Vermont Health Care Workforce Report:

**Problem Definition:**

Vermont health care providers are currently faced with a workforce crisis. Providers highlight needs for nearly all professions from unlicensed personal care attendants to nurses to physicians. These are professions that work in a variety of settings, across multiple levels of care including hospitals, federally qualified health centers (FQHCs), long-term care facilities, designated agencies, and home health agencies.

The Vermont Talent Pipeline Management (VTMP)’s 2018 survey predicts that there will 3,900 nursing-related job vacancies between now and spring of 2020. These estimates are not industry wide as VTMP’s study captured nurses working in a hospital setting, three long-term care facilities, and one home health agency. With nearly 4,000 licensed nurses working in long-term care in over 140 facilities and 10 home health agencies, the true number of nursing-related job vacancies is likely to be even higher.

The Area Health Education Center (AHEC)’s Primary Care Practitioner Workforce 2018 Snapshot identifies a shortage of 70.5 primary care physician (family medicine, internal medicine, obstetrics, pediatrics) full time equivalents (FTEs).

More recent and comprehensive data verifies the VTMP 2018 survey’s and AHEC PCP report’s conclusions. Professional licensing data from the Office of Professional Regulation (OPR) and Department of Health (VDH) show significant decreases in the number of licensed health professionals.

Since 2010:

- The number of licensed RNs has decreased 24.5%
- The number of licensed LNAs has decreased 6.1%
- The number of licensed LPNs has decreased 8.1%
- The number of licensed primary care physicians has decreased 9.1%

Data from specific providers correspond with the statewide trends.

In a survey of 45 of 140 long-term care facilities, 571.1 vacant positions were reported. This data translated into vacancy rates of

- 17.1% for RNs
- 29.3% for LPNs
- 20.3% for LNAs
- 9.7% for PCAs

1 https://docs.wixstatic.com/ugd/e92786_17d7096537384be9bb117e26d4b2beb4f.pdf
2 http://www.med.uvm.edu/ahec/workforce/researchdevelopment/reports
4 https://www.sec.state.vt.us/professional-regulation/list-of-professions/nursing.aspx
5 http://www.med.uvm.edu/ahec/home
Facilities also report challenges with retention with an industry-wide 41% annual turnover rate for direct care workers. When broken out by position, these rates are:

- 31.4% for RNs
- 34.5% for LPNs
- 45.2% for LNAs
- 52.1% for PCAs

Designated and Specialized Service Agencies face similar challenges, reporting vacancy rates of 12% for bachelor’s level clinicians, 11.3% for master’s level non-licensed clinicians, and 18.6% for master’s level licensed clinicians. DAs and SSAs also struggle to retain existing staff with turnover rates of 28% for developmental service positions, 26% for mental health positions, and 24% for administrative staff.

Home Health Vacancy Data (VNAs + Bayada) - In Progress

These declining trends are expected to continue as a greater percentage of Vermont’s health care workforce nears retirement age. See the chart below to see the growing percentage of LPNs, RNs, APRNs, Primary Care Physicians over the age of 60.

![Percentage of Health Care Workforce over Age 60 (2009 - 2018)](chart)

Unlike other industries, health care providers cannot reduce staffing levels, cut hours, or install self-checkout kiosks. Providers often have minimum staffing requirements they must meet, and they must provide quality care. Given these parameters, providers are often left with little choice but to hire third party agency and traveling health care providers. This results in increased costs to both the provider and payer and is less than ideal from a patient care perspective.

Traveling nurses and locums are an increasing expense for Vermont providers. Vermont nursing homes spent $11.6 million on traveling nurses in FY17. This was a 145% increase from FY14 (see chart below).
10 of 15 Vermont hospitals reported spending $47 million on traveling staff (nurses, technicians, locum tenens) in FY19. This was a 101% increase from FY15 (see chart below).

