleviating the anticipated nursing shortage should be to ensure that an adequate number of qualified faculty are available to teach prospective nurses.

This report examines the legislative, programmatic, and funding aspects of Title VIII. It describes the registered nurse workforce, and requirements for education and licensing in the nurse workforce, as these relate to Title VIII. In the 108th Congress, legislation to reauthorize or amend Title VIII was introduced but did not become law. The 109th Congress may see similar proposals introduced to reauthorize or support Title VIII. A list of relevant legislation is provided.

This report will be updated as events warrant.

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Nursing Workforce Programs in Title VIII of the Public Health Service Act

Introduction

In 1964, responding to concerns about existing or impending shortages of nurses, Congress passed the Nurse Training Act (P.L. 88-581). It established in Title VIII of the Public Health Service Act (PHSA) the first comprehensive federal support of programs to develop the nursing workforce. The Nurse Training Act consolidated in Title VIII existing nursing programs with newly established authorities, creating construction grants to nursing schools, a student loan program, education grants, and traineeships for advanced nursing practice.

Through subsequent authorizations, these programs have been amended to increase opportunities in nursing education and training programs for individuals and institutions. Currently, Title VIII authorizes grants to institutions for activities at basic and advanced levels of nursing education as well as scholarships and loans to individuals at all levels of nursing. Programs in Title VIII are administered by the Bureau of Health Professions in the Health Resources and Services Administration (HRSA) of the Department of Health and Human Services (HHS).

Congress created the National Advisory Council on Nurse Education and Practice (NACNEP) in the Health Professions Education Partnerships Act of 1998 (P.L. 105-392) to advise the federal government on policy for Title VIII. NACNEP recommends that the first priority in alleviating the anticipated nursing shortage should be to ensure that an adequate number of qualified faculty are available to teach prospective nurses. Shortages of nursing school faculty; slow growth in enrollments in nursing schools; fewer new nurses entering the profession; slow growth rate in the total population of registered nurses (RNs); job burnout and dissatisfaction among practicing nurses; and high nurse turnover and vacancy rates are among the many challenges confronting the nursing profession, according to the American Association of Colleges of Nursing (AACN).

This report examines the legislative, programmatic, and funding aspects of nursing workforce programs in Title VIII. In the 108th Congress, legislation to reauthorize or amend Title VIII was introduced but did not become law. Since some authorizations are expired but funded, the 109th Congress may see similar proposals introduced to reauthorize or amend Title VIII. In previous years, programs in Title VIII have been reauthorized simultaneously with programs in Title VII of the PHSA. Title VII authorizes support for all other health professions except for nursing. Several programs in Title VII are overdue for authorization. A list of relevant legislation is provided. This report will be updated as events warrant.

Legislative History

Title VIII of the PHSA authorizes funding for federal programs and activities in nursing education to develop the nursing workforce. Nurses aides, licensed practical nurses and registered nurses constitute this workforce. Although a smattering of federal initiatives for nursing education and training were in place prior to the 1960s, the first comprehensive federal legislation to consolidate such programs was enacted in the Nurse Training Act of 1964 (P.L. 88-581). This Act was a response to a 1963 report of the Surgeon General’s Consultant Group on Nursing. The report, *Toward Quality in Nursing, Needs and Goals*, anticipated a shortage of nurses and recommended that the supply of nurses be increased from a total of 550,000 professional nurses in practice, to a total of 850,000 by 1970.¹ The Act consolidated in Title VIII previously established programs supporting grants and traineeships for basic and advanced nurse education. Also, the Act added to Title VIII newly created programs for construction grants to nursing schools; a student loan program; education grants; and traineeships for advanced nursing practice.

Subsequently, Title VIII was amended or reauthorized in 1965 (P.L. 89-290); 1966 (P.L. 89-751); 1968 (P.L. 90-490); 1970 (P.L. 92-52); 1971 (P.L. 92-158); 1975 (P.L. 94-63); 1976 (P.L. 94-484); 1979 (P.L. 96-76); 1981 (P.L. 97-35); 1985 (P.L. 99-92); 1988 (P.L. 100-607); 1992 (P.L. 102-408); 1998 (P.L. 105-392); and 2002 (P.L. 107-205). During the period from mid-1960s through the mid-1970s, Title VIII provided for construction grants to nursing education, capitation grants (grants to schools based on the number of students enrolled), and support in the form of loans and scholarships to all types of nurse education settings, including diploma schools of nursing.

In 1979, Congress expressed concerns about the role of the federal government in supporting nurse education programs. Should the federal government provide institutional support? Was there actually a shortage of nurses? Should students bear the entire cost of their nursing education? How should legislators address increasing nursing specialization and unequal geographic distribution of nurses? According to a congressional report, these questions and the “insufficient and contradictory” information about the supply and distribution of nurses led to reauthorization of Title VIII for only one year. In P.L. 96-76, Congress directed the Institute of Medicine (IOM) to study the maldistribution of nurses in medically underserved areas and the reasons why nurses leave the profession.² In its report to Congress, *Nursing and Nursing Education: Policies and Private Actions*, the IOM found that federal support to increase the overall supply of nurses was not needed, but that generalist education programs should continue to help sustain the nursing supply. The IOM further recommended that federal, state, and private actions were needed to alleviate certain shortages and the maldistribution of nurses.³

¹ U.S. Department of Health, Education, and Welfare, “Toward Quality in Nursing, Needs and Goals,” *Report of the Surgeon General’s Consultant Group on Nursing*, Feb. 1963.

² *U.S. Code Congressional, and Administrative News*, Legislative History of Nurse Training Amendments of 1979, P.L. 96-76, pp. 1264-1265.

³ U.S. Institute of Medicine (IOM), *Nursing and Nursing Education: Public Policies and* (continued...)

In the Omnibus Budget Reconciliation Act of 1981 (P.L. 97-35), Congress authorized and extended to 1984 some programs for nurse education and training, while it repealed others. Repeals of programs for nursing education continued under the Nurse Education Amendments of 1985 (P.L. 99-92). The 1985 law repealed construction grants; loan guarantees for construction grants; capitation grants (to schools based on the number of students enrolled); financial distress grants (to prevent nursing school closures); and scholarships at schools of nursing. By the end of the 1980s, several Title VIII authorities that were established in the 1960s and 1970s had been repealed.

