

SUBJECT: Establishing a hospital-based nursing education partnership grant program

COMMITTEE: Higher Education — committee substitute recommended

VOTE: 9 ayes — Morrison, McCall, F. Brown, Alonzo, Aycock, Giddings, D. Howard, Patrick, Rose

0 nays

WITNESSES: For — David Eubanks, Texas Health Resources; Clair B. Jordin, Texas Nurses Association; Susan McBride, Dallas-Fort Worth Hospital Council; Ana Majia-Dietche, Health Industry Steering Committee of Central Texas at Worksource Greater Austin Area; Elizabeth Sjoberg, Texas Hospital Association; (*Registered, but did not testify:* Gail Acuna, Steven R. Stone, St. David's Healthcare; Michael Crowe, Texas Border Coalition; Gerald Hill, Seton Family of Hospitals; Drew Scheberle, Greater Austin Chamber of Commerce; Sally Williams, DFW Hospital Council)

Against - None

On — Sondra Flemming, El Centro College-AD Nursing Program

BACKGROUND: Texas continues to face a critical shortage of registered nurses. The demand for nursing services is expected to increase as the Texas population ages and more of Texas' aging nurse population retires. A lack of adequate nurses means less quality care for patients. Texas will have 27,000 fewer nurses than it needs in 2010. Despite the shortage, nursing schools are turning away thousands of qualified applicants each year CSHB 3443 would implement, with some modifications, Gov. Perry's proposal to address the nursing shortage in Texas.

DIGEST: CSHB 3443 would establish the Texas hospital-based nursing education partnership grant program to be administered by the Texas Higher Education Coordinating Board (THECB). A partnership would consist of one or more hospitals in Texas that were not owned or operated by the federal or state governments or agency.

THECB would make grants to hospital-based nursing education partnerships to assist those partnerships in meeting the state's needs for

registered nurses. Grants would be contingent on meeting THECB and the Texas Board of Nurse Examiners (BNE) standards, enrolling more students at the participating nursing education program, demonstrating that the cost of producing a graduate from the partnership program was comparable to the cost of producing a graduate from a traditional nursing education program, and providing sufficient clinical placements. A grant under the program could only be spent on costs related to the development or operation of a hospital based nursing education partnership that:

- prepared a student to earn an associate or bachelor of science degree in nursing and to achieve initial licensure as a registered nurse;
- prepared a student to earn a master of science degree in nursing with a concentration in education; or
- provided an articulation program providing for advancement from an associate degree to a bachelor of science degree in nursing or to a master of science degree in nursing with a concentration in education.

Funds not expended through the grants could be used to fund other grants to the program, the professional nursing shortage reduction program, or the nursing, allied health and other health-related education grant programs.

Each hospital-based nursing education partnership that received a grant would be required to submit an annual report including information about compliance with accountability standards.

THECB would give priority to partnerships that submitted a proposal that provide d:

- a memorandum of understanding between participants that included a centralized decision-making process involving each entity participating in the partnership, access to clinical training for students that were not in the partnership, and specifies details of employment for graduates; and
- an educational model that increased graduates and nursing faculty, improved student retention, offered matching funds, could be replicated by other partnerships, and included plans for sustainability.

THECB could solicit other funds to support the grant program and would have to adopt rules and regulations as soon as practicable after the bill became effective for administering the program. Rules must include provisions for applying for grants and standards of accountability. THECB and the BNE would have to adopt a single application process for approving pilot programs under the grant program.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2007.

NOTES:

According to the Legislative Budget Board, the bill would cost \$7.8 million in general revenue related funds in fiscal 2008-09 and require three additional FTEs.

A similar bill, SB 1419 by West, has been referred to the Senate Education Subcommittee on Higher Education.