

DRAFT FOR COMMITTEE DISCUSSION

H.703 – Senate Health and Welfare recommendations on health care workforce

Sec. 19. HEALTH CARE WORKFORCE; LEGISLATIVE INTENT

(a) The General Assembly values all health care workers, at every level and in each component of the health care system. The General Assembly also acknowledges the many struggles faced by health care workers and that the pandemic has placed further strain on an already taxed system. Many health care workers have not had their pay adjusted over time to address increases in the cost of living, essentially amounting to pay cuts from year to year. Health care workers have experienced burnout, trauma, and moral injuries due to a history of underfunding and the present stress of the pandemic. **In addition, the combination of the pandemic and continued health care workforce shortages has created an unsustainable reliance on traveling nurses that must be addressed.**

(b) In order to retain and recruit health care workers in Vermont, it is the intent of the General Assembly to invest in multiple solutions aimed at reinforcing our health care workforce in the present and sustaining our health care workers into the future.

Sec. 20. EMERGENCY GRANTS TO SUPPORT NURSE FACULTY AND

STAFF

(a) In fiscal year 2023 the amount of ~~\$3,000,000.00~~ **\$1,000,000.00** is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Department of Health and shall carry forward for the purpose of providing emergency interim grants to Vermont’s nursing schools over ~~three~~ **two** years to increase the compensation for their nurse faculty and staff, with ~~\$1,000,000.00~~ **\$500,000.00** to be

distributed in each of fiscal years 2023, and 2024, and 2025 to increase the compensation for each full-time-equivalent (FTE) member of the clinical and didactic nurse faculty and staff. The Department shall distribute the funds among the nursing schools in Vermont equitably based on each school's proportion of nursing faculty and staff to the total number of FTE nursing faculty and staff across all nursing schools statewide.

(b) If the nurse faculty or staff, or both, of a nursing school receiving a grant under this section are subject to a collective bargaining agreement, the use of the grant funds provided to the nursing school for those faculty or staff, or both, shall be subject to impact bargaining between the nursing school and the collective bargaining representative of the nurse faculty or staff, or both, to the extent required by the applicable collective bargaining agreement.

Sec. 21. NURSE PRECEPTOR INCENTIVE GRANTS; HOSPITALS;

WORKING GROUP; REPORT

(a)(1) In fiscal year 2023 the amount of ~~\$2,400,000.00~~ \$1,400,000.00 is appropriated from the General Fund to the Agency of Human Services to provide incentive grants to hospital-employed nurses in Vermont to serve as preceptors for nursing students enrolled in Vermont nursing school programs. The Agency shall distribute the funds to hospitals employing nurses who provide student preceptor supervision based on the number of preceptor hours to be provided, at a rate of \$5.00 per preceptor hour, or a lesser hourly rate if the need exceeds the available funds.

(2) If nurse preceptors receiving compensation pursuant to a grant awarded to a hospital under this section are subject to a collective bargaining agreement, the use of the grant funds provided to the hospital for the nurse preceptors shall be subject to impact

bargaining between the hospital and the collective bargaining representative of the nurses to the extent required by the collective bargaining agreement.

(b)(1) The Director of Health Care Reform or designee in the Agency of Human Services shall convene a working group of stakeholders representing nursing schools, **the Vermont Area Health Education Centers**, long-term care facilities, designated and specialized service agencies, federally qualified health centers, home health agencies, primary care practices, and other health care facilities to:

(A) identify ways to increase clinical placement opportunities across a variety of health care settings for nursing students enrolled in Vermont nursing school programs, **including exploring opportunities for participation through remote means**;

(B) establish sustainable funding models for compensating nurses serving as preceptors or for supporting the hiring of additional nurses to alleviate the pressures on nurse preceptors, or both; and

(C) develop an action plan for implementing the clinical placement expansion and sustainable funding models identified and established pursuant to subdivisions (A) and (B) of this subdivision (1), including addressing the need for student housing opportunities.

