



**TESTIMONY  
OF  
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CONNECTICUT HOSPITAL ASSOCIATION**

**SELECT COMMITTEE ON WORKFORCE DEVELOPMENT**

**Thursday, February 28, 2002**

**SB 367, An Act Addressing The Shortage Of Nurses, Allied Health Professionals,  
Dental Hygienists and Dental Assistants**

Good morning Senator Hartley, Representative Wallace, and members of the Select Committee on Workforce Development. My name is Kim Hostetler and I am Vice President and Chief of Staff for the Connecticut Hospital Association. I appreciate this opportunity to present testimony in support of **SB 367, An Act Addressing The Shortage Of Nurses, Allied Health Professionals, Dental Hygienists and Dental Assistants.**

As you heard during last year's legislative session from testimony on the healthcare workforce shortage, Connecticut's hospitals are facing a serious workforce shortage that is growing at an accelerating and alarming rate. Last year the Office of Health Care Access (OHCA) released its report, *The Health of Connecticut's Hospitals*, in which workforce shortage issues were noted in the *Issues or Key Performance Drivers* sections on 26 of Connecticut's 31 acute care hospitals. As the report confirms, staff shortages are already affecting hospital capacity and care. Shortages continue to result in service cutbacks such as cancelled elective surgeries and delayed diagnostic tests. Shortages are resulting in patient diversions and delayed admissions. Lack of adequate regular staff has had a significant operating margin impact on our hospitals due to the required use of agency staff and overtime. And our chronic shortages continue to result in staff burnout and morale

issues. To compound the problem, these staff shortages are occurring at a time when our hospitals are busier than ever. Patient census numbers are up, emergency department visits are up, and keeping hospital departments consistently staffed at appropriate levels is increasingly difficult.

CHA recently completed another hospital survey on vacancy rates. Data from October 2001 shows a continued increase in vacancies from October 2000 for many positions, including staff nurse, EEG technician, radiologic technologist, radiation therapy technologist, nuclear medicine technologist, ultrasound technologist, pharmacy technician, and occupational and physical therapists.

Hospitals are facing critical staff shortages in many key areas, including:

- **Nursing.** Given that nurses constitute the largest single profession employed in hospitals – over 30% of hospital staffs – and given the critical nursing shortage in the home health and long term care industries as well, the nursing shortage is a workforce crisis for Connecticut.
- **Diagnostic imaging.** Hospitals are losing valuable, trained radiologic technologists, ultrasonographers, EEG technicians and mammography techs to physician practices and other care settings.
- **Pharmacy.** The short supply of pharmacists has not only affected hospitals; retail pharmacies across the state have reduced their hours and service.
- **Operating rooms.** In addition to the lack of experienced OR nurses, hospitals are facing shortages of surgical technologists.
- **Laboratory staff.** Our labs are chronically short of medical technologists and technicians and the aging of our hospital laboratory staffs is a significant concern.
- **Rehabilitation therapy.** Now hospitals are developing shortages in physical and occupational therapist positions.

Our healthcare workforce is aging also – and at the same time as the general population is aging. Our most recent hospital demographic information indicates that only about 9% of our licensed nursing staff is under age 30, while over 27% is 50 or older. Likewise, only 8% of our hospital laboratory services workforce is under age 30 while more than 31% is 50 or older. According to the U.S. Census Bureau, the

population in Connecticut over age 65 is expected to grow 28% between 2000 and 2020. This, of course, is expected to significantly increase the demand for healthcare services. So while we have shortage issues now, *we anticipate that they will only intensify* as our state population ages, our current healthcare workforce retires and the demand for healthcare services skyrockets.

