

# Testimony: Health Care Workforce

Assembly Standing Committees on Health,  
Mental Health, People with Disabilities,  
Higher Education and Labor

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Good morning Chairs Paulin, Gunther, Seawright, Fahy and Joyner, and members of the committees. I am Bea Grause, president of the Healthcare Association of New York State, representing not-for-profit and public hospitals, health systems and post-acute care providers across New York. Thank you for this opportunity to comment on the healthcare workforce in our state and offer sensible solutions to ensure that New Yorkers can get the care they need when and where they need it.

Healthcare is about people taking care of people. My remarks today will cover four focus areas:

- the people for whom we care;
- the people providing care today;
- the people we will need to provide care moving forward; and
- where people receive and provide care.

Maintaining a robust and stable healthcare workforce is the cornerstone of providing quality care. Thanks to the state Legislature's support, progress was made this year to bolster our healthcare workforce and support our institutions' recruitment and retention efforts. Severe challenges remain, however, and we greatly appreciate your continued interest in this critical issue.

### **Being there for the 20 million New Yorkers and others who rely on us**

First, the people for whom we care. They are the reason why we are in this industry and at this hearing today. Nearly 20 million New Yorkers rely on our hospitals, health systems and the broader continuum of care. In addition, people from across the nation and around the world come to New York for our hospitals' and health systems' expertise.

We have a large and diverse state. New Yorkers live in rural, suburban and urban areas, with varying healthcare needs and access challenges. Many across the state struggle with housing, food insecurity, transportation and other challenges that impact their health and well-being. We have systemic health inequities, as highlighted during the pandemic. Twenty-eight percent of New Yorkers are Medicaid recipients, 13% are on Medicare, 54% are commercially insured and 5% are uninsured.<sup>1</sup>

While we focus on meeting the current healthcare needs of New Yorkers, we should also look toward predicting the demands our healthcare system will face in the future. We must not only be able to provide and sustain access to the care needed today, but also have the investments, resources and flexibilities necessary to innovate and evolve so New Yorkers have access to the services and providers they need as their healthcare needs change.

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<sup>1</sup> Kaiser Family Foundation (2022) Health Insurance Coverage of the Total Population. <https://www.kff.org/other/state-indicator/total-population>.

### **Healthcare demand is increasing *and changing***

Right now, we are witnessing a shift from acute medical events early in life to chronic and costly episodes later in life. With an aging population and advances in treatments, patients are surviving longer and experiencing conditions with later onset and prolonged trajectories. Our graying population requires greater long-term care support while, at the same time, clinicians are alarmed by chronic diseases such as Type II diabetes rising among our youth. All of this points to more care needed for lengthier periods, further stretching our already limited healthcare resources.

Accompanying this shift in physical care service demand is a national mental and behavioral health crisis. More than one in five New Yorkers has symptoms of a mental disorder each year; behavioral health service availability is falling far short of meeting current demand. <sup>2</sup>

As we look ahead, the demand for workers will outstrip our capacity to develop and retain them in the traditional roles and care models that have defined the past 50 years of healthcare delivery. We must be creative in our problem solving, data-backed in our decisions and swift with our action to ensure the number and mix of healthcare workers can meet demand.

### **Access to care is diminishing**

Unfortunately, as New Yorkers' demand for care is increasing, their access to care is moving in the opposite direction.

The COVID-19 pandemic placed extraordinary stress on the nation's and New York's healthcare system. Since 2020, many experienced healthcare personnel have left the field, and the narrow pipeline of new healthcare workers cannot meet demand.

Hospitals and health systems are using every available tool and strategy to recruit and retain their talented, compassionate team members, but challenges persist. In a recent survey of our member hospitals and health systems, 98% continue to report difficulty filling registered nurse roles; approximately 95% report difficulty filling other key roles, including physicians, clinical laboratory technologists, respiratory therapists, licensed practical nurses and certified nurse aides/assistants. Recruitment challenges span all areas of the state, all facility sizes and both academic and non-academic hospitals and health systems.

Severe workforce shortages, coupled with chronic government underpayment for medical care delivered amid soaring expenses, have forced some of our member hospitals to make the difficult decision to close units. These closures result in fewer beds and services available, delays in admissions and procedures, longer emergency department wait times and increases in other systemic delays and bottlenecks. Persistent vacancies have also required hospitals to continue to rely on agency staff at unsustainable costs that draw limited resources away from other priorities.

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<sup>2</sup> New York State Department of Health. Priority Area: Mental Health/Substance Abuse - Mental Health. [https://www.health.ny.gov/prevention/prevention\\_agenda/mental\\_health\\_and\\_substance\\_abuse/mental\\_health.htm](https://www.health.ny.gov/prevention/prevention_agenda/mental_health_and_substance_abuse/mental_health.htm).