Amid continued concerns about the shortage of registered nurses, Congress set new priorities for Title VIII in the Health Omnibus Program Extension of 1988 (P.L. 100-607).⁴ Funding priorities placed greater emphasis on innovative practice models in home health care and nursing homes, long-term care nursing demonstrations and traineeships for advanced nurse education. These replaced the earlier institutional models for institutional support, such as grants for construction and capitation. Also, in 1988, Congress created the National Advisory Council on Nurse Education (NACNE) directing the group to evaluate the effectiveness of projects supported through Title VIII. Existing programs for advanced nurse education (including nurse practitioners, midwives, and anesthetists) were revised and extended. In 1992, the Nurse Education and Practice Improvement Amendments (P.L. 102-408) reauthorized Title VIII adding requirements for special projects to establish career ladders for nursing assistants and other pre-professional nurses, and extending other authorities to increase opportunities for professionals in pursuing leadership roles in advanced nurse education.⁵

The 1998 reauthorization of Title VIII, the Health Professions Education Partnerships Act of (P.L. 105-392), increased support of activities for basic and advanced nursing education through scholarship and grants programs. In addition, institutions received funding preferences for projects offering “substantial benefit” to meet public health nursing needs to medically underserved populations.⁶ Also, the 1998 reauthorization created the National Advisory Council on Nursing Education and Practice (NACNEP) which supersedes the former National Advisory Council on Nurse Education. Today, NACNEP is a body of nursing professionals representing academic and non-academic entities. NACNEP’s key function is to provide advice and recommendations to the Secretary of HHS and Congress about federal policy for

³ (...continued)

Private Actions, 1983, at [<http://books.nap.edu/books/0309033462/html/2.html#pagetop>].

⁴ U.S. Congress, Senate Committee on Labor and Human Resources, *Nurse Education Reauthorization Act of 1988*, “Health Omnibus Programs Extension of 1988” (P.L. 100-607), 100th Cong., 2nd sess., S.Rept. 100-476 (Washington: GPO, 1988), p. 9.

⁵ U.S. Congress, House Committee on Energy and Commerce, *Health Professions Education Extension Amendments of 1992*, 102nd Cong., 2nd sess., H.Rept. 102-925 (Washington: GPO, 1992), pp. 1426-1429.

⁶ U.S. Congress, Senate Committee on Labor and Human Resources, *Health Professions Education Partnerships Act of 1998*, 105th Cong., 2nd sess., S.Rept. 105-22, (Washington: GPO, 1998), p. 9.

nursing education and practice as these affect the nursing workforce, particularly programs and activities established in Title VIII. (See section on NACNEP).

In 2002, the Nurse Reinvestment Act (P.L. 107-205) amended Title VIII, adding three new authorities: National Nurse Service Corps; Comprehensive Geriatric Education; and, Public Service Announcements. The Act extended and revised authority for the Basic Nurse Education and Practice Grants and Loan Repayment programs. Also, the 2002 law revised funding priorities for Nurse Education, Practice and Retention Grants. Other provisions in the law support institutions to train individuals for masters and doctoral degrees, combined registered nurse(RN)/master's degrees, post-nursing master's certificates, and nurse-midwife certificates (see, Title VIII Programs).

Title VIII authorities that were reauthorized in the 1998 law expired in 2002. Some were revised and extended in the 2002 law. Some were not, but still receive appropriations. A list of Title VIII authorities, current and expired, are listed in **Table 1**.

Table 1. Authorizations and Expiration Dates in Title VIII of the PHSA

Authorization	Expiration
Grants for Health Disparities and Cultural Competency (P.L. 105-392)	2002
Advanced Education Nursing Grants (P.L. 105-392)	2002
Workforce Diversity Grants (P.L. 105-392)	2002
Basic Nurse Education and Practice Grants (extended in P.L. 107-205)	2007
National Advisory Council on Nurse Education and Practice (P.L. 105-392)	Indefinite
Nurse Faculty Loans Programs (as amended in P.L. 107-205)	2007
National Nurse Service Corps (established in P.L. 107-205)	2007
Public Service Announcements (established in P.L. 107-205)	2007
Comprehensive Geriatric Education (established in P.L. 107-205)	2007

Title VIII Programs

Programs for nursing education are administered by the Bureau of Health Professions (BHP) of the Health Resource and Services Administration (HRSA) of the Department of Health and Human Services (HHS). The programs are codified under Title VIII of the PHSA. A brief description of each program follows.

Part A — General Provisions. (Sections 801-810) This part defines terms used under this title, requirements to be included in applications, and the general use of funds. Eligible entities are schools of nursing, nursing centers, academic health centers, state or local governments, and other public or private nonprofit entities

determined appropriate by the Secretary of HHS. Preference is given to applicants with projects that will substantially benefit rural or underserved populations, or that help meet public health nursing needs in state or local health departments. Grants are awarded on a competitive basis to carry out innovative demonstration projects or to provide for strategic workforce supplementation activities.

Under Section 807, the Secretary is authorized to award grants for research and demonstration projects for continuing training and education for the reduction of disparities in health care outcomes and the provision of culturally competent health care. This program has not been funded. HRSA's Office of Minority Health has established a Cultural Competence Initiative to promote and incorporate cultural competence in all HRSA policies and programs.

Part B — Nurse Practitioners, Nurse Midwives, Nurse Anesthetists, and Other Advanced Education Nurses. (Sections 811-815) This part authorizes support to institutions in three programs: (1) the advanced education nursing grant program; (2) the nurse anesthetist traineeship program; and (3) the advanced education nursing traineeship program.

Under the advanced education nursing grant program, grants are awarded to institutions for master's and doctoral programs, combined RN/master's degree programs, and post-master's certificate programs. Grants may also be awarded for certificate programs for nurse practitioners, clinical nurse specialists, nurse-midwives, nurse anesthetists, nurse educators, nurse administrators, public health nurses, or in other nurse specialties that require advanced education. Funds may be used for personnel salaries, consultant fees, supplies and equipment, travel expenses and other project-related costs. Indirect costs are allowed for administrative costs of the project, limited to 8% of direct costs.