(2) On or before January 15, 2023, the Director of Health Care Reform shall provide the working group's action plan and any recommendations for legislative action to the House Committees on Health Care, on Commerce and Economic Development, and on Appropriations and the Senate Committees on Health and Welfare, on Economic Development, Housing and General Affairs, and on Appropriations.

Sec. 22. HEALTH CARE EMPLOYER NURSING PIPELINE AND
APPRENTICESHIP PROGRAM

(a) In fiscal year 2023 the amount of ~~\$3,000,000.00~~ **\$2,000,000.00** is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the ~~Vermont Student Assistance Corporation~~ **Vermont State College System** and shall carry forward for the purpose of providing grants to health care employers, including hospitals, long-term care facilities, designated and specialized service agencies, federally qualified health centers, and other health care providers, to establish or expand partnerships with Vermont nursing schools to create nursing pipeline or apprenticeship programs, or both, that will train members of the health care employers' existing staff, including personal care attendants, licensed nursing assistants, and licensed practical nurses, to become higher-level nursing professionals. Through a combination of scholarship awards, grants awarded to health care employers pursuant to this section, and the health care employer's contributions, the trainees' tuition and fees shall be covered in full, and trainees shall be provided with assistance in meeting their living costs, such as housing and child care, while attending the program.

(b) In awarding grants pursuant to this section, ~~VSAC~~ **the Vermont State College System** shall give priority to health care employer proposals based on the following criteria:

(1) the extent to which the health care employer proposes to participate financially in the program;

(2) the extent of the health care employer’s commitment to sustaining the program financially, including providing financial support for nurse preceptors, to create ongoing opportunities for educational advancement in nursing;

(3) the ability of the health care employer’s staff to leverage nursing scholarship opportunities to maximize the reach of the grant funds;

(4) the employer’s demonstrated ability to retain nursing students in the Vermont nursing workforce;

(5) the employer’s geographic location, in order to ensure access to pipeline and apprenticeship programs for nursing staff across Vermont; and

(6) the employer’s commitment to advancing the professional development of individuals from marginalized communities, especially those that have been historically disadvantaged in accessing educational opportunities and career advancement in the health care professions.

(c)(1) **VSAC The Vermont State College System** shall begin awarding grants under this section expeditiously in order to enable health care employer staff to begin enrolling in nursing school programs that commence in the fall of 2022.

(2) On or before September 15, 2022, **VSAC the Vermont State College System** shall provide an update to the Health Reform Oversight Committee on the status of program implementation.

Sec. 23. 18 V.S.A. § 34 is added to read:

§ 34. VERMONT NURSING FORGIVABLE LOAN INCENTIVE PROGRAM

(a) As used in this section:

(1) “Corporation” means the Vermont Student Assistance Corporation established in 16 V.S.A. § 2821.

(2) “Eligible individual” means an individual who satisfies the eligibility requirements under this section for a forgivable loan.

(3) “Eligible school” means an approved postsecondary education institution, as defined under 16 V.S.A. § 2822.

(4) “Forgivable loan” means a loan awarded under this section covering tuition, room, board, and the cost of required books and supplies for up to full-time attendance at an eligible school.

(5) “Gift aid” means grant or scholarship financial aid received from the federal government or from the State.

(6) “Loans” means education loans guaranteed, made, financed, serviced, or otherwise administered by an accredited U.S. educational lender for attendance at an eligible school.

(7) “Program” means the Vermont Nursing Forgivable Loan Incentive Program created under this section.

(b) The Vermont Nursing Forgivable Loan Incentive Program is created and shall be administered by the Department of Health in collaboration with the Vermont Student Assistance Corporation. The Program provides forgivable loans to students enrolled in

an eligible school who commit to working as a nurse in this State and who meet the eligibility requirements in subsection (d) of this section.

(c) The Vermont Student Assistance Corporation shall disburse forgivable loan funds under the Program on behalf of eligible individuals, subject to the appropriation of funds by the General Assembly for this purpose.

