

February 17, 2022

Dear Members of the Pennsylvania Delegation:

On behalf of The Hospital and Healthsystem Association of Pennsylvania (HAP) and the below listed organizations, we urge your support for bipartisan, bicameral legislation—**H.R. 4407/S. 1568, the Technical Reset to Advance the Instruction of Nurses (TRAIN) Act**—which would protect hospital-based nursing programs currently educating nurses in Pennsylvania and throughout the country.

Due to a payment error by the Centers for Medicare & Medicaid Services (CMS), 120 hospital-based nursing programs—including 15 in Pennsylvania which offer Registered Nursing (RN) programs and supply several thousand RN graduates each year—are facing the recoupment of more than \$300 million dollars. For some nursing programs in Pennsylvania, this may lead to a loss of as much as 70 percent of past payments, with additional reductions going forward, and could result in closure of these nursing programs.

Particularly in this moment—when we face a nationwide nurse shortage and the exhaustion of the health care workforce after two years of battling the COVID-19 pandemic—we must take every policy step to expand the pipeline of highly trained nurses. In HAP's recently conducted workforce survey, 90 percent of respondents indicated that finding qualified individuals is a key barrier to employing needed staff; and the vacancy rate for RNs providing direct patient care increased from 20.5 percent during 2019 to 26.9 percent during 2021, showing a 31 percent change.

Hospital-based nursing programs offer a low-cost/high-quality education, and importantly, offer education and future RN employment opportunities to individuals such as second-career, displaced workers, and adult learners who would not otherwise go to a four-year college or university to enter into the nursing profession.

Annually, hospital-based nursing schools receive roughly \$108 million in Medicare pass-through funds to support nursing education programs. During 2020, CMS discovered it had made an error in the administration of Direct Graduate Medical Education (DGME) payments by failing to apply a statutorily required cap on total payments for nursing and allied health education programs. CMS initiated the recoupment of payments, requiring hospital-based schools to pay back millions of dollars received up to a decade ago.

The TRAIN Act would hold hospital-based programs harmless from the consequences of CMS' more-than-a-decade-old mistake by making a technical fix to adjust for the overpayments made to hospitals participating in the Medicare Advantage Nursing and Allied Health Professional Education program between 2010 and 2018. Under the legislation, DGME payments which were inadequately paid as a result of the error could continue to be remedied by CMS.



Leading for Better Health

Members of the Pennsylvania Delegation
February 17, 2022
Page 2

Thank you for your consideration of this important legislation which will help preserve vital assets crucial to the short- and long-term priority of bolstering our nursing workforce.

Sincerely,

A handwritten signature in black ink, appearing to read 'Andy Carter', is written over a light blue horizontal line.

Andy Carter
President and Chief Executive Officer
The Hospital and Healthsystem Association of Pennsylvania

Pennsylvania's Hospital-based Nursing Education Programs:

Allegheny Health Network Citizens School of Nursing
Allegheny Health Network Western Penn School of Nursing
Conemaugh School of Nursing and Allied Health Programs
Geisinger Lewistown Hospital School of Nursing
Heritage Valley Kennedy School of Nursing
Joseph F. McCloskey School of Nursing
Reading Hospital School of Health Sciences Nursing Program
Roxborough Memorial Hospital School of Nursing
Sharon Regional School of Nursing
St. Luke's School of Nursing
UPMC Jameson School of Nursing
UPMC Mercy School of Nursing
UPMC Shadyside School of Nursing
UPMC St. Margaret School of Nursing
Washington Health System School of Nursing