Catholic Health Association of the United States

A Passionate Voice for Compassionate Care®

March 20, 2023

The Honorable Bernard Sanders
Chairman
Committee on Health, Education, Labor & Pensions
U.S. Senate
Washington, DC 20510

The Honorable Bill Cassidy, M.D.
Ranking Member
Committee on Health, Education, Labor & Pensions
U.S. Senate
Washington, DC 20510

Dear Chairman Sanders and Ranking Member Cassidy,

On behalf of the Catholic Health Association of the United States (CHA), I am writing in response to your request for information on the drivers of and solutions for addressing our nation's health care workforce shortages.

The Catholic Health Association of the United States is the national leadership organization of the Catholic health ministry. With more than 650 hospitals and 1,600 long-term care and other health facilities in all fifty states, the Catholic health ministry constitutes the largest group of nonprofit health care providers in the nation. Collectively, Catholic health care facilities provide a wide range of acute and long-term care to people in need in their community. Each year Catholic hospitals see over 17 million people in our emergency rooms, 94 million through outpatient visits and have over 4.5 million admissions per year. Catholic hospitals are not only a critical source of care in their communities, but they are also important contributors to the local workforce and economy. Catholic hospitals employ more than 500,000 full time employees and another 200,000 part-time workers in their facilities.

Catholic health facilities, like most of the broader workforce, have faced acute challenges over the last three years. First the COVID-19 pandemic required Catholic health providers at all levels to make heroic efforts to keep hospitals and long-term care facilities staffed and open to address the ever-changing impact of the COVID-19 pandemic. Catholic health care providers were the first health care facilities in the nation to treat positively identified COVID-19 patients and played a critical role in ramping up resources to meet the emergency needs in the earliest days of the pandemic.

Catholic health care provider doctors, nurses and staff made significant sacrifices of time with family and their own health to meet the health crisis. It also required front-line workers to experience untold trauma and burnout as workers were bedside for more deaths in a two-year period of time than many health care workers will see in most of their career. As a result, a Washington Post-Kaiser Family Foundation survey found that nearly 30% of health care workers are considering leaving their profession, and nearly 60% report mental health challenges stemming from their work during the pandemic. We are thankful for their sacrifice and the emergency actions taken by Congress during this time to recognize the urgency of the moment and the need to provide sufficient resources so that hospitals and long-term care providers and their staff were able to

persevere through this trying time.

Since that time, the health workforce has faced new and emerging challenges. Many of these challenges are similar to those facing the broader economy: a workforce who has reprioritized their lives, increasing generational retirement rates and insufficient number of workers to meet the post-COVID increases in demand for goods and services. It also reflects the continued reality that the number of unemployed workers continues to be at historically low levels even while overall labor participation continues to be lower than it was prior to the pandemic.[1] This has increased the challenges in hiring and retaining workers and has increased cost to find workers to meet staffing needs.

Health Workforce Challenges

Health care staffing has faced acute challenges at all levels. A 2021 analysis by Mercer of EMSI data found that there will be a shortage of up to 3.2 million health care workers by 2026.[2] American Hospital Association data also projects that there will be approximately 200,000 openings for registered nurses each year over the next decade, and an estimated shortage of between 37,800 and 124,000 physicians by 2034.[3]

In response to these challenges, Catholic hospitals have taken significant steps to increase wages to recruit new workers and have relied increasingly on staffing agencies to meet workforce needs. As a result, an analysis of Catholic health care provider data found that labor costs have increased by approximately 21% since 2019 and Catholic health care providers have increased overtime by more than four million hours to meet staffing needs.[4] The workforce shortage has