### Nursing and Allied Health Vacancy Rate Data 5 Year Summary for Key Positions

Position	October 2001	January 2001	2000	1999	1998	1997	1996
	23 Hospitals	24 Hospitals	19 Hospitals	17 Hospitals	14 Hospitals	22 Hospitals	26 Hospitals
Staff RN	10.31%	11.60%	7.43%	6.18%	5.31%	3.77%	4.46%
Unlicensed Assistant Aide	6.60%	N/A	8.09%	6.85%	8.49%	2.69%	6.54%
EEG Technician	16.67%	N/A	8.51%	4.81%	4.17%	4.50%	7.63%
Radiologic Technologist	8.34%	11.20%	5.81%	5.32%	1.78%	0.58%	2.39%
Radiation Therapy Technologist	10.00%	7.40%	7.19%	9.29%	17.46	3.08%	6.77%
Ultrasound Technologist	10.62%	18.00%	15.52%	11.66%	5.37%	11.62%	3.12%
Pharmacist	6.64%	8.30%	7.91%	6.17%	16.12%	8.57%	7.06%
Medical Laboratory Technician	5.36%	5.10%	7.97%	0	5.62%	0.84%	1.30%
Respiratory Therapist	3.69%	4.30%	5.35%	6.33%	9.38%	3.34%	2.76%
Occupational Therapist	12.30%	N/A	6.51%	0	8.07%	5.11%	9.61%
Physical Therapist	7.79%	N/A	8.11%	2.84%	5.68%	9.60%	7.90%
Medical Record Coder	9.57%	18.20%	11.71%	13.30%	12.38%	5.52%	4.37%
Surgical Technologist	6.30%	15.20%	8.60%	5.00%	13.46%	7.44%	5.25%

Source: CHA Nursing and Allied Health Vacancy Rate Surveys – 1996 – 2001.

In the face of worsening staffing shortages, hospitals are investing in a variety of special recruitment and retention strategies. They include:

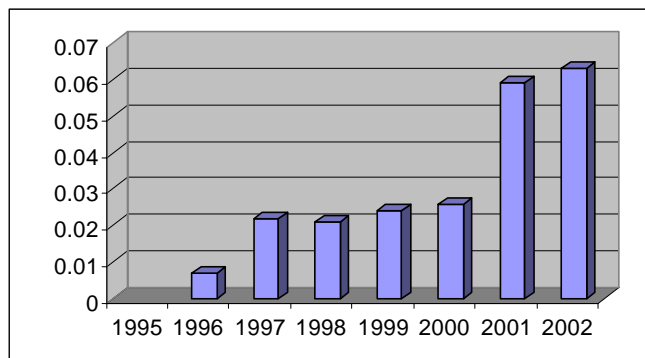
- hiring bonuses,
- adjustments to hiring rates,
- across-the-board pay increases,
- referral bonuses,
- flexible scheduling options and weekend options,
- accelerated benefits eligibility,
- extended orientation programs and internships,

- clinical ladders,
- additional tuition reimbursement and scholarships,
- school partnering/mentoring programs,
- and, to a lesser degree, foreign recruitment.

Some of our hospitals have implemented multiple wage rate increases during the past two years in an attempt to stay ahead of the recruiting curve for certain shortage-impacted professions. So in addition to vacancy rate evidence, wage rate increases are indicating a significant and growing shortage. Compensation survey data for 2002 indicates wages have spiked in key shortage areas, including nursing, radiology and pharmacy. Year-to-year staff RN wage growth that had been in the 1-2% range for several years jumped to almost 6% last year and over 6% this year.

### Staff Registered Nurse Wage Trends in Acute Care Hospitals

Year	Number of Institutions Reporting	Number of Incumbents	Average Hourly Wage	Increase
1995	34	11,231	21.47	
1996	31	10,611	21.62	0.70%
1997	30	10,120	22.1	2.20%
1998	28	10,343	22.56	2.10%
1999	31	10,443	23.11	2.40%
2000	31	10,699	23.72	2.60%
2001	28	10,218	25.13	5.90%
2002	30	10,641	26.71	6.30%



Sources: *Connecticut Hospital Association Annual Compensation Surveys, 1995 – 2002.*

We believe the solution to our healthcare workforce shortage lies in an inclusive, collaborative approach: a public/private partnership focusing on:

- marketing healthcare careers,
- expanding educational resources and
- ensuring adequate resources for providers.

Senate Bill 367 will help by creating a Connecticut nursing and allied health profession incentive program that provides loans and loan forgiveness to students enrolled in covered nursing and allied health education programs. While we strongly support the bill overall, we would recommend some technical changes to ensure accuracy and consistency between all parts of the bill. Some modifications we would like the Committee to consider include ensuring consistency in the loan forgiveness parameters (specifically we recommend a four year forgiveness schedule with a maximum of \$2,500 per year forgiven) and deleting any reference to state licensure for laboratory technology professionals as such licensure is not required in Connecticut. We would be pleased to work with Committee members or others on such language refinements.

Thank you.