Nursing and Health Reform

The Patient Protection and Affordable Care Act (PPACA) was signed into law by President Obama on March 23, 2010. This law will enact sweeping changes to almost every facet of the health care system over the next ten years. The law makes changes that will impact providers, insurers, consumers, Medicare & Medicaid, and payment policies. For the purposes of this document we wanted to provide readers with an overview of those provisions in the new law that will impact the nursing community as well as their facilities.

This article is intended to provide an overview of those sections of the law most relevant to WOCN members. The information focuses on three main aspects of the law: nursing workforce provisions, payment reform provisions, and facility specific provisions. Each provision is given a brief summary and policy goal of the language contained in the law. Readers can find the full legislative language for each section here: [http://www.gpo.gov/fdsys/pkg/PLAW-111publ148/html/PLAW-111publ148.htm](http://www.gpo.gov/fdsys/pkg/PLAW-111publ148/html/PLAW-111publ148.htm)

Nursing Workforce Provisions

Policy makers recognized the need for an increased workforce to care for the millions of consumers who would be added to the ranks of the insured under PPACA. This -- in conjunction with an already existing workforce shortage within the nursing community -- led to a number of provisions designed to increase the number of nurses in the coming years. Those provisions are as follows:

**Section 5202 Nursing student loan program**—Updates the loan amounts for the Nursing Student Loan program and after 2012 the Secretary (of the Department of Health and Human Services) has discretion to adjust this amount based on cost of attendance increases.

**Section 5203 Health care workforce loan repayment programs**—Establishes a loan repayment program for individuals who are willing to practice in a pediatric medical or surgical subspecialty or in a child mental or behavioral health care for at least 2 years in an underserved area. Recipients, which include psychiatric nurses, social workers, and professional/school counselors, are eligible to receive $35,000/year in loan repayments for participation in an accredited pediatric specialty residency or fellowship. HHS is to give priority to applicants who are or will be working in a school setting, have familiarity with evidence-based healthcare, and can demonstrate financial need.

**Section 5204 Public health workforce recruitment and retention programs**—Establishes Public Health Workforce Loan Repayment Program to assure an adequate supply of public health professionals to eliminate workforce shortages in public health agencies. HHS will repay up to 1/3 of loans incurred by a public health or health professions student in exchange for an agreement to accept employment with a public health agency for at least three years. Those serving in priority service areas may qualify for additional loan repayment incentives at department’s discretion.
Section 5205 Allied health workforce recruitment and retention programs—Authorizes an Allied Health Loan Forgiveness Program to assure there is an adequate supply of allied health professionals to eliminate workforce shortages at public health agencies, acute care facilities, ambulatory care facilities, and other underserved health facilities.

Section 5206 Grants for State and local programs—Authorizes HHS to make grants to accredited educational institutions that support scholarships for mid-career public health and allied health professionals who seek additional training in their respective fields.

Section 5207 Funding for National Health Service Corps—Increasing funding for National Health Service Corps (NHSC) and extends authorization of appropriations for the Corps thru 2015. For FY2016 and beyond, a formula for funding is established to tie increased costs in healthcare to the number of individuals residing in health professions shortage areas.

Section 5209 Elimination of cap on commissioned corps—Removes cap of 2800 commissioned officers in National Health Services Corps regular corps.

Section 5210 Establishing a Ready Reserve Corps—Reconstitutes the Public Health Service Corps into the commissioned Regular Corps and a Ready Reserve Corps for service in time of national emergencies.

Section 5301 Training in family medicine, general internal medicine, general pediatrics, and physician assistantship—Establishes a grant program for hospitals, medical schools, academically and affiliated PA training programs to develop and operate accredited training programs for the provision of primary care.

Section 5302 Training opportunities for direct care workers—Establishes a 3 year grant program under which an institution of higher education can subsidize training of individuals at that institution who are willing to serve as direct care workers in a long-term or chronic care setting for at least two years after completion of their training.

Section 5305 Geriatric education and training; career awards; comprehensive geriatric education—Authorizes HHS to award grants to advanced practice nurses who are pursuing a doctorate or other advanced degree in geriatrics and who, as a condition of accepting a grant, will agree to teach or practice in the field of geriatrics, long-term care, or chronic care management for a minimum of 5 years.