The nurse anesthetist traineeship program awards grants to eligible institutions to provide direct financial support to licensed registered nurses enrolled as full-time students beyond the 12th month of study in a master's nurse anesthesia program. These funds may be used to pay all or part of the costs of tuition, books, fees, and reasonable living expenses. Traineeship recipients are selected by the participating institution. Indirect costs and trainee travel are not allowed.

The advanced education nursing traineeship program provides grants to institutions for registered nurses enrolled in advanced education nursing programs to prepare nurse practitioners, clinical nurse specialists, nurse midwives, nurse anesthetists, nurse administrators, nurse educators, public health nurses, and nurses in other specialties determined by the Secretary to require advanced education. Grant funds can only be used to pay the costs of tuition, books, fees, and reasonable living expenses. Not more than 10% of traineeship funds may be used for nurses in doctoral degree programs. Indirect costs and trainee travel are not allowed. Graduate students are limited to 36 months of support. Support is provided to nurse anesthetist students only during their first year.

Part C — Increasing Nursing Workforce Diversity. (Section 821) Grants are awarded to eligible entities for special projects to increase nursing education opportunities for individuals from disadvantaged backgrounds by providing student

scholarships, stipends, pre-entry preparation, and retention activities. Such individuals include racial and ethnic minorities underrepresented among registered nurses.

Nursing workforce diversity grants may be used for personnel salaries, consultant fees, supplies and equipment, essential travel expenses, and student stipends or scholarships. Indirect costs are allowed for administrative costs of the project, limited to 8% of direct costs exclusive of equipment, tuition, and fees. Stipends are \$250 per month for full-time students, and scholarships are limited to \$7,000 per student per year for upper-division nursing students. Funds are not to be used for a dependent's allowance.

Part D — Strengthening Capacity for Basic Nurse Education and Practice. (Section 831) This part establishes three priority areas in which grants may be awarded to entities to respond to the nursing shortage and increase the number of registered nurses. Those areas are *education, practice, and retention*.

An eligible entity under this part is a school of nursing, health care facility, or a partnership of such school or facility. Under the *education* priority area, grants are awarded to eligible entities to: (1) expand enrollment in baccalaureate nursing programs; (2) develop and implement internship and residency programs to encourage mentoring and the development of specialities; or (3) provide education in new technologies, including distance-learning methodologies.

Grants are awarded under the *practice* priority area to: (1) establish or expand nursing practice arrangements (nurse managed centers) in noninstitutional settings to demonstrate methods to improve access to primary health in medically underserved communities; (2) provide education and training for nursing care to such groups as: underserved populations and other high-risk groups including the elderly, HIV/AIDS patients, substance abusers, homeless, and domestic violence victims; (3) provide managed care, quality improvement, and other skills needed to practice in organized health care systems; or (4) develop cultural competencies among nurses.

The *retention* priority area grants are awarded to eligible entities to carry out career ladder programs and to enhance patient care delivery systems. The career ladder program promotes nurse advancement in a variety of training settings and assists individuals in obtaining education and training required to enter and advance within the nursing profession. The program to enhance patient care delivery systems seeks to improve the retention of nurses that is directly related to nursing activities through collaboration and communication among nurses and other health care professionals, and by promoting nurse involvement in the organizational and clinical decision-making processes of a health care facility.

Funds under this part may be used for personnel salaries, consultant fees, supplies and equipment, essential travel expenses, and other related expenses. Indirect costs are allowed for administrative costs of the project, limited to 8% of direct costs exclusive of equipment, tuition, and fees.

Part E — Student Loans. (Sections 835-846A) This part authorizes nursing student loans and loan repayment and scholarship programs to individuals and

institutions. The nursing student loan program provides long-term, low-interest rate loans to financially needy students pursuing studies leading to a diploma, associate, baccalaureate or graduate degree in nursing. Participating schools select loan recipients and determine the amount of loan assistance. Loans have a maximum of \$2,500 for an academic year, \$4,000 for each of the final two years, or the amount of the student's financial need, whichever is less.

Under the nursing education loan repayment program, payments are made on the principal and interest of education loans of registered nurses who agree to serve at a health care facility with a critical shortage of nurses. Repayments may not exceed 85% of the loan over a three-year period.

The nurse scholarship program provides scholarships to nursing students in return for their agreement to work for at least two years at a health care facility with a critical shortage of nurses.

The nurse faculty loan program establishes a student loan fund in participating nursing schools to assist registered nurses to become nursing faculty. Maximum loan amounts cannot exceed \$30,000 for an academic year. The program has a provision in which 85% of the loan may be cancelled over four years in return for service as full-time faculty in a nursing school.

Part F — Funding. (Section 841) Appropriations are authorized to carry out Parts B, C, and D. The Secretary is required to determine a methodology for allocating funds using specified factors.

Part G — National Advisory Council on Nurse Education and Practice. (Section 845) The National Advisory Council on Nurse Education and Practice (NACNEP) is established to provide advice and recommendations to the Secretary and the Congress relating to policy matters under this title. While NACNEP is established in Title VIII, responsibilities and requirements for federal advisory committees are established in Title X of the PHSA.

Part H — Public Service Announcements. (Sections 851-852) The Secretary is required to issue public service announcements that advertise and promote the nursing profession. The Secretary may award grants to state and local entities for the same purpose. This program has not been funded, but HRSA officials report that they work closely with private organizations to fulfill this need.

Part I — Comprehensive Geriatric Education. (Section 855) Under the comprehensive geriatric education program, grants are made to eligible entities to train individuals in providing geriatric care for the elderly. This program is coordinated with programs under Section 753 (education and training relating to geriatrics). Eligible entities include schools of nursing, health care facilities, programs leading to certification as certified nurse assistants, or partnerships of schools and facilities, or programs and facilities. Indirect costs are allowed for administrative costs of the project, limited to 8% of direct costs. Trainee expenses are not allowed.

Other Federal Nursing Programs

In addition to Title VIII, other authorities are established in the PHSA to support nursing education and training. HHS oversees the administration of these programs.

- National Health Service Corps (NHSC), Scholarship and Loan Repayment Programs (Title III), which seek to improve the distribution of nurses in health professional-shortage areas. The NHSC is administered by HRSA;
- Extramural Loan Repayment for Individuals from Disadvantaged Backgrounds, which encourages the recruitment and retention of qualified nurses and other health professionals from disadvantaged backgrounds to conduct clinical research (Title IV). This program is administered by the National Institutes of Health (NIH); and,
- Nursing Research (Title IV), which supports comprehensive research training programs to prepare nursing professionals to conduct nursing research. This program is administered by NIH.

