

111TH CONGRESS  
1ST SESSION

# S. 497

To amend the Public Health Service Act to authorize capitation grants to increase the number of nursing faculty and students, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

FEBRUARY 26, 2009

Mr. DURBIN introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To amend the Public Health Service Act to authorize capitation grants to increase the number of nursing faculty and students, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Nurse Education, Ex-  
5       pansion, and Development Act of 2009”.

6       **SEC. 2. FINDINGS.**

7       The Congress finds as follows:

8               (1) While the Nurse Reinvestment Act (Public  
9       Law 107–205) helped to increase applications to  
10       schools of nursing by 125 percent, schools of nursing

1 have been unable to accommodate the influx of in-  
 2 terested students because they have an insufficient  
 3 number of nurse educators. The American Associa-  
 4 tion of Colleges of Nursing estimates that—

5 (A) in the 2008–2009 school year—

6 (i) 62.8 percent of schools of nursing  
 7 had from 1 to 16 vacant faculty positions;  
 8 and

9 (ii) an additional 17.8 percent of  
 10 schools of nursing needed additional fac-  
 11 ulty, but lacked the resources needed to  
 12 add more positions; and

13 (B) 49,948 eligible candidates were denied  
 14 admission to schools of nursing in 2008, pri-  
 15 marily due to an insufficient number of faculty  
 16 members.

17 (2) A growing number of nurses with doctoral  
 18 degrees are choosing careers outside of education.  
 19 Over the last few years, 20.7 percent of doctoral  
 20 nursing graduates reported seeking employment out-  
 21 side the education profession.

22 (3) The average age of nurse faculty at retire-  
 23 ment is 62.5 years. With the average age of  
 24 doctorally prepared nurse faculty at 55.6 years in

1       2007, a wave of retirements is expected within the  
2       next 10 years.

3           (4) Master’s and doctoral programs in nursing  
4       are not producing a large enough pool of potential  
5       nurse educators to meet the projected demand for  
6       nurses over the next 10 years. While graduations  
7       from master’s and doctoral programs in nursing rose  
8       by 12.8 percent (or 1,918 graduates) and 4.5 per-  
9       cent (or 24 graduates), respectively, in the 2008–  
10      2009 school year, projections still demonstrate a  
11      shortage of nurse faculty. Given current trends,  
12      there will be at least 2,616 unfilled faculty positions  
13      in 2012.

14           (5) According to the November 2007 Monthly  
15      Labor Review of the Bureau of Labor Statistics,  
16      more than 1,000,000 new and replacement nurses  
17      will be needed by 2016.

18   **SEC. 3. CAPITATION GRANTS TO INCREASE THE NUMBER**  
19                           **OF NURSING FACULTY AND STUDENTS.**

20           (a) GRANTS.—Part D of title VIII of the Public  
21      Health Service Act (42 U.S.C. 296p) is amended by add-  
22      ing at the end the following:

23   **“SEC. 832. CAPITATION GRANTS.**

24           “(a) IN GENERAL.—For the purpose described in  
25      subsection (b), the Secretary, acting through the Health

1 Resources and Services Administration, shall award a  
 2 grant each fiscal year in an amount determined in accord-  
 3 ance with subsection (c) to each eligible school of nursing  
 4 that submits an application in accordance with this sec-  
 5 tion.

6 “(b) PURPOSE.—A funding agreement for a grant  
 7 under this section is that the eligible school of nursing  
 8 involved will expend the grant to increase the number of  
 9 nursing faculty and students at the school, including by  
 10 hiring new faculty, retaining current faculty, purchasing  
 11 educational equipment and audiovisual laboratories, en-  
 12 hancing clinical laboratories, repairing and expanding in-  
 13 frastructure, or recruiting students.

14 “(c) GRANT COMPUTATION.—

15 “(1) AMOUNT PER STUDENT.—Subject to para-  
 16 graph (2), the amount of a grant to an eligible  
 17 school of nursing under this section for a fiscal year  
 18 shall be the total of the following:

19 “(A) \$1,800 for each full-time or part-time  
 20 student who is enrolled at the school in a grad-  
 21 uate program in nursing that—

22 “(i) leads to a master’s degree, a doc-  
 23 toral degree, or an equivalent degree; and

24 “(ii) prepares individuals to serve as  
 25 faculty through additional course work in

1 education and ensuring competency in an  
2 advanced practice area.