Section 5309 Nurse education, practice, and retention grants—Adds 2 new grant programs specifically focused on nurse retention. One will authorize HHS to award grants to accredited nursing schools or health facilities to promote career advancement among nurses. The 2nd will permit HHS to make awards to nursing schools or health facilities that can demonstrate enhanced collaboration and communication among nurses and other health care professionals. Priority directed towards applicants that have not previously received an award.
**Section 5310 Loan repayment and scholarship program**—Expands Nurse Loan Repayment and Scholarship Programs to provide loan repayment for students who serve for at least two years as a faculty member at an accredited nursing school.

**Section 5311 Nurse faculty loan program**—Increases the Nurse Faculty Loan Program amounts from $30,000 to $35,000 in FY 2010 and FY 2011, declares that the amount of these loans will thereafter be adjusted to provide for cost-of-attendance increases for yearly loan rates and the aggregate loan. Creates new authority to permit HHS to enter into an agreement with individuals who hold unencumbered RNs and who have already completed, or are currently enrolled in, a master’s or doctorate training program for nursing. HHS will provide up to $10,000/year to master’s recipients and $20,000/year to those who earn a doctorate so long as these individuals spend at least 4 years out of a 6 year period as a full-time faculty member at an accredited nursing school.

**Section 5312 Authorization of appropriations for parts B through D of title VIII**—Authorizes $338 million in appropriations to carry out nursing workforce development programs in FY 2010. FY 2011-2016 will be funded according to what HHS determines as “such sums as may be necessary” to carry out these programs.

**Section 5404 Workforce diversity grants**—Expands the workforce diversity grant programs by permitting such grants to be used for diploma and associate degree nurses to enter bridge or degree completion programs or for student scholarships and stipend programs for accelerated nursing degree programs. This statute instructs HHS to consider recommendations from the National Advisory Council on Nurse Education and Practice and to consult with nursing associations.

**Section 5507 Demonstration projects to address health professions workforce needs; extension of family-to-family health information centers**—Establishes a demonstration grant program to provide educational and training opportunities for low-income individuals for positions in the healthcare field that pay well and are expected to be in high demand. Program will primarily serve State TANF recipients, but HHS required to award at least 3 demonstration grants to eligible entities that are Indian Tribes, tribal organizations or Tribal colleges and Universities.

**Section 5509 Graduate nurse education demonstration**—Appropriates $50 million/year FY 2012 thru FY 2015 to establish a graduate nurse education demonstration program in Medicare. Hospitals selected will be reimbursed for educational and clinical instruction costs attributed to training advanced practice nurses to provide primary/preventive care, translational care, chronic care management, as well as any other nursing services appropriate for the Medicare eligible population. Those hospitals selected will partner with community based care settings and accredited nursing schools to undertake the demonstration program and will reimburse partners for their share of costs.

**Section 10501**—Permits faculty at public health schools that offer PA education programs to obtain faculty loan repayment under the workforce diversity program. Also makes other improvements to the NHSC program, such as a provision to increase the loan repayment amount,
allowing half-time service and permitting teaching to count for as much as 20% of the service commitment to the NHSC.

**Pilot and Incentive Payment Program Provisions:**
In addition to policies aimed at increasing the number of nurses, policy makers also sought to more closely integrate nursing into new payment pilot programs that would offer incentives to primary and chronic care managements as well as provide alternatives to the current fee-for-service programs. Payment revisions are as follows:

**Section 2703 State option to provide health homes for enrollees with chronic conditions**—Creates a state option under Medicaid to provide coordinated care through a “health home” for individuals afflicted with chronic conditions. States could receive 90 percent of the funding needed to support Medicaid enrollees who designate a provider or team of medical professionals as their health home through Federal Medical Assistance Percentages (FMAP).

**Section 3022 Medicare shared savings program**—Establishes a shared savings program under which a group of providers and suppliers may form a legally structured Accountable Care Organization (ACO) to manage and coordinate care for Medicare fee for service beneficiaries.