**Bottlenecks and Challenges:**

Vermont’s health care workforce crisis is driven by several immediate factors. These include:

- **Rising higher education costs** – Nationally, medical school tuition has risen 56% for in-state public school, and 47% for private schools since 2009. At the University of Vermont Larner College of Medicine,
Vermont’s only medical school, tuition is $37,070 for in-state students. This is above the national average in-state tuition of $31,905 for public medical schools.6

The cost of nursing school has also risen significantly. At the University of Vermont, tuition for a BSN has risen 48% since 2009. At Castleton University, nursing school tuition has risen 85% for in-state students. This exceeds the national average of a 37% increase for in-state public schools, and 26% rise for private schools over the past decade.7

- **Limited educational capacity** – Vermont lacks the educational capacity to meet its health care workforce needs. In 2018, 168 BSN and 125 ADN students graduated from Vermont programs. This number falls below the needs highlighted in the VTPM survey and provider vacancy data.
- **Aging workforce** – Vermont’s health care workforce is aging. 34% of primary care physicians are over age 60, as compared with 29% in 2014, 19% in 2008, and 9% in 2002. 25% of primary care ARPNs are over age 60. 21% of LPNs are over age 60.
- **Provider burnout** – Provider’s cite physician and nurse burnout as a major factor in retaining workforce.

Beyond the immediate factors, broader economic development issues plague Vermont’s workforce development. Providers cite a number of barriers to recruiting prospective employees including:

- A lack of affordable, high quality housing
- A lack of affordable childcare
- Limited transportation options
- A lack of employment opportunity for spouses

**Actions Taken:**

**Provider Best Practices:**

Under these tremendous pressures, Vermont providers have been innovative in improving their workforce recruitment and retention. The examples below illustrate the bold strategies providers have taken to combat Vermont’s workforce shortage.

- **Universal Provider Practices**
  - Below is a list of practices employed by nearly all providers
    - Sign-on bonuses to all nursing professions - These bonuses can be as high as $10,000.
    - Training costs for LNAs and tuition reimbursement for nurses
    - Paid time off offered to all nursing professions
    - Higher reimbursement for nighttime and weekend shifts
    - Internships opportunities for students enrolled in advance degree programs
    - Referral bonuses

- **Unique Provider Examples:**

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6 [https://www.aamc.org/]
8 [https://www.healthvermont.gov/sites/default/files/documents/PDF/phvs16bs.PDF](https://www.healthvermont.gov/sites/default/files/documents/PDF/phvs16bs.PDF)
Southwestern Health Care – RN Tuition Reimbursement

Southwestern Health Care (SVHC) developed a partnership with Castleton University's Nursing Program. SVHC offers RN positions to students that commit to working at SVHC when they complete their program. In exchange for the commitment, SVHC offers up to full tuition reimbursement.

Brattleboro Memorial Hospital – Medical Scribes and Medical Assistants

Brattleboro Memorial Hospital developed a partnership with Community College of Vermont by creating an accelerated Medical Assistant program that fast-tracks students interested in health care by providing an opportunity to become a Medical Assistant working in an outpatient practice.

Brattleboro Memorial Hospital – Shared Staffing Models

Brattleboro Memorial Hospital established a post-acute care service. Following a discharge from BMH, a clinician team addresses the care environment for patients from the time of discharge form acute care to the admission at a skilled nursing facility. The collaboration between hospitals and post-acute care providers improves efficiency and care quality.

Central Vermont Medical Center – Education Partnerships

Central Vermont Medical Center (CVMC), in partnership with the Community Colleges of Vermont (CCV) and the Vermont Technical College (VTC), is launching a new workforce development program aimed at addressing the shortage of nurses in Vermont. This initiative creates an LNA to LPN bridge program. LNAs employed at CVMC will be able to become LPNs.

Birchwood Terrace Rehab and Healthcare – RN Tuition Paid Upfront

Birchwood Terrace Rehab and Healthcare offers to pay their existing staff’s tuition to attend an RN program at VTC. In exchange for tuition, staff must commit to working two years at the facility after completing their degree.