In addition, Section 1886(l) of Medicare law in the Social Security Act, authorizes Medicare payments to hospitals for nursing education. For FY2004, the Medicare program will make payments of approximately \$270 million to hospitals, and for FY2005, about \$290 million, for nurse education activities.⁷

Funding for Title VIII Programs

In FY2005, six programs receive appropriated funds. Two programs, Advanced Education Nursing and Nursing Workforce Diversity, are expired but receive appropriations. An expired authorization, “Grants for Health Disparities and Cultural Competency,” was never funded, and funds were never appropriated to the currently authorized “Public Service Announcements.” NACNEP is an advisory group bound by requirements established by the Federal Advisory Committee Act (FACA). It has no direct appropriation. Instead, the Secretary is authorized to allocate funds from Title VIII to support NACNEP’s activities for nurse education and training.⁸ (See Appropriations, **Table 2**, below).

⁷ Telephone communication with Heath Westcott, Policy Analyst, Division of Acute Care, Center for Medicare and Medicaid Services, Feb. 2005. The line item for this payment is “Nursing and Allied Health Professional Education.”

⁸ 42 U.S.C. § 297t.

Table 2. Appropriations for Title VIII Authorizations, FY1998-FY2005 (est.)
(dollars in thousands)

Program	FY1998	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005 ^a	FY2006 ^b est.
Health Disparities and Cultural Competency ^b (Section 807)	0	0	0	0	0	0	0	0	0
Advanced Education Nursing (Section 811)	48,693	50,581	50,587	59,045	60,018	50,174	58,636	58,636	42,806
Nursing Workforce Diversity (Section 821)	3,860	4,009	4,009	4,673	6,172	9,935	16,402	16,402	21,244
Nurse Education Practice and Retention (Section 831)	10,549	10,965	10,966	12,790	16,283	26,825	31,769	36,765	46,325
Loan Repayment and Scholarship Program (Section 846(a)) ^c	2,199	2,278	2,279	7,279	10,235	19,870	26,736	31,738	31,369
Nursing Faculty Loan Program (Section 846A) ^d	0	0	0	0	0	2,980	4,870	4,870	4,821
Public Service Announcements (Section 851) ^e	0	0	0	0	0	0	0	0	0
State and Local Public Service Announcements (Section 852) ^e	0	0	0	0	0	0	0	0	0
Comprehensive Geriatric Education (Section 855) ^e	0	0	0	0	0	2,980	3,478	3,478	3,426
Total appropriations	65,301	67,833	67,841	83,787	92,708	112,764	141,891	151,889	149,991

Source: Justifications of Estimates for Appropriations Committees, FY2000 thru FY2005, except where noted.

a. Conference Report on the Consolidated Appropriations Act, 2005 (H.R. 4818, H.Rept. 108-792, P.L. 108-447). Reflects FY2005 Conference Report levels prior to any rescissions mandated in P.L. 108-447.

b. HHS. HRSA. *FY2006 Justification of Estimates for Appropriations Committees*, pp. 166-182.

c. Authorized in P.L. 105-392; remains unfunded.

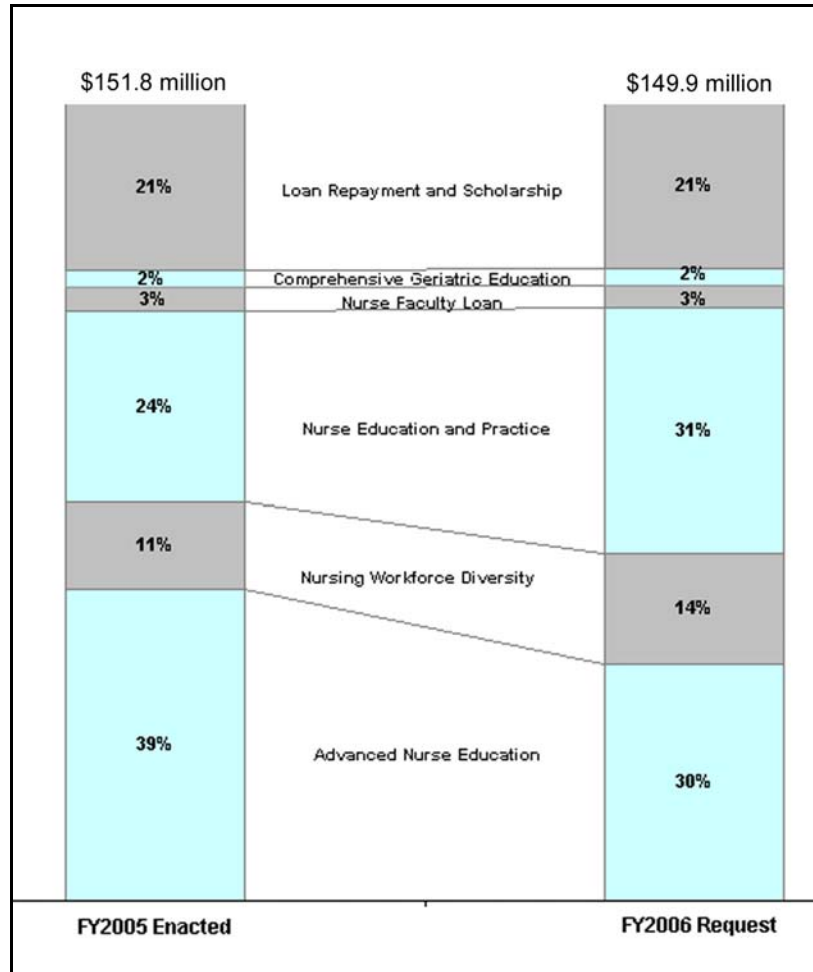
d. Includes Loan Repayment Program authorized in P.L. 105-392 and National Nurse Service Corps created in P.L. 107-205.

e. Authorized in P.L. 105-392.

f. Authorized in P.L. 107-205.

