



# Nursing Workforce & The Interstate Nurse Compact

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# Need

Roughly **5000** nursing related positions needed pre-pandemic (RN, LPN, LNA, PCA) by *April 2020* per Vermont Rural Health Services Task Force January 2020

- Across the continuum – hospitals, skilled nursing/long-term care facilities, home health agencies, FQHCs, designated agencies, adult day providers and others
- Conservative, low estimate incorporating new and replacement positions
- Pandemic likely moves that number up

# Law of Supply & Demand

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Need is greater than availability

Traveling Nurses

# Traveling Nurses

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Are here today and  
here to stay

UNLESS

Vermont can train more  
nurses, keep more  
nurses and attract  
more nurses from other  
places

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It's Not As Simple As  
Paying More

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## The Structural Problem

Provider employers can't compete with the travel agency model

Providers rely on government funding

# Traveling Nurse Compensation

\*Generally, specifics vary

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Taxable hourly rate



Non-taxed housing  
stipend



Non-taxed per diems  
(meals and  
incidentals)



Non-taxed travel  
reimbursements

# Travel Nurse Compensation: Other Considerations

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- May not include paid vacation or paid sick leave
- What a provider “pays” the travel agency per hour for a travel nurse does not necessarily reflect the hourly nurse wage but rather what the agency charges the provider
- The travel agency benefits from reduced FICA taxes due to provision of non-taxable stipends
- Travel/flexibility



## LPN Wages:

2020 National  
Median =  
\$48,820/year

Bureau of Labor  
Statistics

### VTDOL – 2020

\*\* does not reflect bonuses

<b>Percentile</b>	<b>Hourly</b>	<b>Yearly</b>
<b>10%</b>	\$ 19.61	\$40,800
<b>25%</b>	\$ 21.48	\$44,680
<b>Median</b>	<b>\$ 24.49</b>	<b>\$50,940</b>
<b>75%</b>	\$ 28.28	\$58,820
<b>90%</b>	\$ 30.63	\$63,720
<b>Average</b>	\$ 24.64	\$51,240

RN Wages:

42% associate's level  
(ADN)  
42.2% bachelor's level  
(BSN)  
*per AHEC 2020  
Relicensure Survey*

2020 National Median =  
\$75,330 (bachelor's level)

Bureau of Labor Statistics

VTDOL RNs – 2020  
(no distinction ADN/BSN)  
\*\*does not reflect bonuses

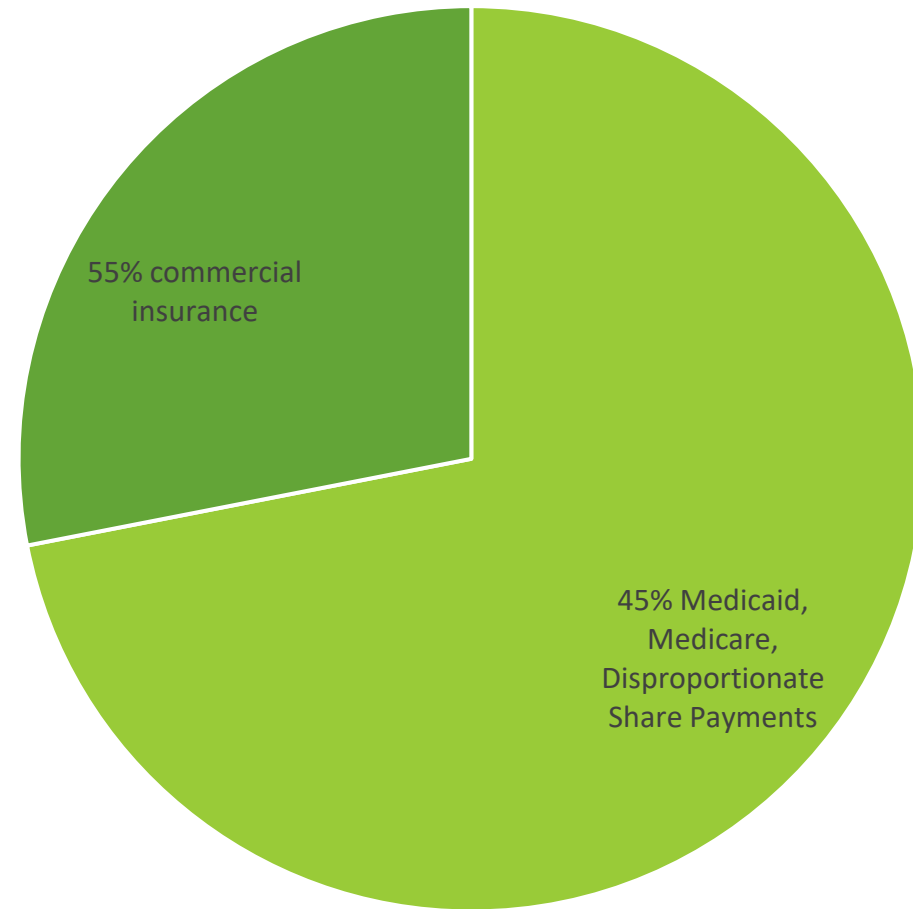
<b>Percentile</b>	<b>Hourly</b>	<b>Yearly</b>
<b>10%</b>	\$ 25.57	\$53,190
<b>25%</b>	\$ 28.33	\$58,920
<b>Median</b>	<b>\$ 33.50</b>	<b>\$69,670</b>
<b>75%</b>	\$ 40.10	\$83,410
<b>90%</b>	\$ 47.30	\$98,380
<b>Average</b>	\$ 34.68	\$72,140

Hospital Payer  
Mix:

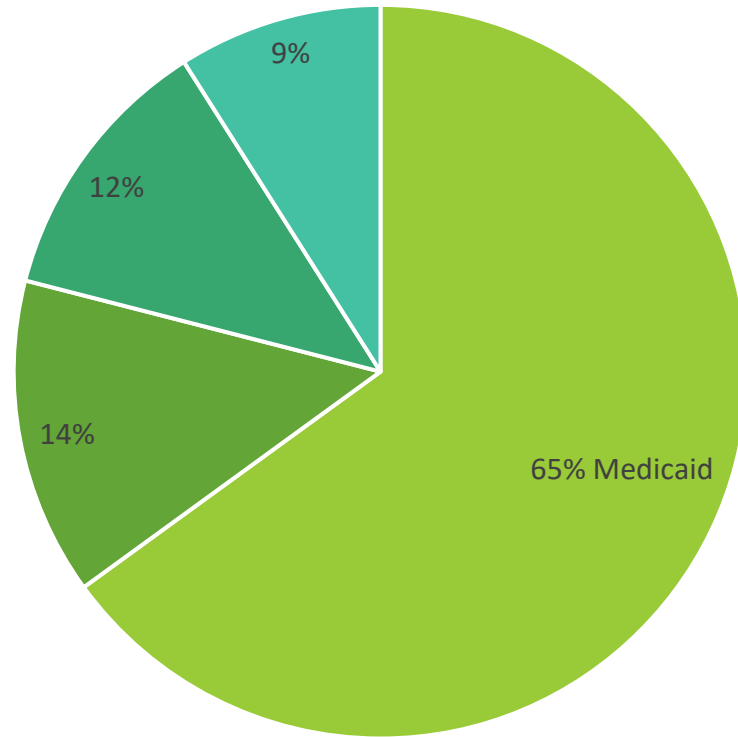
Rates set by  
DVHA, CMS

Hospital  
budgets  
regulated by  
GMCB

## Hospitals



## Nursing Homes

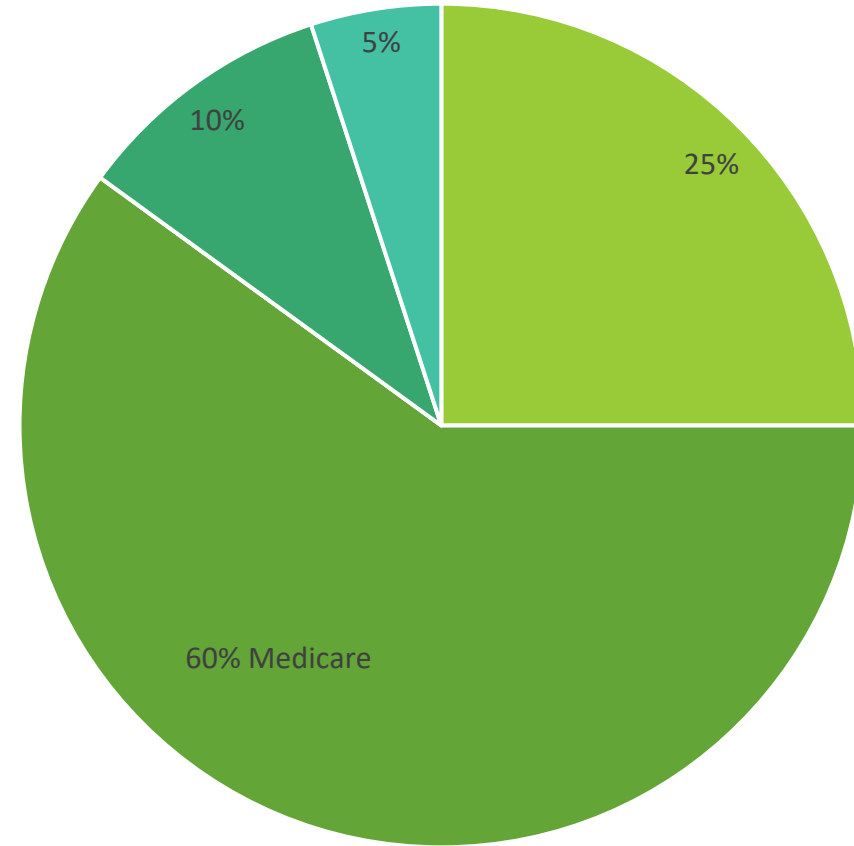


■ Medicaid ■ Medicare ■ Self Pay ■ VA/Hospice

Nursing Home Payer Mix: Rates set by DVHA and CMS

# Home Health Payer Mix: Rates Set by AHS & CMS

Home Health



■ Medicaid ■ Medicare ■ Private ■ Other

## How Providers Pay for Travelers During COVID

Vermont CRF \$\$\$ and provider  
stabilization grants

PPP loans

Medicare advance payments that  
must be paid back

Direct payments from the U.S. Health  
and Human Services Agency

# Interstate Nurse Compact

Potential to attract and grow the number of nurses available to serve Vermont residents and REDUCE the reliance on travelers

Incentivize the 30% of graduates that leave VT to work in other states- new graduates want a compact license

As a compact state, VT could attract nurses more easily not only in border compact states , i.e. NH and likely NY and MA but ALSO the 30+ other compact states

Promotes easier access to telehealth services delivered by nurses outside Vermont



# What Happens If We Don't Pass S.48?

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Vermont will be at a competitive disadvantage

34 states are currently compact states (NH, ME)

10 states are considering adoption of the compact (NY, MA)

Vermont will be an island- not in a good way- increasing the challenges of recruiting in a rural state