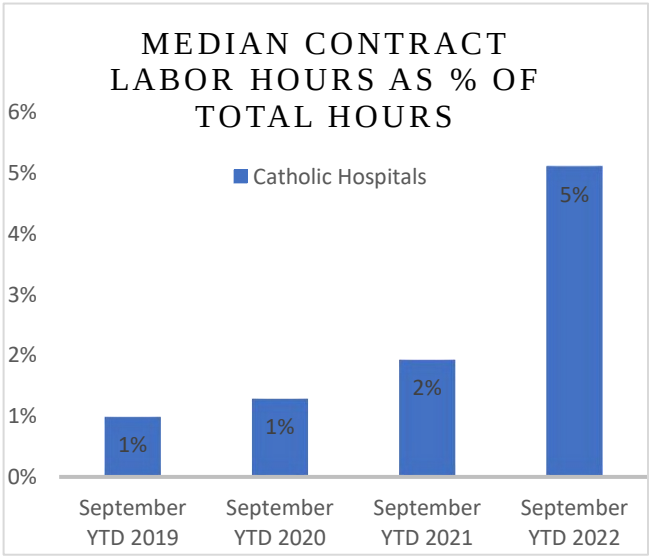

Figure 1 CHA Member Data

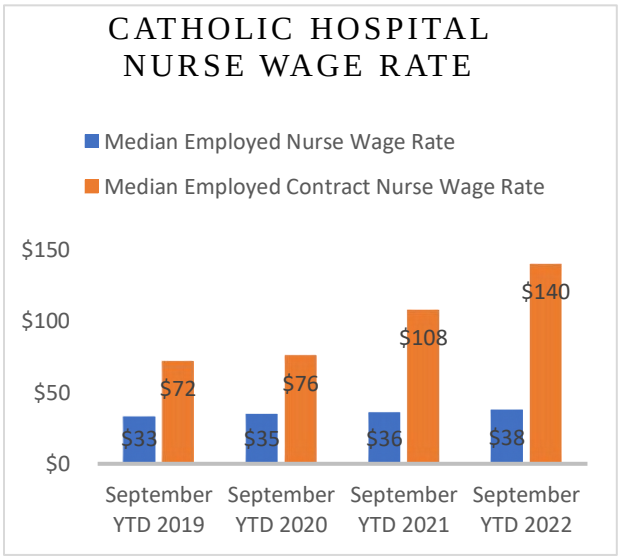

Figure 2 CHA Member Data

[1] Department of Labor, Bureau of Labor Statistics, 'The Employment Situation 2023", available at https://www.bls.gov/news.release/pdf/empsit.pdf

[2] Bateman, Tanner, Hobaugh, Sean, Pridgen, Eric and Reddy Arika, "U.S. Health Care Labor Market," Mercer LLC, 2021 accessed at https://www.mercer.us/content/dam/mercer/assets/content-images/north-america/united-states/us-healthcare-news/us-2021-healthcare-labor-market-whitepaper.pdf

[3] American Hospital Association, "Fact Sheet: Strengthening the Health Care Workforce," Nov. 2021 available at https://www.aha.org/fact-sheets/2021-05-26-fact-sheet-strengthening-health-care-workforce

also resulted in Catholic health care providers seeing a fivefold increase in reliance on contract nurses who on average made more than $100 more per hour than traditional staff nurses.

The workforce shortage for nurses continues to be a major challenge for health care providers. According to the 2020 National Nursing Workforce Survey, the average registered nurse is 52 years old, signaling a large wave of retirements in the coming years. In addition, nurse education and training continue to be a challenge with over 90,000 applications turned down in 2021 due to insufficient number of faculty, clinical sites, classroom space and clinical preceptors.[5] This shortage is not only felt by health care providers but also directly impacts patient care. A 2021 analysis of baccalaureate-prepared nurses found that a higher proportion of BSNs were associated with lower rates of 30-day inpatient surgical mortality.[6]

Similarly, the continued shortage of medical doctors has also been a factor in the workforce shortage. While the expansion of funding for additional Medicare-funded residency slots in the Consolidated Appropriations Act of 2021 was a much-needed contribution to addressing the shortage and prioritizing residency training programs in rural areas and designated health professional shortage areas, today over 2,000 graduates of medical schools still lack a residency slot after graduation.[7]

In addition, there are shortages of health allied professionals such as certified nursing assistance (CNA) and clinical technicians. According to the Bureau of Labor Statistics, CNA and orderly positions will continue to grow by 5% between now and 2031, resulting in 220,000 openings needing to be filled each year each year.[8] These shortages are further exacerbated by an aging population, rising prevalence of chronic diseases and an increase in behavioral health needs, further straining the health workforce in acute and long-term care.