3 “(B) \$1,405 for each full-time or part-time  
4 student who—

5 “(i) is enrolled at the school in a pro-  
6 gram in nursing leading to a bachelor of  
7 science degree, a bachelor of nursing de-  
8 gree, a graduate degree in nursing if such  
9 program does not meet the requirements of  
10 subparagraph (A), or an equivalent degree;  
11 and

12 “(ii) has not more than 3 years of  
13 academic credits remaining in the pro-  
14 gram.

15 “(C) \$966 for each full-time or part-time  
16 student who is enrolled at the school in a pro-  
17 gram in nursing leading to an associate degree  
18 in nursing or an equivalent degree.

19 “(2) LIMITATION.—In calculating the amount  
20 of a grant to a school under paragraph (1), the Sec-  
21 retary may not make a payment with respect to a  
22 particular student—

23 “(A) for more than 2 fiscal years in the  
24 case of a student described in paragraph (1)(A)  
25 who is enrolled in a graduate program in nurs-

1 ing leading to a master's degree or an equiva-  
 2 lent degree;

3 “(B) for more than 4 fiscal years in the  
 4 case of a student described in paragraph (1)(A)  
 5 who is enrolled in a graduate program in nurs-  
 6 ing leading to a doctoral degree or an equiva-  
 7 lent degree;

8 “(C) for more than 3 fiscal years in the  
 9 case of a student described in paragraph  
 10 (1)(B); or

11 “(D) for more than 2 fiscal years in the  
 12 case of a student described in paragraph  
 13 (1)(C).

14 “(d) ELIGIBILITY.—For purposes of this section, the  
 15 term ‘eligible school of nursing’ means a school of nursing  
 16 that—

17 “(1) is accredited by a nursing accrediting  
 18 agency recognized by the Secretary of Education;

19 “(2) has a passage rate on the National Council  
 20 Licensure Examination for Registered Nurses of not  
 21 less than 80 percent for each of the 3 school years  
 22 preceding submission of the grant application; and

23 “(3) has a graduation rate (based on the num-  
 24 ber of students in a class who graduate relative to,  
 25 for a baccalaureate program, the number of students

1       who were enrolled in the class at the beginning of  
 2       junior year or, for an associate degree program, the  
 3       number of students who were enrolled in the class  
 4       at the end of the first year) of not less than 80 per-  
 5       cent for each of the 3 school years preceding submis-  
 6       sion of the grant application.

7       “(e) REQUIREMENTS.—The Secretary may award a  
 8       grant under this section to an eligible school of nursing  
 9       only if the school gives assurances satisfactory to the Sec-  
 10      retary that, for each school year for which the grant is  
 11      awarded, the school will comply with the following:

12               “(1) The school will maintain a passage rate on  
 13      the National Council Licensure Examination for  
 14      Registered Nurses of not less than 80 percent.

15               “(2) The school will maintain a graduation rate  
 16      (as described in subsection (d)(3)) of not less than  
 17      80 percent.

18               “(3)(A) Subject to subparagraphs (B) and (C),  
 19      the first-year enrollment of full-time nursing stu-  
 20      dents in the school will exceed such enrollment for  
 21      the preceding school year by 5 percent or 5 students,  
 22      whichever is greater.

23               “(B) Subparagraph (A) does not apply to the  
 24      first school year for which a school receives a grant  
 25      under this section.

1           “(C) With respect to any school year, the Sec-  
 2       retary may waive application of subparagraph (A)  
 3       if—

4                 “(i) the physical facilities at the school in-  
 5       volved limit the school from enrolling additional  
 6       students; or

7                 “(ii) the school has increased enrollment in  
 8       the school (as described in subparagraph (A))  
 9       for each of the 2 preceding school years.

10           “(4) Not later than 1 year after receipt of the  
 11       grant, the school will formulate and implement a  
 12       plan to accomplish at least 2 of the following:

13                 “(A) Establishing or significantly expand-  
 14       ing an accelerated baccalaureate degree nursing  
 15       program designed to graduate new nurses in 12  
 16       to 18 months.