Government Initiatives:

- Loan Repayment
  - The Vermont Area Health Education Centers (AHEC) Program, in collaboration with many partners, improves access to quality healthcare through its focus on workforce development. This includes pipeline programs in health careers awareness and exploration for youth in communities across the state; support for and engagement of health professions students at the University of Vermont and residents at The University of Vermont Medical Center; and recruitment and retention of the healthcare workforce in Vermont.
  - AHEC administers the Vermont educational loan repayment program for health care professionals. The program receives both Federal and State funds.
  - In Act 72 (2019), Vermont allocated $1.5 million to establish a loan repayment program for mental health and substance use disorder treatment professionals. The program is directed towards master’s-level clinicians, bachelor’s-level direct service staff, and nurses that are employed by a designated or specialized service agency in Vermont. There is ongoing discussion regarding program administration.

- Medication Nursing Assistants
In Act 38 of 2015, the Legislature established medication nursing assistant (MNAs) as a new type of nursing license. MNAs are LNAs that can administer medication in a nursing home under the direction of a registered nurse. With the appropriate use of MNAs, nursing homes can more effectively utilize LPN and RN resources to improve care.

- **Allowing Military Medics to become Licensed Nurse Assistants**
  - Act 119 of 2018 established a direct pathway for military medics to become licensed nursing assistants (LNA). Military medics can now qualify as a Licensed Nursing Assistant ("LNA") if they have proof of completing a hospital corpsman or medical service specialist training from the Air Force, Army, or Navy (certificate or DD 214).

- **Data Collection**
  - Several State Agencies and a Private Entity collect statewide workforce data. These sources include:
    - Department of Labor: Economic & Labor Market Information Division
    - Department of Health: Health Statistics and Vital Records
    - UVM Larner College of Medicine: Area Health Education Center
    - Secretary of State: Office of Professional Regulation

- **Commissioned Studies**
  - Act 48 Health Care Workforce Strategic Plan (2013)

- **Department of Labor Recruitment Initiatives**
  - The Vermont Department of Labor (DOL) has developed a comprehensive approach to expand Vermont’s labor force. DOL’s strategies include:
    - Increasing the labor participation rate of Vermonters through expanding youth and adult training opportunities.
    - Recruiting and Retaining more workers to Vermont through targeted outreach, military base outreach and relocation assistance.
    - Assisting employers in accessing and retaining qualified workers, by improving Vermont’s online labor exchange.

**Recommended Solutions:**

Given the current shortage and anticipated future demand of health care workers, Vermont needs to take swift action to address this issue. While providers have taken significant initiative to address these challenges, policy changes are still needed. The following solutions include regulatory changes, legislative proposals, and new state initiatives.

**Occupational Licensing Reforms:**

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[8](https://legislature.vermont.gov/Documents/2016/Acts/ACT038/ACT038%20As%20Enacted.pdf)
The most significant shortages in Vermont’s health care workforce are licensed positions including MDs, APRNs, RNs, LPNs, and LNAs, as well as unlicensed PCAs.

- **Mandate that Vermont Enter the Interstate Nurse Compact**
  - Act 82’s (2017) workforce report highlighted occupational license streamlining as a “highly effective” strategy to increase health care workforce recruitment and retention. The report specifically noted portability as an important policy consideration. Joining the interstate nurse licensure compact would improve the portability of a registered nursing license, allowing more out of state nurses to move to and be employed in Vermont. The nurse compact requires states to conduct background checks of all RNs.