Health Workforce Solutions

Catholic health care providers have taken a number of steps to reduce workforce burnout and improve employee retention and recruitment. These efforts include retention bonuses, flexible benefits, flexible training programs, virtual and hybrid work options, expanded use of telehealth, peer support groups and new ways for expanded training and recruitment of health personnel.[9] While these are just some of the many creative solutions being undertaken by Catholic health providers, addressing the systemic challenges for health workforce will also require a commitment by policy makers to support programs that promote health workforce and training.

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[5] American Association of Colleges of Nursing, "Fact Sheet: Nursing Shortage," Oct. 20221 available at, https://www.aacnnursing.org/news-information/fact-sheets/nursing-shortage

[6] Aiken, Linda, Lasater, Karen, Sloane, Douglas and McHugh, Matthew, "Variations in nursing baccalaureate education and 30-day inpatient surgical mortality," *Nursing Outlook*, Vol 70 Issue 2, March 2022, available at. https://www.nursingoutlook.org/article/S0029-6554(21)00232-3/fulltext.

[7] Bernard, Rebekah, MD, "Match Day 2023 a reminder of the real cause of the physician shortage: not enough residency positions," *Medical Economics*, March 13, 2023 available at https://www.medicaleconomics.com/view/match-day-2023-a-reminder-of-the-real-cause-of-the-physician-shortage-not-enough-residency-positions

[8] Bureau of Labor Statistics, U.S. Department of Labor, *Occupational Outlook Handbook*, Nursing Assistants and Orderlies, at https://www.bls.gov/ooh/healthcare/nursing-assistants.htm (visited March 20, 2023).

[9] Bilodeau, Kelly, "Creative Solutions to Quell the Staffing Crunch, *Health Progress*, Spring 2023. available at https://www.chausa.org/publications/health-progress/archives/issues/spring-2023/creative-solutions-to-quell-the-staffing-crunch

We recommend Congress strengthen the following programs to help address the health care workforce crisis:

Reauthorize and increase funding for the Health Resources and Services Administration (HRSA) Titles VII and VIII workforce programs. Title VII health professions and Title VII nursing workforce development programs provide critical support for training and preparing individuals to gain the education and skills necessary to help meet the growing health workforce challenges facing our communities. Healthcare related workforce training programs provide a critical tool for strengthening and diversifying our nation's health care workforce and providing better health outcomes to patients.

National Health Service Corps (NHSC): The NHSC awards scholarships to health profession students and assists graduates of health profession programs with loan repayment in return for an obligation to provide health care services in underserved rural and urban areas. In order to improve our national health work force and better serve underserved communities, we support the continued investment in the NHSC. Through increased funding for the program, health care providers can expand the impact of the NHSC program to local communities.

Preventing Burnout in the Health Workforce Program provides grants to health care providers to address suicide, burnout, and mental and behavior health of health care workers. In addition, the program provides funding for HHS to study and develop strategies for addressing health provider burnout and encourages health care workers to seek assistance when needed. At a time when health care providers continue to face workforce shortages and workers addressing continued pandemic related demands, increasing funding and prioritizing programs to prevent burnout is a critical tool for retaining staff amidst the challenges.

Facilitating easier participation and entry of health care workers through our immigration system is another way in which Congress can help expand the health workforce. Immigrant physicians and nurses in particular have enriched our ministry as well as our nation's health care workforce. But many of them, present in our country on limited work visas, lack the certainty and flexibility of permanent residency status, despite working in underserved areas and bolstering our nation's health care infrastructure during the global pandemic. The bipartisan *Healthcare Workforce Resilience Act* would provide a long-term solution for these workers by recapturing 15,000 unused employment-based immigrant visas from prior years for physicians and 25,000 for professional nurses. By providing a fast track to permanent residency, this legislation will ensure that these vital members of the health care workforce can continue to meet the urgent health care needs our nation faces at this time without the fear and uncertainty that their legal status in the U.S. is in jeopardy. In addition, passage of *The American DREAM and Promise Act* and the *U.S. Citizenship Act* would provide an additional opportunity to give immigrants security and allow them to contribute even more to our nation's health workforce. Finally, expanding and extending the Conrad State 30 J-1 visa waiver program for J-1 visa holding physicians who agree to work for three years in designated underserved areas is another way of addressing workforce shortages in rural and underserved communities.