Almost two-thirds of FY2005 appropriations are distributed to two programs: Advanced Nurse Education (39%) and Loan Repayment and Scholarship (21%) (**Figure 1**). The FY2006 President’s budget proposes to target the largest share of funding to Nurse Education and Practice (31%) and Loan Repayment and Scholarship programs (21%) (refer to Appropriations, **Table 2**).

Figure 1. Title VIII Funding: Distribution by Program, FY2005-FY2006



Source: HHS, HRSA FY2006 Justification of Estimates for Appropriations Committees.

Note: The total appropriation for FY2005 is \$151.8 million; the FY2006 request is \$149.9 million. Elements may not total 100% due to rounding.

Title VIII appropriations support the education and training of individuals at all levels of professional nursing. **Table 3** provides a complete list of FY2003 (most recent information available) grants to institutions and special projects awarded under Title VIII. **Table 4** lists the awards made to individuals from FY2003 and estimates for FY2004 and FY2005.

Table 3. Title VIII: Grants to Institutions and Special Projects, FY2003

	New awards	Continuation awards	Total awards
Advanced education nursing	36	97	133
Nursing workforce diversity	20	25	45
Basic nurse education and practice ^a	14	43	57
Nurse education, practice, and retention ^b	40	0	40
Comprehensive geriatric education	17	0	17
Total	127	165	292

Source: HHS, FY2003 Awards Summary for Program Grants, the most recently available at [http://bhpr.hrsa.gov/nursing/AACN/aacn32004_files/frame.htm#SLIDE0170.HTM].

a. Authorized in P.L. 105-392.

b. Authorized in P.L. 107-205.

Table 4. Title VIII: Loan Repayment and Scholarship Awards to Individuals, FY2003-FY2005

	FY2003	FY2004 (est.)	FY2005 (est.)
Number of loan repayment awards	602	863	807 ^a
Number of scholarship awards	81	118	275

Source: FY2005 HHS, HRSA, Justification of Estimates for Appropriations Committees.

a. Increased administrative costs reduced the number of contract awards for FY2005, according to HHS.

Description of Nurse Education

A registered nurse is an individual who has successfully completed a qualified program in nursing education and has passed the licensing exam for nurses. An individual may pursue one of three educational paths to entry-level professional nursing: a nursing diploma, an associate's degree or a baccalaureate degree. After obtaining basic educational qualification, an individual may pursue an advanced degree or professional certification. Title VIII supports all of these levels of nursing education and training.

Basic Nurse Education

Diploma programs, administered in hospitals, take about three years to complete. Associate degrees in nursing, offered by community and junior colleges, take about two to three years to complete. A bachelor of science in nursing (BSN) degree takes about four years to complete. Nursing education includes classroom instruction and supervised clinical experience in hospitals and other health care facilities. The typical supervised clinical experience is provided in hospital departments such as pediatrics, psychiatry, maternity, and surgery. After completing academic and experience requirements, an individual is qualified to sit for the professional licensing exam to become a registered nurse. The National Council Licensure Examination (NCLEX-RN) is the national licensing exam for registered nurses. The exam is administered by the National Council of State Boards of Nursing (NCSBN), a not-for-profit organization whose membership comprises the boards of nursing in the 50 states, the District of Columbia, and five United States territories (American Samoa, Guam, Northern Mariana Islands, Puerto Rico, and the Virgin Islands).

Accelerated BSN programs are available for individuals who have a bachelor's or higher degree in another field and who are interested in moving into nursing. Accelerated BSN programs last 12 to 18 months and provide the fastest route to a BSN for individuals who already hold a degree. Accelerated master's degree programs in nursing also are available and take about three years to complete. In 2004, more than 170 accelerated programs were available in the United States.⁹

Advanced Nurse Education

For professional nurses who are interested in obtaining an advanced degree, a master's degree in nursing prepares the professional to be an advanced practice nurse. An advanced nurse may provide care as a nurse practitioner, clinical nurse specialist (cardiology or oncology), certified nurse midwife, or nurse anesthetist.

Nurses may obtain doctoral degrees to work in higher education or research. Advanced practice nurses prepare for the doctoral degree by fulfilling educational and research requirements established by the university.

Registered Nurse Workforce

Registered nurses comprise the largest health care occupation, occupying a little more than 2 million (full-time equivalent) positions in 2004, according to the Department of Labor.¹⁰ Almost three out of five registered nurses work in hospitals. Others are employed in physicians' offices, nursing care facilities, home health care

⁹ Personal communication with Debbie Campbell, Director of Government Affairs, AACN, Jan. 3, 2005.

¹⁰ U.S. Department of Labor, Bureau of Labor Statistics, *Occupational Outlook Handbook*, "Registered Nurses," at [<http://stats.bls.gov/oco/ocos083.htm>].

services, employment services, government agencies, and outpatient care centers, among other settings.

Demand and Supply

According to a 2002 survey by the National Center for Health Workforce Analysis at HRSA, demand for registered nurses is expected to grow in all employment settings, but demand in some settings could occur more rapidly than in others. Consequently, the distribution of demand will change according to the setting of practice. HRSA comments:

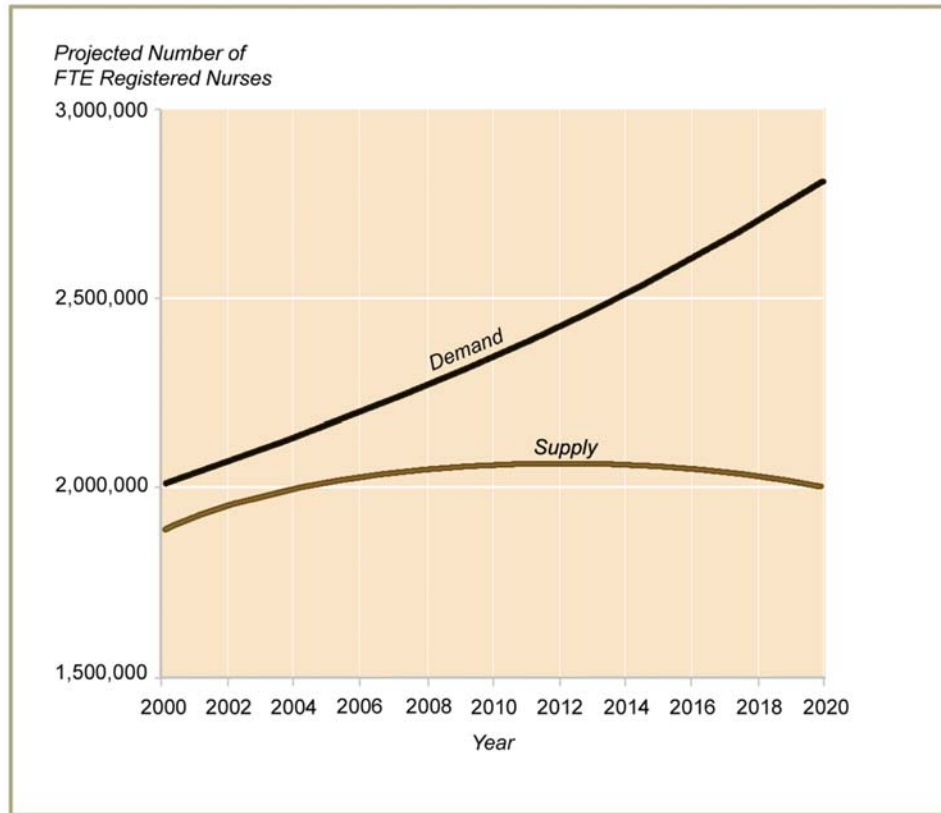
Hospitals have been and will continue to be the major source of demand for RNs but while the total number of nurses in hospitals will continue to grow, the hospital sector's share of total RN employment will remain stable at about 62 percent. Employment settings closely associated with service to the elderly are projected to increase their share of the total demand for RNs. For example, the demand for RNs in nursing homes is projected to increase from 8 percent of total demand in 2000 to 10 percent in 2020. Similarly, growth in the home health care sector will result in an increase in demand for RNs from 6.5 percent to 9 percent of total RN demand. These increases will naturally be offset by a corresponding decline in the proportion of demand in ambulatory and other settings.¹¹ [Other settings include occupational nursing, nursing education, and school nurses.]

The National Center for Health Workforce Analysis projects that a total of 2.16 million nurses would be needed in 2005 compared to a projected supply of 2.01 million (on a full-time equivalent basis), indicating a shortfall of almost 150,000 FTE registered nurses.¹² Under current assumptions, the shortage of nurses is expected to grow through 2020. Growth rates in demand for FTE registered nurses contrasted with negative growth in supply results in a growing shortage of FTE registered nurses beginning in 2014 through 2020 (see **Figure 2**). A data table for this figure is in the **Appendix**.

¹¹ HHS, HRSA, BHPPr, National Center for Health Workforce Analysis, July 2002, at [<http://bhpr.hrsa.gov/healthworkforce/reports/rnproject/report.htm#chart1>].

¹² Ibid.

Figure 2. National Supply and Demand Projections for Full-Time Equivalent Registered Nurses, 2000-2020



Source: HHS, HRSA, *Projected Supply, Demand, and Shortages of Registered Nurses, 2000-2020*.

Note: Vertical axis does not start at 0.

Advanced Practice Nursing

Title VIII programs support all types of education and training for advanced practice nurses. Advanced practice nursing is an umbrella term appropriate for a licensed registered nurse prepared at the graduate degree level as either a Nurse Practitioner, Clinical Specialist, Nurse-Midwife, or Nurse Anesthetist. Advanced Practice Nurses (APNs) are professionals with specialized knowledge and skills that are applied within a broad range of patient populations in a variety of practice settings.¹³ The American Association of Colleges of Nursing (AACN) recommends that all advanced practice nurses should hold a graduate degree in nursing and be

¹³ Unless otherwise noted, information for this section is taken from *Advanced Practice Nursing, Extending Primary Care's Reach: Your Nursing Career, Look at the Facts*, at [http://www.aacn.nche.edu/Education/nurse_ed/career.htm]. The American Association of Colleges of Nursing (AACN) represents 575 schools of nursing at public and private universities and senior colleges nationwide.

certified in advanced practice nursing. The AACN argues that the quality of care provided by advanced practice nurses is equal to, and at times better than, comparable services by physicians, and often at lower costs.¹⁴ The AACN further asserts that demand for advanced practice nurses is driven by the health system's increasing demand for front-line primary care, and the accelerating drive toward managed care, prevention, and cost-efficiency.

Nurse practitioners diagnose and treat common illnesses and injuries in patients. In all states and the District of Columbia, nurse practitioners may receive and/or dispense drug samples based on authorized scope of practice, rules and regulations, or statutes.¹⁵ In 38 states, nurse practitioners can prescribe (including controlled substances) with some degree of physician involvement or delegation of prescription writing.¹⁶ In 13 states and the District of Columbia, nurse practitioners can prescribe (including controlled substances) independent of any required physician involvement in prescriptive authority.¹⁷ They practice in clinics and hospitals in metropolitan areas, and deliver care in rural sites, inner cities, and other locations where there are shortages of health professionals. Many nurse practitioners work in pediatrics, family health, women's health, and other specialties, and some have private practices. There are an estimated 103,000 nurse practitioners in the United States.

Clinical Nurse Specialists (CNSs) provide care in a range of specialty areas, including cardiology, oncology, neonatology, and obstetrics/gynecology. They provide acute care and mental health services, develop quality assurance procedures, and serve as educators and consultants. They work in hospitals and other clinical sites. An estimated 69,000 clinical nurse specialists are in practice nationwide.

Certified Nurse-Midwives (CNMs) provide prenatal and gynecological care to normal healthy women. This includes delivering babies in hospitals, private homes, and birthing centers, and follow-up postpartum care. There are approximately 9,200 CNMs nationwide.

Working in the oldest of the advanced nursing specialties, Certified Registered Nurse Anesthetists (CRNAs) administer anesthesia for all types of surgery in settings ranging from operating rooms and dental offices to outpatient surgical centers. CRNAs may practice independently of physician supervision in states where the governor has opted an institution out of the federal requirement for physician supervision.¹⁸ The American Association of Nurse Anesthetists (AANA) reports that

¹⁴ AACN, "Mounting studies show that the quality of APN care is equal to, and at times better than, comparable services by physicians, and often at lower cost," [http://www.aacn.nche.edu/Education/nurse_ed/career.htm], Mar. 10, 2004.