- **Change clinical faculty requirements**
  - Vermont has an insufficient number of nurse educators. With limited faculty, Vermont nursing education programs can accept a limited number of applicants. In 2018, Vermont Technical College was able to accept only 62.5% of qualified applicants to their LPN program. This creates a significant bottleneck in Vermont’s nurse career pipeline.
  - Current Board of Nursing rules require nurse educators in LPN and RN programs to hold:
    1. a master’s degree in nursing (MSN); or
    2. a bachelor’s degree in nursing (BSN) and a graduate degree in a related field approved by the Board; or
    3. a bachelor’s degree in nursing and be enrolled in a graduate program in nursing or a related field approved by the Board which must be completed within 3 years of initial faculty appointment; and
    4. have clinical experience relevant to the areas of instruction. 10
  - Due to the low supply of nurses that meet these criteria, nursing education programs struggle to find instructors. Without enough instructors that meet this requirement, education programs are unable to accept all qualified applicants.
  - Allowing nurses that possess a BSN and have relevant experience to serve as a clinical instructor could address this faculty shortage and expand the available pipeline of nursing talent.
  - Massachusetts 11, New Hampshire 12, Maine 13 all allow for BSN level nurses to be instructors.

- **Create a Military Medic to LPN Bridge Program**
  - Act 119 of 2018 established a direct pathway for military medics to become licensed nursing assistants (LNA). To expand upon this initiative, the Legislature could create specialized bridge program for military medics who hope to become Licensed Practical Nurses (LPN). Students completing the Medical Corpsman to Practical Nurse Program will be awarded a Practical Nursing Certificate and will be eligible to sit for the national Practical Nurse Licensing Exam.
  - Illinois developed a similar program in 2013. An approved bridge program is now offered at three colleges in Illinois. 14

- **Streamline mental health clinician licensing requirements**

12 http://www.gencourt.state.nh.us/rules/state_agencies/nur100-800.html
13 https://www.maine.gov/boardofnursing/docs/Chapter%207%20Regulations%20for%20Approval%20of%20Licensure%20of%20Nursing%20Program-Revised.pdf
14 https://www.illinois.gov/veterans/xxprograms/Pages/StateLicensesMilitaryTraining.aspx
Several DAs and SSAs use the Relias online program to train staff. Aligning licensing and credential requirements with the content of the program would reduce barriers to licensure.

Higher Education Reforms:

- **Lower the minimum age of admission for an LPN program**
  - Vermont Technical College is the only LPN program in Vermont. Admittance to the program requires LPN students to be at least 18 years old. Lowering this age requirement to 17 years old will allow future Vermont nurses to enter the workforce soon after graduating high school.
  - Other states, including Massachusetts and New York, offer “secondary” and “secondary extended” programs for high school students.
  - Lowering the age will allow high school students to access VTC’s LPN program through dual enrollment, significantly reducing the cost burden on these students.
  - This proposal does not require legislation or rule change.

Financial Incentives:

While reducing regulatory barriers to address bottlenecks in Vermont’s health care workforce pipeline, financial incentives are needed to both encourage licensed professionals to come to Vermont and to retain our current workforce. Many states have implemented generous financial incentives to address their respective workforce and demographic challenges. To remain competitive, Vermont needs to be bold in attracting this highly indebted, and in-demand workforce.

- **Increase loan repayment**
  - Vermont’s total maximum award to physician’s is $20,000/year for up to two years. This ranks near the bottom both in the total award amount, and annual payout when compared to other New England states. See chart below.

![Loan Repayment Award Amounts by State](chart.png)
Vermont’s funding of the loan repayment program has been level-funded since 2012. Despite an increase in Federal grant dollars in FY16, total funding has remained stagnant. See the table below for detail.

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<th>AHEC Loan Repayment Funding</th>
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<td>FY12</td>
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<td>Total</td>
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As educational debt rises for future MDs and APRNs, so does the need for a substantial loan repayment program. Vermont must stay competitive with other states by significantly increasing funds to reduce educational loan debt.

AHEC funding has largely been allocated to MDs and APRNs. While there is certainly a tremendous need for these professions, very little funding is available to RNs and LPNs. Between FY15-18, only $400,000 was awarded ($100,000 each fiscal year), assisting only 57 nurses in that time period.

In Act 72 (2019), Vermont allocated $1.5 million to establish a loan repayment program for mental health and substance use disorder treatment professionals. The program is directed towards master’s-level clinicians, bachelor’s-level direct service staff, and nurses that are employed by a designated or specialized service agency in Vermont.

