

BILL ANALYSIS

C.S.H.B. 3126

By: Truitt

Public Health

Committee Report (Substituted)

BACKGROUND AND PURPOSE

Texas has had a critical shortage of RNs for a number of years. In Fall 2000, the Center for Health and Economic Policy at the University of Texas Health Science Center San Antonio issued a report on the extent and causes of the shortage. The study's conclusions were that Texas was facing a severe shortage that was different from the periodic nursing shortages Texas had previously experienced and that it was likely to worsen unless significant steps were taken to address it. The difference with the examined shortage was that it was being driven primarily by demographics rather than economic factors. The RN population was aging (average age of 45) which meant more RNs would be reaching retirement age and the elderly population was growing which meant more demand for health care and nursing services. It was this combination of declining supply and increasing demand that made the shortage critical. The study also found a high level of dissatisfaction among RNs. RNs were being required to care for an increasing number of patients that were also sicker with lower staffing levels. To adequately address the shortage, Texas needed to achieve two goals: 1) significantly increase enrollments in nursing schools and 2) create a more attractive practice environment for nurses.

The first step toward achieving the first of these goals was taken by 77th Legislature by making available approximately \$11 million dollars of dramatic growth funds to help increase RN enrollments and another \$3 million in tobacco lawsuit settlement fund proceeds for grants to promote innovation in the recruitment and retention of students. Using these funds, nursing schools in public colleges and universities were able to increase enrollments by 21% between Fall 2000 and Fall 2002.

In August 2001, the Texas Department of Health initiated its rulemaking process to address one of the greatest concern RNs have about the workplace – adequate staffing. The result was TDH's adopting comprehensive regulations governing nurse staffing in hospitals that included written staffing plans, use of outcome measures to evaluate adequacy of staffing, establishment of a nurse staffing advisory committee, and prohibiting discrimination against nurses raising concerns about staffing levels. Despite these steps, Texas continues to face a critical shortage of RNs in 2003 with an average statewide vacancy rate in hospitals of over 12%.

C.S.H.B. 3126 allocates the income from the Nursing, Allied Health Permanent Tobacco Lawsuit Settlement Endowment Fund to address the RN shortage through 2007. It directs the THECB to assure funds appropriated to colleges and universities for the RN shortage are expended by the institutions to address the shortage. It adds provisions to the TEXAS Grant I and II Programs to give the Coordinating Board discretion to award larger grants to students enrolled in a program leading to licensure in a health care field with a critical shortage.

The purpose of the bill is to increase the supply of RNs in Texas by the enrollments in schools preparing students for licensure as RNs.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

House Bill 3126 amends the Education Code by making a conforming change to the professional nursing shortage reduction program.

The bill authorizes the Texas Higher Education Coordinating Board (THECB) to adopt procedures in regard to the expenditure of funds appropriated to increase enrollments in professional nursing programs. The bill requires professional nursing programs that receive state funds to file an annual report with THECB accounting for all funds. The bill authorizes THECB to use funds in accordance with the criteria outlined in the bill to pay for administrative costs of the grant programs.

The bill requires THECB award funds in accordance with the criteria outlined in the bill to programs preparing students for initial licensure in nursing and to programs preparing nursing faculty.

The bill amends the Education Code to authorize THECB to award grants to students enrolled in programs that prepare for licensure in health care professions with a critical shortage in accordance with the criteria outlined in the bill. The bill authorizes THECB to give priority to a student from an underrepresented population in that health care workforce.

The bill amends the Education Code to authorize THECB to award grants to students enrolled in programs that prepare for licensure in health care professions with a critical shortage in accordance with the criteria outlined in the bill. The bill authorizes THECB to give priority to a student from an underrepresented population in that health care workforce.

The bill amends the Health and Safety Code to require THECB to establish and implement the nursing workforce data section (section) to address issues of supply and demand for nursing. The bill authorizes THECB to contract with public or private entities to establish and to perform the responsibilities of the section. The bill requires THECB to appoint an advisory committee and sets forth provisions regarding the appointment and composition, powers and duties, and reimbursement. The bill requires the section to collect and analyze the specified data on nursing, predict supply and demand for nursing personnel in Texas, develop a nursing personnel supply and demand model appropriate for Texas, and publish certain reports with the collected data. The bill provides that reports, records, and information obtained from the section are confidential and are not subject to public disclosure, or to subpoena. In order to minimize the duplication of the collection of data and to promote the sharing of data, the bill requires the section to coordinate its activities with THECB, the Texas Workforce Commission, and other public entities. The section is authorized to establish and charge reasonable fees for certain services, to solicit, receive, and spend certain donations, and to appropriate not more than seven percent of the legislative funds for administrative costs.

The bill repeals Chapter 304 of the Occupations Code.

The bill outlines an increase in license renewal fees by the Texas Board of Nurse Examiners and by the Texas Board of Vocational Nurse Examiners.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2003.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute repeals the requirement that THECB create a faculty enhancement grant program to assist professional nursing programs in the education, recruitment, and retention of an adequate number of faculty. The substitute repeals the authorization that THECB appoint an advisory board in regard to the faculty enhancement grant program and make grants in accordance with the criteria outlined in the bill. The substitute repeals the requirement that THECB create a health care worker transition program to assist health care workers obtain the education preparation required for licensure as a registered nurse and the authorization to make grants in accordance with the criteria outlined in the bill. The substitute renames the nursing data center as a nursing data section and moves it from the Board of Nurse Examiners to the Statewide Health Coordinating Council under the Texas Department of Health. The substitute requires a surcharge on RN and LVN licenses to fund the nursing workforce data section. The substitute repeals Chapter 304 of the Occupations Code which currently governs the nursing data center. The substitute repeals the requirement that THECB create a faculty grant program and a health care worker transition

grant program if funds are appropriated.