¹⁵ Information on prescriptive authority taken from Seventeenth Annual Legislative Update, *The Nurse Practitioner*, Jan. 2005, p. 17.

¹⁶ The states are: AR, CA, CO, CT DE, GA, HI, IL, IN, KS, LA, MA, MD, MI, MN, MS, NC, ND, NE, NJ, NV, NY, OH, OK, PA, RI, SC, SD, TN, TX, VA, and WV.

¹⁷ The states are: AK, AZ, IA, ID, ME, MT, NH, NM, OR, UT, WA, WI, and WY.

¹⁸ In 2001, HHS issued a final rule authorizing states to waive the physician supervision (continued...)

CRNAs administer more than 65% of all anesthetics given to patients each year, and are the sole anesthesia providers in two-thirds of all rural hospitals in the United States.¹⁹

Perspectives

National Advisory Council on Nurse Education and Practice (NACNEP)

Congress created NACNEP in the Health Professions Education Partnerships Act of 1998 (P.L. 102-395). NACNEP supersedes the former National Advisory Council on Nurse Education (NACNE). The law specifies that NACNEP is “a body of 21-23 nursing professionals” representing academic and non-academic groups. Congress charged NACNEP with the following responsibilities: (1) provide advice and recommendations to the Secretary and Congress about policy related to the administration of Title VIII; (2) provide advice to the Secretary about general regulations related to programs and authorities in Title VIII; and (3) submit annual reports to Congress on its activities along with findings and recommendations for programs and authorities in Title VIII. NACNEP issued reports in 2000, 2002, and 2003.²⁰

In its 2000 report, NACNEP analyzed the current role of registered nurses. The advisory group found that registered nurses are practicing in a more complex environment than in the past. Continuing changes in the way health care is delivered (resulting from managed care); rapid advances in technology (drug therapy and medical equipment); increasing numbers of older adults with chronic conditions (Alzheimer's disease); and the expanding diversity of the country's residents are some of the factors creating changes in the nursing environment. Consequently, registered nurses need to be better educated to meet these changes. NACNEP recommends federal actions to target federal funds to increase the overall number of baccalaureate and higher-degree prepared nurses to constitute more than two-thirds of the nurse workforce by 2010. Other recommendations include: (1) expanding funding and federal programming for nursing education; (2) increasing the capacity of nursing programs to ensure a diverse workforce that reflects the racial/ethnic composition of society and provides culturally competent care; (3) addressing the need for federal action to improve quality of work that nurses do; and, (4) and increasing the use of

¹⁸ (...continued)

requirements for nurse anesthetists. HHS, Centers for Medicare and Medicaid Services (CMS), Medicare and Medicaid Programs; Hospital Conditions of Participation: Anesthesia Services. 66 *Federal Register* 56762, Nov. 13, 2001. At least seven states have opted out of requirements for physician supervision of nurse anesthetists. They are ID, IA, KS, MN, NE, NH, and NM, according to *Nursing Executive Watch*, Apr. 2003, p. 8.

¹⁹ American Association of Nurse Anesthetists, *Nurse Anesthetists at a Glance*, at [<http://www.aana.com/crna/ataglance.asp>].

²⁰ HHS, HRSA, BHP, Division of Nursing, National Advisory Council on Nurse Education and Practice, Reports to the Secretary of Health and Human Services and the Congress.

advanced technologies, such as informatics and biotechnology, to improve quality of nursing care. Also, this first report discussed joint activities with the Council on Graduate Medical Education (COGME)²¹ that were published in *Collaborative Education to Ensure Patient Safety*, a report to the Secretary of HHS and Congress.²² To promote patient safety, the joint report recommends education and practice of an interdisciplinary nature for medical and nursing professionals.

The 2002 NACNEP report summarized interdisciplinary activities and discussed projects supported by the nursing and medicine divisions of HRSA. The report also concentrated on the need to address the nurse faculty shortage. In its 2002 report, NACNEP notes that the “first priority in alleviating the anticipated future nursing shortage” is to ensure that an adequate number of qualified faculty is available to teach prospective nurses.²³ The Nurse Reinvestment Act of 2002 (P.L. 107-205) incorporated some of NACNEP’s key recommendations. These are focused exclusively on the retention of nursing professionals through continued support for programs in Title VIII and are as follows:

- Career ladders encourage nurses to train in a variety of settings and across the range of nursing occupational categories. Career ladders focus on both recruiting and retaining individuals already in the nursing workforce preparing them to move up the professional ladder. Programs are currently authorized in Section 831;
- The nurse education, practice, and retention grants are another tool for retaining and encouraging collaboration and communication among nurses and other health professionals to enhance the quality of patient care. These are authorized in Section 831;
- Internships and residencies are retention tools that encourage mentoring and the development of nursing specialties. An existing program in Section 831 encourages individuals to participate in programs containing both clinical and practical aspects of learning;
- Comprehensive geriatric education is focused on continuing education with an emphasis on geriatric content in nursing curricula. Section 855 provides support for geriatric programs in which geriatric nursing leaders are encouraged to train individuals to become licensed practical nurses and certified nursing assistants who, later on, might consider a professional nursing career;
- Loans for nurse faculty aim to increase the pool of nurses prepared to be faculty members in schools of nursing in Section 846A; and
- The Nurse Scholarship Program established in Section 846 provides for scholarships for nursing students in exchange for a service commitment at a health facility with a critical shortage of nurses.

²¹ COGME is an advisory group to the Secretary of HHS and Congress. COGME provides ongoing assessments of physician workforce trends, training issues and financing policies. It recommends federal and private sector efforts on these issues.

²² HHS, HRSA, BHP, Division of Nursing and Division of Medicine and Dentistry, Sept. 2000.

²³ HHS, HRSA, BHP, National Advisory Council on Nurse Education and Practice, *Second Report to the Secretary of Health and Human Services and the Congress*, Nov. 2002, p. 12.

In the 2003 report, NACNEP expressed continuing concerns about the nursing shortage, and recommended enhancements for the nursing profession in improving the health care of the population. In defining those issues related to improving the quality of nursing education, NACNEP acknowledged contributions of the Institute of Medicine, *Health Professions Education: A Bridge to Quality* (2003).²⁴ The IOM report discusses reforms for health professions education. It emphasizes integrating a core set of competencies for health professionals. The IOM recommends, among other things, an outcomes-based approach to education that prepares clinicians to meet the needs of patients in a rapidly changing health system.