Vermont should increase support for higher educational costs in the form of loan repayment, tuition assistance, grants and scholarships.

**Implement tax incentives**

Several states have used tax incentives to attract workforce.

- **Opportunity Maine Tax Credit:**
  - Maine implemented the Opportunity Maine Tax Credit began in 2008. Maine graduates that recently graduated college can claim a tax credit based on the amount they in loans each month. Since the program’s inception, tens of thousands of young Maine residents have utilized the tax credit. In 2017 alone, 9,000 residents claimed over $17 million in tax savings.

- **Oregon Rural Health Tax Credit:**
  - In 1989, Oregon implemented a non-refundable tax credit of up to $5,000 to physicians, physician’s assistants and nurse practitioners that practice in a rural setting.
  - Oregon’s Legislative Revenue Office evaluated the tax credit in 2015. Their review found that the number of rural providers per 1000 people increased from 1.2 in 2001, to 1.7 in 2014. From 2005 to 2012, the number of claimants grew 16%.
  - A survey conducted by the Oregon Office of Rural Health found that 78% of respondents indicated that the tax credit was “important” or “very important” in their decision to practice in rural Oregon.

Tax based incentives are a needed component to grow a critical healthcare workforce.

As identified in Vermont’s workforce data, many providers are struggling to find PCAs, LNAs, and LPNs in addition to RNs. While loan repayment is an effective tool in recruiting professions that have high education costs (MDs, APRNs, PAs, RNs), it does not help those that have little to no educational loans, and lower income levels. To incentivize entry into lower level essential positions, the State of Vermont should increase the Earned Income Tax Credit for eligible individuals serving in the health care workforce.

**Other Regulatory Reforms:**

- **Remove telehealth barriers**

  Telehealth has the potential to improve patient access and overcome Vermont’s workforce shortage. By increasing the efficiency and extending the reach of existing providers, telehealth can maximize the Vermont health care workforce’s potential. Several regulatory barriers limit telehealth’s current usage in Vermont. The following proposals seek to remove these barriers where appropriate.

  - **Telemonitoring**
    - Current Agency of Human Services rules limit telemonitoring’s coverage to congestive heart failure. AHS should expand coverage of telemonitoring to include other diseases and conditions.
    - The State of New York recently adopted rules to expand telemonitoring to cover diabetes, chronic obstructive pulmonary disease, wound care, polypharmacy, mental or behavioral problems, and technology-dependent care such as continuous oxygen, ventilator care, total parenteral nutrition or enteral feeding.

  - **Store and Forward**
    - Current AHS rules limit store and forward coverage to teledermatology and teleophthalmology. AHS should expand coverage of Store and Forward telemedicine to other radiology.
    - California, Georgia, and Minnesota have all expanded store and forward coverage to teledentistry.
    - Alaska reimburses diagnostic, therapeutic and interpretive services along psychotherapy or pharmacological management services.

- **Reduce administrative burden**

  - Streamline quality measures and create additional administrative uniformity
    - Provider performance is measured by several metrics, and often differ by each payer. The large number of quality measures, with reporting requirements that may vary by payer, can create substantial administrative burden and make it difficult for providers to focus improvement efforts.
    - A number of steps can be taken reduce this burden on providers, including:
      - Continuing steps to standardize the definitions and calculations for quality metrics used by the federal and state government entities, insurance payers, accountable care
organizations and others with the goal of ultimately adopting uniform statewide or national standards for quality data.

- Eliminating reporting requirements where there is a lack of documented evidence supporting their benefit to improve quality and/or reduce costs.
- Shifting to the use of quality data reported through accurate claims data rather than clinician submission.

- Create administrative uniformity by payers, for example, with respect to treatment and management of the same condition and the payment by payers of adequate case management fees to clinicians for services relating to coordinating and managing the care of patients with chronic conditions.