Make permanent telehealth flexibilities and incentivize investments in accessible technology such as expanded broadband, remote monitoring and virtual caregiving applications. Telehealth improves access to health care providers, especially primary care physicians and specialists like mental health providers, cardiologists, and oncology experts. At a time when workforce and physician shortages make specialty care less accessible, telehealth allows patients, particularly those in rural areas, access to specialty care and consultation. Through making telehealth flexibilities permanent we can ensure that the expansion and use of telehealth that took place during the COVID-19 pandemic becomes a critical tool for alleviating workforce shortages and expanding care.

Lifting the cap on Medicare residency funded positions would also make a substantial contribution to improving workforce challenges in hospitals, particularly those in rural areas. Increasing the residency slots would provide greater flexibility for providers to diversify their training programs, including both primary and specialty care programs. It would also allow hospitals to train residents in more diverse facilities, such as those in rural areas. In so doing it would help alleviate the continued shortages of physicians and would expose physicians to greater diversity of patients and care settings and improve physicians in communities dealing with sustained challenges.

Support the *Pathways to Health Careers Act*. The *Pathways to Health Careers Act* would expand the current Health Profession Opportunity Grant (HPOG) program to all states (originally at 23 states) and increase annual funding for the program. The program prioritizes funding for rural and tribal communities participating in the program. The HPOG program provides education, training, and supportive services to TANF recipients and other low-income individuals with barriers to employment to assist them with getting jobs in the healthcare field. Through expansion of the program, it would provide a new means for workers to enter the health care workforce.

The bipartisan *Palliative Care and Hospice Education and Training Act* (PCHETA) S. 4260, introduced in the 117th Congress, is a bipartisan solution which would address the palliative care workforce shortage and help respond to pressing issues including appropriate pain management and pandemic preparedness. PCHETA will address the critical shortage of health professionals with knowledge and skills in palliative care, build the evidence base for serious illness care, and educate all who care for patients. PCHETA will not only help strengthen the palliative care workforce but also help ensure that, going forward, patients and providers are aware of the benefits of palliative care so that patients can receive palliative care as appropriate.

Home and community-based service programs and funding are an additional means for supplementing the current health workforce by allowing individuals to receive care at home. Supporting family caregivers through greater partnerships, increased awareness, and financial and support services gives families the tools they need to care for their loved ones while at home. These efforts not only provide greater support, but they also help expand the care setting options available to those in need.

Congress should also expand loan repayment programs to include more health workers, especially those who come from disadvantaged backgrounds and/or racial or ethnic

minorities. For example, S. 462 (The Mental Health Professionals Workforce Shortage Loan Repayment Act of 2023) can be used as a guiding example. This bipartisan legislation would address the current lack of incentives for mental health providers to serve in areas that struggle to recruit and retain physicians. It would also create new incentives to attract providers to serve in underserved areas. This legislation would repay up to $250,000 in eligible student loan repayment for mental health professionals who work in mental health professional shortage areas.

Lastly, the Committee should work with their counterparts on the Senate Finance Committee to address drivers of workforce shortages, especially within the Medicaid program. State provider payment rates are insufficient to achieve the goal of being able to recruit and retain enough providers to serve Medicaid beneficiaries. While federal law mandates that state Medicaid payments be "sufficient to enlist enough providers so that care and services are available under the state plan," existing federal regulations fail to adequately measure and enforce adequate payment rates. As such, Medicaid has notably low reimbursement rates that are often much lower than Medicare payment rates and at times lower than the actual cost of providing care to Medicaid patients. This is especially challenging for sites of care that serve the long-term care community, behavioral care providers and primary care.

While we recognize that the Senate HELP committee is not the leading committee on oversight and creation of some of these programs, we hope that you can use your leadership to promote a more holistic government response to the nation's health workforce challenges. While Catholic hospitals continue to take innovative steps to meet the ongoing workforce shortages, the reality is it will require sustained ongoing support from policymakers if we are to address the challenges.

The Catholic Health Association of the United States and our members stand ready to work with you and your colleagues on these efforts. If you have any questions, feel free to reach out to me at Lsmith@chausa.org or Lucas Swanepoel at Lswanepoel@chausa.org.

Sincerely,

Lisa Smith, MPH
Vice President, Advocacy & Public Policy
Catholic Health Association of the United States