



576 Johnsville Road
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TO: Budget & Taxation Committee
FROM: LeadingAge Maryland
SUBJECT: House Bill 1208, Health Occupations - Health Care Workforce Expansion
DATE: March 29, 2022
POSITION: **Favorable**

LeadingAge Maryland supports House Bill 1208, Health Occupations - Health Care Workforce Expansion.

LeadingAge Maryland is a community of more than 135 not-for-profit aging services organizations serving residents and clients through continuing care retirement communities, affordable senior housing, assisted living, nursing homes and home and community-based services. Our mission is to expand the world of possibilities for aging in Maryland. We partner with consumers, caregivers, researchers, public agencies, faith communities and others who care about aging in Maryland.

This bill establishes requirements for the State Board of Nursing related to the expansion of the workforce in nursing-related fields. A State income tax credit for licensed practical nurses, nurse practitioners, and registered nurses is also provided under the legislation. The bill also establishes the Licensed Practical Nurse and Registered Nurse Preceptorship Tax Credit Fund as a special, nonlapsing fund to offset the costs of the tax credit available for the preceptorship program. The Maryland Department of Health shall convene a stakeholder workgroup to examine how the State can implement a loan repayment assistance program for nurses and other health practitioners regulated by the State Board of Nursing to further incentivize the health practitioners to practice in professional shortage areas and medically underserved areas in the State. LeadingAge Maryland would be a member of that stakeholder workgroup.

With a health care system strained by an aging population and expanded access to public health care, a strong workforce is essential. According to the American Nurses Association, by 2022, there will be far more registered nurse jobs available than any other profession, at more than 100,000 per year. With more than 500,000 seasoned RNs anticipated to retire by 2022, the

U.S. Bureau of Labor Statistics projects the need for 1.1 million new RNs for expansion and replacement of retirees, and to avoid a nursing shortage. Our members regularly report high numbers of nursing vacancies, and the difficulty of finding RNs and LPNs when all healthcare settings are competing for the same limited number of individuals. This has forced many nursing homes to use nursing staff from staffing agencies, but now members are even reporting that agencies do not have staff available.

This bill would provide important tax credit opportunities for the vital professionals our healthcare system relies on. Research shows that as many as 90% of all nurses (RNs and LPNs) in the US are women. We now know that COVID-19 has disproportionately affected working women (April 2020, [Catalyst](#)), and that one factor at play is that women in the US still generally carry the bulk of the responsibility in the home and in caring for children. A July 2020 report by McKinsey found that “ COVID-19 has disproportionately increased the time women spend on family responsibilities...by an estimated 1.5 to 2.0 hours (per day) in the United States” (July 2020, [McKinsey](#)). Additionally, a Brookings Institute report notes that “One in four working women, 15.5 million, has a child under the age of 14 at home” but that “more than 10 million – or 17% of all working women - do not live with a potential caregiver at home and “rely on childcare and schools to keep their children safe while they work” (October 2020, [Brookings Institute](#)). But many day-cares and schools were closed on and off throughout the last two year. “School and daycare closures, along with the reduced availability of outside help, have led to months of additional work for women. For working mothers, this has meant balancing full-time employment with childcare and schooling responsibilities” (September 2020, [UN Women](#)). This bill takes an important step in acknowledging the additional challenges these front line caregivers face and provides a financial benefit that will be immediately helpful.

Studies have found high turnover rates of nursing staff in nursing homes. Last year in their annual Nursing Home Salary and Benefits Report 2021, HCS found that turnover among LPNs was at 41%, and 27% among RNs (September 2021, [McKnight's](#)). A 2021 study by UCLA and Harvard found overall turnover rates to be even higher in some nursing homes – when considering all staff in a nursing home, turnover was sometimes found to be more than 100% (March 2021, [Skilled Nursing News](#)). Providing for clinical externs and a preceptor tax credit fund, as the bill allows, can make a difference. Clinical externs and preceptors are vital to the success of health care organizations and workforce retention. They have been shown to reduce turnover and the high costs associated with hiring and retaining staff.

Additionally, we appreciate that the bill allows credit for on-the-job training as a nursing assistant towards certification (page 8, lines 4-12). We estimate there are somewhere between 1,000-3,000 individuals in Maryland today who have been working as temporary nursing assistants throughout the Federal Public Health Emergency. Federal regulations allow for on the job training to count towards an individual's certification as a nursing assistant. However,

currently Maryland only counts classroom training towards certification. This change would create a pathway to certification that would be more attainable to some individuals, and more accurately acknowledges the acquired knowledge and skills of individuals who have gained valuable on-the-job experience.

This bill rightly seeks to recruit and retain health care professionals to needed areas and facilities within Maryland which is critical for health care professionals as well as health care facilities experiencing a shortage.

For these reasons, LeadingAge Maryland respectfully requests a favorable report for House Bill 1208.

For additional information, please contact Aaron J. Greenfield, 410.446.1992