Congress may wish to consider recommendations from NACNEP's 2003 report, which focus on next steps to build on the broader recommendations in its first two reports to the Secretary of HHS and the Congress.²⁵ NACNEP recommends the following actions:

- Broaden the impact of the initiatives enacted in the Nurse Reinvestment Act of 2002 by increasing appropriations consistent with national demand for the nurse workforce;
- Expand resources available to develop models to effectively recruit and graduate sufficient numbers of racially and ethnically diverse students;
- Support continuing efforts toward fostering education and interdisciplinary practice for the health professions by implementing IOM recommendations (see next section on "Institute of Medicine");
- Foster working conditions providing for nurse involvement in operational and patient care decision-making within health care facilities and programs incorporating a diverse workforce at all levels of the organization;
- Support the development and evaluation of culturally competent interventions through demonstration projects using cooperative agreements; and,
- Develop survey mechanisms to create a database on the elements of the nurse work environment through cooperative agreements with professional hospital-affiliated organizations

In view of NACNEP recommendations, Congress may wish to consider the following options for Title VIII:

- Revising and expanding authorities at all levels of nursing education;

²⁴ Institute of Medicine, *Health Professions Education: A Bridge to Quality* (Washington, DC: National Academies Press, 2003).

²⁵ HHS, HRSA, BHP, Division of Nursing, National Advisory Council on Nurse Education and Practice, *Third Report to the Secretary of Health and Human Services and the Congress*, Nov. 2003. First and second reports by the same authors were issued in 2000 and 2002, respectively.

- Recruiting qualified students who do not complete physician training and instead transfer to accelerated nursing programs;
- Amending Title VII and Title VIII education programs to provide grant opportunities that would support the definition of a common language across the health professions;
- Revising authorities to incorporate quality of care objectives within Title VIII;
- Extending and appropriating funds to existing programs in Title VIII, such as the previously authorized programs for Workforce Diversity, and Health Disparities and Cultural Competence; and,
- Establishing new authority for Title VIII nursing workforce surveys, or amending Title VII to include such a provision in the section on Health Workforce Information and Analysis.

Institute of Medicine

In 2002, the IOM held a summit on health professions education at which 150 leaders in the health professions made recommendations to improve the quality of health education. In *Health Professions Education: A Bridge to Quality*, the IOM provides a plan with recommendations for such reforms. Recommendations address all health professionals, including nurses. Broad recommendations call for: (1) a common language and adoption of core competencies across the health professions; (2) interdisciplinary training environments that incorporate the core competencies; (3) better research and information about health care quality; and (4) sustained educational leadership in achieving measurable changes in health professions education.²⁶

Legislation in the 109th Congress

Incoming Chair of the Senate Health Education Labor and Pensions Committee, Senator Mike Enzi, announced on December 9, 2004 that he will work on strategies to ensure an adequate supply and distribution of doctors, nurses, and other critical health professionals. It is uncertain whether such legislation will include amendments to Title VIII programs. Legislation that was introduced but not passed in the 108th Congress may reappear in the 109th Congress. The next section lists some of those proposals.

²⁶ Institute of Medicine, *Health Professions Education: A Bridge to Quality*, chap. 6: “Recommendations for Reform.”

Legislation in the 108th Congress

H.R. 920 (Baca)

To amend the Public Health Service Act to promote careers in nursing and diversity in the nursing workforce.

Introduced February 26, 2003.

Referred to the House Committee on Energy and Commerce.

H.R. 2053 (Capuano)

To authorize the Secretary of Health and Human Services to award grants to associate degree schools of nursing and professional nursing organizations to improve nursing education, and for other purposes.

Introduced May 9, 2003.

Referred to the House Committee on Energy and Commerce.

H.R. 3512 (Otter)

To provide for the establishment of demonstration programs to address the shortages of health care professionals in rural areas, and for other purposes.

Introduced November 18, 2003.

Referred to the House Committee on Energy and Commerce, Subcommittee on Health.

H.R. 5324 (Lowey)

To amend the Public Health Service Act to authorize capitation grants to increase the number of nursing faculty and students, and for other purposes.

Introduced October 8, 2004.

Referred to the Committee on Energy and Commerce.

S. 2091 (Frist)

A bill to improve the health of health disparity populations.

Introduced February 12, 2004.

Referred to the Senate Committee on Health, Labor and Pensions.

S. 2739 (Bingaman)

A bill to improve the training and retention of health professionals under titles VII and VIII of the Public Health Service Act, and for other purposes.

Introduced August 22, 2004.

Referred to the Senate Committee on Health, Labor and Pensions.

S.Amdt. 1552 (Mikulski) (Amends H.R. 2660)

To increase funding for programs under the Nurse Reinvestment Act and other nursing workforce development programs.

Amendment proposed by Senator Mikulski, September 3, 2003.

S.Amdt. 1552, as previously agreed to, was further modified by unanimous consent, September 10, 2003.

Appendix

Table 5. National Supply and Demand Projections for Full-Time Equivalent (FTE) Registered Nurses, Selected Years, 2000-2020

Year	Supply (FTE)	Demand (FTE)	Excess or shortage (supply less demand)	Percent shortage ^a
2000	1,889,243	1,999,950	-110,707	-6%
2002	1,937,336	2,062,556	-125,220	-6%
2004	1,989,329	2,128,142	-138,813	-7%
2006	2,028,548	2,196,904	-168,356	-8%
2008	2,047,729	2,270,890	-223,161	-10%
2010	2,069,369	2,344,584	-275,215	-12%
2012	2,075,218	2,426,741	-351,523	-14%
2014	2,061,348	2,516,827	-455,479	-18%
2016	2,049,318	2,609,081	-559,763	-21%
2018	2,032,230	2,708,241	-676,011	-25%
2020	2,001,998	2,810,414	-808,416	-29%

Source: HHS, *Projected Supply, Demand, and Shortages of Registered Nurses: 2000-2020*, July 2002, at [<http://bhpr.hrsa.gov/healthworkforce/reports/rnproject/report.htm>].

- a. The number by which demand exceeds supply divided by supply.
- b. The number by which demand exceeds supply divided by supply.