

Nurse Retention Incentive

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Problem: Aging Health Care Workforce and Declining Number of Licensed Providers

Percentage Decreases in Licenses from 2010 to 2018	
License Type	Percentage Decrease
Licensed Nursing Assistant	6.1%
Licensed Practical Nurse	8.1%
Registered Nurse	24.5%
Primary Care Physician	9.1%

Problem Cont.

- The number of nurses who were educated in VT and have chosen to stay declined by 5% between 2017 and 2019;
- The most commonly reported age of a Vermont nurse was 61 years;
- Vermont's aging demographic means that our state will continue to experience significant demand for nurses.

Registered Nurses Working in Vermont 2019

https://www.med.uvm.edu/docs/ahec_rn_81419/ahec-documents/ahec_rn_81419.pdf?sfvrsn=bea53a9e_2

Tax Incentives for Health Care Workforce Retention: Examples

Opportunity Maine Tax Credit

- Recent Maine college graduates can claim a tax credit based on the amount they owe in loans each month.
 - Tens of thousands of young Maine residents have utilized the tax credit.
 - In 2017 alone, 9,000 residents claimed over \$17 million in tax savings.

Maine Tax Credit for Primary Care Professionals

- Allows up to ten eligible primary care physicians, physician's assistants, and nurse practitioners to receive a tax credit for practicing in an eligible underserved area.
 - The income tax credit claimed may not exceed \$6,000 in the first year of certification; \$9,000 in the second year; \$12,000 in the third year; \$15,000 in the fourth year; and \$18,000 in the fifth year.

Tax Incentives for Health Care Workforce Retention: Examples

Oregon Rural Health Tax Credit

- A non-refundable tax credit of up to \$5,000 to physicians, physician's assistants, and nurse practitioners that practice in a rural setting.
- A 2015 survey conducted by the Oregon Office of Rural Health found that 78% of respondents indicated that the tax credit was "important" or "very important" in their decision to practice in rural Oregon.

New Mexico Rural Health Practitioner Tax Credit

- Licensed physicians practicing in a rural area eligible for \$5,000 per year.
- Other licensed health care practitioners, including nurses, eligible for \$3000 per year. <https://www.nmhealth.org/about/phd/pchb/oprh/rhcptc/>

Act 155 of 2020

- Act 155 of 2020 requires The Director of Health Care Reform in the Agency of Human Services to consult with the Department of Health, Agency of Commerce and Community Development and an advisory group to identify the primary causes of Vermont's nursing workforce shortage and propose solutions to address those causes.
- The Nurse Retention Incentive is one approach that will accompany others as part of a group of recommendations or “tool kit”.