



IHA Legislative Position 2006 Health Care Work Force Issues

★ Background

National demographic changes and evolving career opportunities for traditional nursing employment pools have combined to create a severe health care worker shortage across the country, particularly in highly rural states like Iowa. The aging of Iowa's population – and current health care work force – will contribute to an even greater demand for health care professionals in the near future, and will also be reflected in a shrinking pool of educators equipped to adequately train new nurses. Hospitals employ more than 60 percent of the registered nurses in Iowa and the majority of other shortage professions such as lab techs, radiology professionals, and medical records personnel.

Iowa hospitals currently have more than 1,000 vacancies for in-demand health care professions. More than half of the open positions are for registered nurses. Hospital projections demonstrate that the number of hospital vacancies for in-demand professions will increase in the future. Major barriers contributing to Iowa's health professional shortage are Medicare and Medicaid hospital payments below the actual cost of delivering care to patients and growing regulatory burdens faced by health care providers. Iowa continues to have one of the lowest Medicare reimbursement rates in the nation; coupled with Iowa Medicaid payments to hospitals that have seen only one inflationary increase in the past five years, inadequate payments make it difficult for Iowa providers to compete for qualified workers with hospitals in surrounding states. Unnecessary regulatory burdens and excessive documentation also reduce the time available for direct patient care and lead to worker dissatisfaction. A national report by PricewaterhouseCoopers indicates that various regulations now require up to *one hour* of paperwork for *every hour* of patient care rendered.

★ Iowa Hospital Association Position

Iowa hospitals are committed to maintaining positive work place environments and the highest standards of patient care, while proactively addressing Iowa's health care worker shortage. Hospitals continue to work in partnership with educational institutions and various other organizations to develop joint strategies and activities. Iowa hospitals also routinely provide tuition reimbursement and job enhancement programs to make the health care work place as positive an environment as possible. State dollars appropriated for job training need to be directed toward health care training. Strategies addressing health care worker shortages must provide incentives for bringing new students into these careers and exploring ways to enhance Iowa's less-than-competitive salary structure. Paramount in all activity, however, remains the dedication to high quality patient care. Despite one of the lowest reimbursement levels in the nation, data from the federal Centers for Medicare & Medicaid Services (CMS) indicates that Iowa hospitals provide the sixth-highest quality care of any state in the nation. Given the positive workplace environments in Iowa hospitals and the high quality of care patients receive, IHA *opposes* legislation imposing staff ratios or overtime restrictions upon hospitals. Such proposals, enunciated in **Senate File 118**, and **House Files 283** and **306**, fail to recognize the current difficulty in finding adequate numbers of health care professionals and could directly threaten access to care if hospitals are forced to close units or services because they can't meet

arbitrary staffing formulas. While Iowa hospitals do not impose “mandatory” overtime, the use of overtime to address high census fluctuations is a necessary tool when staff shortages are high. In fact, even when nurses seek overtime opportunities, great care is taken to manage resources so that patient care is not compromised.

Staff ratios and/or overtime restrictions do *nothing* to address competitive salary issues brought about by low Medicare reimbursement or the need to bring new employees into the health care workplace. In fact, in California (the only state in the nation with mandated staff ratios), nursing ratios have actually forced entire rural hospitals and units of urban hospitals to close, eroding access to necessary health care services.

This position was overwhelmingly reinforced by the testimony of clinical nurses from throughout Iowa during a series of ICN teleconferences sponsored by the Iowa Department of Public Health in September 2005. These meetings were developed out of broad recommendations from the 2002 Governor’s Task Force on Nurse Shortages, which also did not recommend overtime restrictions or staff ratios be imposed upon Iowa hospitals.

Health care employers must be provided with the flexibility to ensure operations in times of staffing shortages and not be burdened by yet more regulation in this regard. Such proposals are unrealistic and ignore the not-for-profit, community focus of Iowa’s hospital system, as well as the commitment to high quality patient care already evidenced by hospitals in our state.