Similarly, nursing homes have had to reduce capacity or close their doors due to fiscal and workforce pressures. Nursing homes faced significant job losses within the healthcare sector since the onset of the pandemic, with New York state nursing home and residential care facility employment down 13.9% from 2017 to 2021.<sup>3</sup> Our nursing home members have created innovative programs and engaged in herculean efforts to recruit and retain staff during this unrelenting labor shortage; they still are not always able to meet state-required minimum staffing. As beds close, vulnerable older adults are left with fewer care options, with ripple effects impacting patients in our hospitals, emergency departments and across the entire continuum of care.

Preserving and expanding access to care is intertwined with the broader goal of building a sustainable healthcare system for the future. While there is no single, easy solution for the workforce and fiscal crises plaguing healthcare, there are many actions lawmakers can take now to help alleviate immediate pressures and widen the pipeline of healthcare workers New Yorkers will need in the years ahead.

### Supporting, empowering and retaining the healthcare professionals we have today

Now, the people providing care and otherwise supporting our healthcare organizations today. We are fortunate in New York to have about 1.2 million people – clinical and non-clinical – dedicated to the healthcare needs of New Yorkers.<sup>4</sup> To retain the professionals we have and strengthen New Yorkers’ access to care, we must ensure our healthcare workers feel fulfilled by their work, valued by their patients and employers, and safe and welcomed in their workplaces.

Right now, many talented healthcare professionals are unable to put the full scope of their knowledge and training into practice because of regulatory restrictions; many are doing administrative and basic clinical tasks that individuals without their higher credentials could do. To better meet the evolving and growing demands of our patients, New York’s healthcare workforce desperately needs greater flexibility and modernized oversight.

HANYS supports common sense policies that better leverage the skills of individuals already working in our healthcare settings. **We urge the Legislature to enable healthcare professionals to practice at the top of their credentials and training:**

- Authorize certified medication assistants to administer routine, pre-filled or prepackaged medications in nursing homes. (A.8299)
- Recognize certified registered nurse anesthetists in New York state law. (A.6958-A/S.769-A)
- Allow experienced physician assistants to practice independently. (A.8378)

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<sup>3</sup> Center for Health Workforce Studies (2023) The Health Care Workforce in New York State: Trends in the Supply of and Demand for Health Care Workers. p. 13. <https://www.chwsny.org/wp-content/uploads/2023/05/Health-Care-Workforce-NYS-Trends-2023-Final.pdf>.

<sup>4</sup> New York State Department of Labor (2021) Quarterly Census of Employment and Wages. <https://dol.ny.gov/quarterly-census-employment-and-wages>.

- Allow psychiatric nurse practitioners to evaluate individuals for involuntary hospital admission for psychiatric care. (A.6934)
- Recognize qualified non-nursing staff for certain testing procedures, including allowing pharmacists to order and administer tests for COVID-19 and influenza.
- Support innovative, team-based care practice models.

Resources — both personnel and fiscal — are finite. We must look for ways to put our current resources to better use. New York healthcare providers across the continuum must comply with many unfunded government mandates, expending limited resources that could be better directed to improving patient care.

**We urge the Legislature to reduce costly regulatory and administrative burdens on healthcare employers:**

- Address aggressive insurance prior authorization and utilization management practices, freeing up administrative time for hospital staff. (A.7268/S.3400), (A.6937), (A.6898/ S.3402)
- Repeal the statute requiring employers to pay staff for COVID-19 sick leave now that providing paid sick time is a requirement in New York state and COVID-19 is considered endemic. (A.7549/S.7250)
- Address the burden of daily COVID-19 reporting for nursing homes by urging DOH to mirror the streamlining and efficiencies made to the hospital Health Electronic Response Data System survey.

Hospitals in New York and across the nation are reporting a major increase in the number of healthcare workers being threatened or seriously injured by patients or visitors. In addition to following rigorous violence prevention regulations and accreditation standards, hospitals and health systems across New York have launched robust initiatives to create safer and more respectful environments for patients, staff and visitors. But more must be done. **We urge the Legislature to help deter violence in our healthcare settings:**

- Include a dedicated capital program in the state fiscal year 2024-2025 budget to enable hospitals and health systems to create safer facilities for their employees and patients. This program would fund security-related physical plan improvements, such as creating single points of entry, installing metal detectors and increasing the availability of panic buttons.
- Current New York state law makes it a second-degree felony to assault an on-duty registered nurse, licensed practical nurse or healthcare worker providing direct patient care. However, the law fails to protect the many non-medical employees and volunteers who care for and interact with patients and visitors every day. HANYS urges the Legislature to advance legislation amending Penal Law Code Section 120.05 to provide all employees and volunteers working in healthcare settings with the same protections.

Finally, we urge the Legislature to recognize the wage increases, sign-on bonuses and many other forms of compensation extended to staff by hospitals and health systems over the last few years. Medicaid and Medicare have long underpaid providers for the cost of care — and that reimbursement certainly falls short of supporting hospitals' forever increasing labor costs. **Adequate reimbursement from all payers is essential to retaining our workforce, sustaining the services our patients rely on and investing in the modern facilities and technologies we need to address current and future health challenges.**

## Increasing the pool of healthcare professionals we need now and in the future

While we must do all we can to support and enable the staff we have today to thrive in their roles, and most effectively use their talents and skills to advance patient care, we must also acknowledge that we do not have the workforce necessary to meet all current care demands nor those of tomorrow.