17                 “(B) Establishing cooperative intradisci-  
 18       plinary education among schools of nursing  
 19       with a view toward shared use of technological  
 20       resources, including information technology.

21                 “(C) Establishing cooperative interdiscipli-  
 22       nary training between schools of nursing and  
 23       schools of allied health, medicine, dentistry, os-  
 24       teopathy, optometry, podiatry, pharmacy, public  
 25       health, or veterinary medicine, including train-

1 ing for the use of the interdisciplinary team ap-  
2 proach to the delivery of health services.

3 “(D) Integrating core competencies on evi-  
4 dence-based practice, quality improvements, and  
5 patient-centered care.

6 “(E) Increasing admissions, enrollment,  
7 and retention of qualified individuals who are  
8 financially disadvantaged.

9 “(F) Increasing enrollment of minority and  
10 diverse student populations.

11 “(G) Increasing enrollment of new grad-  
12 uate baccalaureate nursing students in graduate  
13 programs that educate nurse faculty members.

14 “(H) Developing post-baccalaureate resi-  
15 dency programs to prepare nurses for practice  
16 in specialty areas where nursing shortages are  
17 most severe.

18 “(I) Increasing integration of geriatric con-  
19 tent into the core curriculum.

20 “(J) Partnering with economically dis-  
21 advantaged communities to provide nursing  
22 education.

23 “(K) Expanding the ability of nurse man-  
24 aged health centers to provide clinical education  
25 training sites to nursing students.

1           “(5) The school will submit an annual report to  
2           the Secretary that includes updated information on  
3           the school with respect to student enrollment, stu-  
4           dent retention, graduation rates, passage rates on  
5           the National Council Licensure Examination for  
6           Registered Nurses, the number of graduates em-  
7           ployed as nursing faculty or nursing care providers  
8           within 12 months of graduation, and the number of  
9           students who are accepted into graduate programs  
10          for further nursing education.

11          “(6) The school will allow the Secretary to  
12          make on-site inspections, and will comply with the  
13          Secretary’s requests for information, to determine  
14          the extent to which the school is complying with the  
15          requirements of this section.

16          “(f) REPORTS TO CONGRESS.—The Secretary shall  
17          evaluate the results of grants under this section and sub-  
18          mit to the Congress—

19               “(1) not later than 18 months after the date of  
20               the enactment of this section, an interim report on  
21               such results; and

22               “(2) not later than the end of fiscal year 2010,  
23               a final report on such results.

24          “(g) APPLICATION.—To seek a grant under this sec-  
25          tion, a school nursing shall submit an application to the

1 Secretary at such time, in such manner, and containing  
2 such information and assurances as the Secretary may re-  
3 quire.

4 “(h) AUTHORIZATION OF APPROPRIATIONS.—

5 “(1) IN GENERAL.—For the costs of carrying  
6 out this section (except the costs described in para-  
7 graph (2)), there are authorized to be appropriated  
8 \$75,000,000 for fiscal year 2010, \$85,000,000 for  
9 fiscal year 2011, and \$95,000,000 for fiscal year  
10 2012.

11 “(2) ADMINISTRATIVE COSTS.—For the costs of  
12 administering this section, including the costs of  
13 evaluating the results of grants and submitting re-  
14 ports to the Congress, there are authorized to be ap-  
15 propriated such sums as may be necessary for each  
16 of fiscal years 2010, 2011, and 2012.”.

17 (b) GAO STUDY.—

18 (1) IN GENERAL.—Not later than 1 year after  
19 the date of the enactment of this Act, the Comp-  
20 troller General of the United States shall conduct a  
21 study and submit a report to the Congress on ways  
22 to increase participation in the nurse faculty profes-  
23 sion.

24 (2) CONTENTS OF REPORT.—The report re-  
25 quired by paragraph (1) shall include the following:

1           (A) A discussion of the master's degree  
2           and doctoral degree programs that are success-  
3           ful in placing graduates as faculty in schools of  
4           nursing.

5           (B) An examination of compensation dis-  
6           parities throughout the nursing profession and  
7           compensation disparities between higher edu-  
8           cation instructional faculty generally and higher  
9           education instructional nursing faculty.