**Section 3024 Independence at home demonstration program**—Creates the Independence at Home demonstration program for chronically ill Medicare beneficiaries in order to test a payment incentive and service delivery system that would utilize physician and nurse practitioner directed, home-based primary care teams with the aim of reducing expenditures and improving health outcomes.

**Section 3501 Health care delivery system research; Quality improvement technical assistance**—Establishes a Center for Quality Improvement and Patient Safety within the Agency for Healthcare Research and Quality (AHRQ). This center will support the identification of best practices for quality improvement in the delivery of health care services by identifying healthcare providers that employ best practices and finding ways to translate these practices rapidly and effectively into practice elsewhere. The Center will establish a Quality Improvement Network Research Program to support research on healthcare delivery system improvement. The Director of AHRQ, under this section, will also be directed to award technical assistance grants to struggling healthcare providers to aid in the implementation and adoption of best practices identified by the Center.

**Section 3502 Establishing community health teams to support the patient-centered medical home**—Authorizes HHS to establish a grant program for states/state designated entities to establish community-based interdisciplinary, interprofessional teams to support primary care practices within a certain area. Health teams must support patient-centered medical homes, defined as a mode of care that includes personal physicians, whole person orientation, coordinated and integrated care and evidence-informed medicine.

**Section 5208 Nurse-managed health clinics**—Authorizes $50 million in grants for the cost of operation of Nurse-Managed Health Clinics (NHMC) that provide comprehensive primary care or wellness services without regard to income or insurance status of patients. NHMCs must
provide care to underserved or vulnerable populations and be associated with an academic
department of nursing, qualified health center or independent nonprofit health or social services
agency. Also establishes a new program to support nurse-managed health centers, authorizes to
be appropriated $50 million for FY 2010 and such sums as may be necessary for FY 2011-2014.
**Section 6301 Patient-Centered Outcomes Research**—Establishes non-profit Patient Centered
Outcomes Research Institute. Purpose of Institute will be to assist patients, physicians,
 purchasers and policy-makers in making informed health decisions.

**Facility Specific Provisions**

Finally, PPACA makes facility specific changes including provisions directly impacting hospice
and palliative care facilities, those provision follow:

**Sections 6101-6121**—Require Medicare Skilled Nursing Facilities (SNFs) and Medicaid nursing
facilities to disclose information on their ownership and organizational structure to government
authorities. Mandates that such facilities implement compliance and ethics program within 3
years of enactment. Section 6103 directs the Nursing Home Compare Medicare Website to
release staffing data for each facility, including resident census data, hours of care provided per
resident per day, staffing turnover and tenure. Section 6105 directs the Secretary to create a
standardized complaint form and requires states to establish a complaint resolution process, as
well as providing whistleblower protection. Both provisions are effective within 1 year of
enactment.

**Section 3004 Quality reporting for long-term care hospitals, inpatient rehabilitation
hospitals, and hospice programs**—Requires quality reporting programs for long-term care
hospitals, inpatient rehabilitation facilities, and hospice providers in 2014. HHS must issue
regulations by October 1, 2012 that will list the specific quality reporting measures that must be
reported. Providers who do not participate in the program would be subject to a reduction in their
annual market basket update.

**Section 10325 Revision To Skilled Nursing Facility Prospective Payment System**—Delays
implementation of certain skilled nursing facility Version 4 of the Resource Utilization Groups
(RUG-IV) published in the Federal Register on August 11, 2009 payment system changes by one
year to October 1, 2011.

**Section 10326 Pilot Testing Pay-for-Performance Programs for Certain Medicare
Providers**—Directs HHS to conduct a separate pilot program under Medicare to test the
implementation of a value-based purchasing program for payments under such title for the
following provider groups: Psychiatric hospitals, Long-term care hospitals, Rehabilitation
hospitals, PPS-exempt cancer hospitals and Hospice programs.

**PPACA Implementation**

Different sections of PPACA will be implemented over the span of the next 10 years. Included is
a comprehensive timeline of when the major provisions of the law will begin. In addition, a
glossary of frequently used terms has been included to help define some of the language included in PPACA.

As with most legislation a large portion of the law will be left to regulators to interpret while implementing. Over the course of the rollout period for PPACA WOCN will be working with coalition partners and meeting directly with federal regulators on those provisions that impact WOCN membership.