- Reduce/eliminate prior authorizations
  - Eliminating prior authorization requirements where there is a lack of documented evidence supporting their benefits to improve quality and/or reduce costs.
  - Continue expanding the ACO prior authorization pilot, including expanding to additional payers, so that clinicians can take advantage in practice of reduced administrative tasks.
  - Expand and align between payers “Gold Card” programs, through which clinicians who routinely have prior authorizations approved are exempt from the prior authorization process, thresholds must be meaningful and include both primary care clinicians as well as specialists.

Increase State Recruitment Efforts for Immigrants and New Americans:

- Immigration
  - J-1 Visa
    - Each state is eligible to use 30 J-1 visa waivers for foreign born physicians who agree to work in an underserved area at least three years.
    - The J-1 visa waiver has been underutilized by the state. Over the last eight years, Vermont has successfully placed only 39 applicants.
  - Establish a state-led immigration and New American initiative
    - Health care providers are attracting temporary workforce under various VISA programs. The paperwork is daunting and the process inefficient.
    - To help employers broaden their workforce search, Vermont should create a centralized immigration service to assist employers and prospective employees navigate Federal immigration law and the employment-based visa process.
    - Ensure New Americans are made aware of job opportunities within the health care system and connect them with potential provider employers. Act 80 of 2019 required that the Department of Labor take several steps to provide support to employers and New Americans in the workforce. Vermont should expand upon these efforts, with a specific focus on health care. 17

- Establish Statewide marketing campaign

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Commented [LP6]: Let’s look back at last year’s economic development bill and frame this as an expansion of the New American related provisions
• Programs such as tax incentives or loan repayment for health care professionals need advertising to be fully effective. Vermont should market these careers, and the incentives offered by the state, to keep newly licensed professionals in the state, attract out-of-state healthcare professionals to work in Vermont, and encourage younger residents to pursue these rewarding careers.

• Make health care workforce a priority
  o Prioritize health care workforce on the Vermont Workforce Development Board
    ▪ The Vermont State Workforce Development Board is established by the federal Workforce Innovation and Opportunity Act. The Board is charged with advising the Governor on the development and implementation of a comprehensive, coordinated and responsive statewide workforce education and training system.
    ▪ The Board’s composition is largely representatives from the manufacturing, construction, and tourism business. Greater representation from the health care provider industry could help drive policy that focused on expanding Vermont’s health care workforce.

  o Utilize the Registered Apprenticeship Program
    ▪ The Vermont Department of Labor administers the Vermont Registered Apprenticeship Program.
    ▪ The Program is an industry-driven, high-quality career pathway where employers can develop and prepare their future workforce, and individuals can obtain paid work experience, classroom instruction, and a portable nationally recognized credential.
    ▪ The Program is largely utilized by other industries including manufacturing and construction. Providers should be utilizing the program to recruit, train and retain a workforce that meets their needs.18

Federal Changes:

• Medicare Waivers - In Progress
  o Current efforts are underway to determine the scope of the ACO telehealth waiver and whether it can support flexibility in accessing primary care and mental health services in nursing homes. Develop waiver requests as needed for the next round of All-Payer Model negotiations to support these efforts.
    ▪ Store and Forward Coverage – i.e. Hawaii/ Alaska

• Increasing Federal Loan Repayment: 
  o The Federal State Loan Repayment Grant Program awards $18.9 million to 41 states and two US territories. Increasing this federal appropriation to the Vermont State Loan Repayment Program could create a more robust loan repayment system that helps rural providers meet their workforce demands.

• Federal Immigration Reforms: 
  o Raising the H-2B Cap
    ▪ Under the H-2B program, guest workers can enter the United States for up to 10 months and their stay can be extended up to 3 consecutive years. An employer petitioning for guest

workers must certify that domestic workers are unavailable and demonstrate that the hiring of foreign workers will not harm the wages and employment of Americans.

- Permanently increasing the annual cap specifically for nurses, physical therapists, licensed practical or vocational nurses, and certified nurse aides could help alleviate workforce shortages.