

# LONG TERM CARE NURSE LOAN ASSISTANCE PROGRAM

HB 104 by Representative Klick

## BACKGROUND

Before the COVID-19 pandemic, Texas faced a shortage in its long-term care workforce that threatened quality care and patient safety. The pandemic has exacerbated the threat and it is critical that the Legislature act now to strengthen the long-term care workforce and protect the most vulnerable Texans.

Working in long-term care is rewarding, but recruiting and retaining qualified staff is difficult even in the absence of a virus that poses an extreme risk to providers and the seniors they serve. COVID-19 has made it even more challenging, as the pandemic has devastated long-term care facilities. Due to COVID-19, recent reports have described nursing homes as the most dangerous job in America.

### The Long-Term Care Workforce Crisis Exacerbated by COVID-19

- Prior to COVID-19, Texas nursing homes reported the worst staffing shortages in the nation. In 2019, long-term care facilities had the highest vacancy rate of any practice area for RNs and CNAs, more than double the vacancy rate of hospitals.
- The U.S. Department of Health and Human Services projects Texas to have the largest increase in demand for overall long-term services and supports (LTSS) nursing care provided by RNs and LPNs between 2015 and 2030.
- In 2020, a national report by non-profit research organization Altarum showed nursing homes lost 153,000 jobs, almost 10% of the workforce.
- 2021 Bureau of Labor Statistics' Occupational Employment and Wage Statistics data shows a 18% decrease in registered nurses employed in Texas nursing facilities compared to 2019.
- It is estimated that 70% of Americans 65+ will need some form of LTSS in the future.

The workforce shortage in long-term care (which was already growing and has been accelerated by COVID-19) poses a threat to patient safety, as adequate and consistent staffing is the primary indicator of quality care in these settings.

Increased workloads, reports of burnout, and high stress, coupled with growing levels of student loan debt discourages new nurses from pursuing careers in long-term care – resulting in high turnover and vacancy rates. The cost of replacing any employee averages 25% of the salary exacerbating financial strain on nursing homes that are primarily funded by government sources (Medicare and Medicaid).

## PURPOSE

HB 104 will establish a long-term care nursing student loan repayment assistance program to be administrated by the Texas Higher Education Coordinating Board specifically for Advanced Practice Registered Nurses, Registered Nurses and Licensed Vocational Nurses who meet eligibility criteria for application, including full-time employment by a nursing home for at least one year.

The bill stipulates the total amount of loan repayment assistance awarded for this program may not exceed \$6 million in a state fiscal biennium, and \$5,000 per eligible nurse per year. Additionally, the bill authorizes the Higher Education Coordinating Board to solicit and accept gifts and grants from any public or private source for this purpose.

A student loan repayment assistance program available to nurses who work in long-term care will improve quality care for aging Texans, offer more opportunity for new nurses, and generate long-term cost savings for the state.

*For additional information:*

Alyse Meyer, VP of Advocacy, LeadingAge Texas, (512) 467-2242 ext. 105 | [alyse@leadingagetexas.org](mailto:alyse@leadingagetexas.org)

