



**Allegheny
Health Network**

House Republican Policy Committee Hearing

**Health Care Staffing Crisis
Penn State Health, Life Lion Hangar, Hershey**

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December 1, 2021

Chairman Causer, Representative Mehaffie, and members of the House of Representatives the Allegheny Health Network (AHN) appreciates the Committee's efforts to examine the challenge of healthcare workforce shortages in Pennsylvania. There have been concerns for years about looming supply and demand imbalances in the healthcare workforce. The shortage is no longer looming. It's here now, and it's a crisis.

AHN, a Highmark Health company, is an integrated healthcare delivery system with a service area spanning western Pennsylvania and portions of New York, Ohio and West Virginia. As a non-profit health network, we aim to extend our reach to as many people as possible to offer them a broad spectrum of care and services. We have 14 hospitals and more than 200 primary- and specialty-care practices. And we have approximately 2,400-employed and affiliated physicians in every clinical specialty, 19,000 employees and 2,000 volunteers. Together, we provide world-class medicine to patients in our communities, across the country and around the world.

Nurses traditionally have been the main support of the healthcare system, thus the current and future shortage of nurses in particular is potentially an existential crisis for hospitals and health systems.

The nursing shortage facing America began long before the pandemic propelled it into the headlines once again. The United States has experienced nursing shortages periodically since the early 1900s. Multiple factors led to each shortage, from world wars to economic recessions. But the magnitude of the current nursing shortage, announced in 2012, is greater than ever before in this country. Specifically, a shortage of nurses practicing in acute care, at the bedside. While these remarks are from my perspective as the Chief Nursing Officer at Allegheny General Hospital, the greater Pittsburgh region is a microcosm of the country, and the Commonwealth.

In our nursing organization, registered nurses (RNs) provide direct patient care 24 hours a day, 7 days a week. In early 2020, of the budgeted 3,100 nursing positions, we had approximately 300 open positions to fill. That is a vacancy rate of 9%. Fast forward to today, 2021, and we now have approximately 1,100 open RN positions to fill. That is a vacancy rate of 35%. Retention of nurses has also shown dramatic changes. In 2020, turnover of nurses at the bedside averaged 12%. Today, nursing turnover has increased to an unsustainable 22%.

The healthcare workforce challenges facing the country are more extreme and broad this time around and have many causes. The nursing shortage in Pennsylvania mirrors a national shortfall, including overworked, burned out and dissatisfied nurses, decrease in nursing recruitment and retention, faculty shortages, insufficient funding for nursing programs and advancing age of nurses. All of this was intensified by COVID.

We are living in a world where RNs are leaving hospital employment at far greater rates than we have ever seen. It is important you hear about the effects and consequences of not having adequate numbers of nurses to care for the patients of our communities. In our most recent Clinician Wellness Survey, our third annual, AHN bedside nurses reported an increase in burnout by 10% over the prior year, a year where they were dealing with a high number of COVID cases; 36% of our ICU nurses say they will leave the bedside in the next year. The same goes for 28% of our Emergency Room nurses and 18% of our operating room nurses.

Nurses are leaving the bedside for many reasons, with the main reason being the workload from lack of staffing. The staffing crisis has left a major imbalance in the workloads for remaining nursing staff. This has been especially true during the pandemic. Many hospital employees were asked to move from their usual departments and roles to assist with the intensive care of COVID-19 patients.

Overwhelmed frontline-working RNs have been running a constant risk of developing nurse burnout. The phrase struggles to encompass the depth of the physical and emotional exhaustion nurses experience as the result of heavy workloads, long hours, and the stress of treating critically ill patients.

Other reasons are the emotional and physical toll of the job and family needs. The heightened stress levels of today's nurses are due to more than just the pandemic, more than just the need to make urgent life-altering decisions, and more than just working long hours. It is all of these things and more, combined, that weigh on the shoulders of many RNs.

Another reason nurses are leaving their current organizations – not the bedside – is to work for a nursing agency who is paying out of market wages by price gouging hospitals and health systems. These nursing/travel agencies offer unprecedented compensation to individuals along with the opportunity to visit new places and the ability to have extended time off between assignments.

For such a complex problem, there is no simple solution. But there are strategies and practices that we can examine and put into play today. However, the fundamental issue that must be addressed, for all nurses across the Commonwealth, is how to attract them to stay at the bedside or come to the bedside in the first place. The shortage of skilled nurses entering and staying in the workforce affects both patient care and other healthcare workers on the team. Nurses are so important to healthcare delivery that any challenge they face impacts us all.

As a health system, we are addressing the basic needs of the bedside nurse – wage and benefit equity and competitiveness, safety and security, flexible scheduling to fit lifestyles, and reducing the workload as best we can. But as a health system, we can only do so much. We cannot compete with the nursing agencies who are paying exorbitant amounts of money. In fact, we are feeding that beast ourselves. Because we don't have the staff, we too are paying those excessive nurse agency rates in order to reduce the workload of our current staff and to ensure we can take care of the patients who seek our services.

There are many times when we, as a large health system with advanced services, cannot take patients who need to transfer from hospitals outside our network because we don't have the staff to take care of them. This compromises the health and safety of those patients who require tertiary and quaternary levels of care.

This vicious cycle must be addressed. By the end of 2021, our health network will have paid \$57 million in agency fees and incentive pay. That is 3 times what we normally pay in a year. And its money we don't have. Our losses will have a significant impact on our ability to provide the services our communities need.

As legislators, you can help. Policy makers can provide financial relief to hospitals who are paying for high labor costs, not expected in our budgets. That relief can allow us to retain the nursing staff at the bedside we do have and prevent more flight away from acute care. That financial support can be allocated to nurses as a retention incentive in exchange for a service commitment at the bedside. With each nurse that commits, it is saving organizations more than \$100,000 per nurse in turnover costs.

It will help stop the hemorrhaging we are all experiencing with the flight of bedside nurses. As it stands, we are putting band aids on arterial bleeds and it is not working.

Thank you again for the opportunity to share our thoughts on this issue. AHN welcomes the opportunity to continue discussions with this Committee as well as others on ways to combat opioid abuse and improve treatment options.