The New York State Department of Labor estimates that, on average, about 170,000 healthcare jobs will be open each year in the state between 2020 and 2030. In 2021, New York state produced about 43,000 new workers to fill healthcare workforce openings.<sup>5</sup> Even if the state doubles the scale of its current healthcare workforce training programs and produces 86,000 workers per year, only about half of the open jobs would be filled.

We need to build our higher education and professional development infrastructure to successfully attract more students to the field and ensure adequate opportunities for these students to receive high-quality training and advancement opportunities.

**We urge the Legislature to strengthen the education infrastructure needed to train aspiring healthcare professionals:**

- Provide support to colleges to build their expert healthcare faculty in nursing and across many other disciplines and offer pay that is commensurate with required education for didactic and clinical instructors.
- Provide support to CUNY, SUNY and community colleges to build the healthcare workforce programs of tomorrow.
- Convene stakeholders from higher education to share promising best practices and encourage replication.

New York has high barriers for entry into the healthcare workforce and layers of bureaucratic red tape that extend the time it takes to get approved to work in healthcare. Additionally, our members near state borders frequently lose staff to hospitals across the state line due to administrative challenges involved in working in healthcare in New York. **We urge the Legislature to make it easier and more affordable to enter New York state's healthcare workforce:**

- Join the Interstate Medical and Nurse Licensure Compacts. (A.4860/S.2216), (A.6421)

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<sup>5</sup> The NYS Department of Labor, Jobs in Demand/Projects, Long-Term Occupation Projections, 2020-2028.

- Continue to fund Doctors Across New York, Nurses Across New York and similar programs.
- Continue to fund the Diversity in Medicine program and provide other pathways to recruit and train professionals from underserved areas of the state.
- Provide pathways for high school students to learn about healthcare careers and begin their training early.
- Support career ladder programs for entry-level healthcare workers.
- Support immigrants, migrants and asylum seekers in achieving work authorization without delay.
- Provide more funding to the New York State Education Department to expedite their licensure modernization project and improve the timeliness and transparency of application review.

## Ensuring a sustainable healthcare system for all New Yorkers receiving and providing care

As I said at the top, healthcare is people taking care of people. But there's much more to it. Beyond labor, healthcare requires consistent and sustained investments in infrastructure, technology, drugs, supplies and much more.

Unfortunately, many healthcare providers across the state remain in perilous financial condition. For each dollar of care provided by New York's hospitals, Medicaid pays just 70 cents, based on our analysis of 2021 New York state hospital Institutional Cost Reports. On the nursing home side, Medicaid payments averaged 76 cents of the cost of care in 2019,<sup>6</sup> and rates have only fallen farther behind costs in the years since.

Given Medicaid's prominent role as a health insurance provider in New York state, it is not surprising that many of our hospitals and nursing homes lack the critical resources needed to address significant expense increases and a severe national healthcare worker shortage. Without meaningful reforms and investments, these factors combine to threaten the ability of hospitals and nursing homes to provide the services and care on which their communities and New Yorkers depend.

**We urge the Legislature to act on the following recommendations that provide support for healthcare organizations to recruit and retain essential staff and sustain access to care for their communities:**

- Make a multi-year commitment to close the Medicaid funding gap for hospitals and nursing homes so they have funds available for staff recruitment and retention. While we appreciate the rate increases for

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<sup>6</sup> Medicaid and CHIP Payment and Access Commission (January 2023) Estimates of Medicaid Nursing Facility Payments Relative to Costs. p. 15. <https://www.macpac.gov/wp-content/uploads/2023/01/Estimates-of-Medicaid-Nursing-Facility-Payments-Relative-to-Costs-1-6-23.pdf>.

hospitals and nursing homes approved in last year's budget, we must build on those increases and implement Medicaid payment policy reforms to fully cover the cost of care.

- Repeal the nursing home minimum staffing requirements. If unable to repeal the law, the Legislature should fully fund the mandate, urge DOH to pursue federal matching funds and urge DOH to reform the punitive and administratively burdensome enforcement process.
- Require DOH's Workforce Innovation Office to convene stakeholders, identify best practices and broadly share the most promising practices for solving the workforce crisis.
- Support pilot programs to enable healthcare providers to design and test innovative solutions at the local level.
- Publish findings related to the temporary healthcare staffing agency registration requirement, including the number of agencies and average rates for each title.

## Conclusion

New Yorkers expect — and need — their local hospitals and health systems and their dedicated workforces to always be there when they need them. And our communities rely on our providers to be the economic activity and job generators they've proven to be year after year. Unfortunately, the extraordinary fiscal and workforce challenges facing our hospitals and health systems threaten these expectations.

HANYS urges the Legislature to act this upcoming legislative session to alleviate immediate pressures on our healthcare workforce and organizations and to bolster our pipeline of healthcare workers. I thank you for the opportunity to address this urgent matter. HANYS and our members appreciate the support of the Legislature and look forward to continuing the progress we have made together.