(d) To be eligible for a forgivable loan under the Program, an individual, whether a resident or nonresident, shall **satisfy all of the following requirements:**

(1) be enrolled at **an approved postsecondary education institution as defined in 16 V.S.A. § 2822** a nursing program at an eligible school;

(2) **demonstrate financial need;**

(3) **demonstrate academic capacity by carrying the minimum grade point average in the individual's course of study prior to receiving the fund award** **maintain good standing at the eligible school at which the individual is enrolled; and**

(4) **agree to work as a nurse in Vermont for a minimum of one year following licensure for each year of forgivable loan awarded.**

(3) **have used any available gift aid;**

(4) **have executed a contract with the Corporation committing the individual to work as a nurse in this State;**

(5) **have executed a promissory note that will reduce the individual's forgivable loan benefit, in whole or in part, if the individual fails to complete the period of service required in subsection (g) of this section; and**

(6) have completed the Program’s application form, the free application for federal student aid (FAFSA), and the Vermont grant application each academic year of enrollment in accordance with a schedule determined by the Corporation.

(e)(1) First priority for forgivable loan funds shall be given to students pursuing a practical nursing certificate who will be eligible to sit for the NCLEX-PN examination upon completion of the certificate.

(2) Second priority for forgivable loan funds shall be given to students pursuing an associate’s degree in nursing who will be eligible to sit for the NCLEX-RN examination upon graduation.

(3) Third priority for forgivable loan funds shall be given to students pursuing a bachelor of science degree in nursing.

(4) Fourth priority shall be given to students pursuing graduate nursing education.

(f) Students attending an approved postsecondary educational institution in Vermont shall receive first preference for forgivable loans.

(g) For each year of service as a nurse in this State, an eligible individual shall be entitled to a full academic year of forgivable loan benefit under the Program. If an eligible individual fails to serve as a nurse in this State for a period that would entitle the individual to the full forgivable loan benefit received by the individual, other than for good cause as determined by the Corporation in consultation with the Vermont Department of Health, then the individual shall receive only partial loan forgiveness for a pro rata portion of the loan pursuant to the terms of the interest-free reimbursement promissory note signed by the individual at the time of entering the Program.

(h) There shall be no deadline to apply for a forgivable loan under this section.

Forgivable loans shall be awarded on a rolling basis as long as funds are available, and any funds remaining at the end of a fiscal year shall roll over and shall be available to the Department of Health and the Vermont Student Assistance Corporation in the following fiscal year to award additional forgivable loans as set forth in this section.

(i) The Corporation shall adopt policies, procedures, and guidelines necessary to implement the provisions of this section.

Sec. 24. REPEAL

18 V.S.A. § 31 (educational assistance; incentives; nurses) is repealed.

Sec. 25. VERMONT NURSING FORGIVABLE LOAN INCENTIVE
PROGRAM; APPROPRIATION

In fiscal year 2023, the amount of \$100,000.00 in General Fund investment funds is appropriated to the Department of Health for forgivable loans for nursing students under the Vermont Nursing Forgivable Loan Incentive Program established in Sec. 23 of this act.

Sec. 26. 18 V.S.A. § 35 is added to read:

§ 35. VERMONT ~~NURSING AND PHYSICIAN ASSISTANT~~ HEALTH CARE

PROFESSIONAL LOAN REPAYMENT PROGRAM

(a) As used in this section:

(1) “Corporation” means the Vermont Student Assistance Corporation established in 16 V.S.A. § 2821 “AHEC” means the Vermont Area Health Education Centers program.

(2) “Eligible individual” means an individual who satisfies the eligibility requirements for loan repayment under this section.

(3) “Eligible school” means an approved postsecondary education institution, as defined under 16 V.S.A. § 2822.

(4) “Loan repayment” means the cancellation and repayment of loans under this section.

(5) “Loans” means education loans guaranteed, made, financed, serviced, or otherwise administered ~~by the Corporation under this subchapter~~ **by an accredited U.S. educational lender** for attendance at an eligible school.

(6) “Program” means the Vermont ~~Nursing and Physician Assistant~~ **Health Care Professional** Loan Repayment Program created under this section.

(b) The Vermont ~~Nursing and Physician Assistant~~ **Health Care Professional** Loan Repayment Program is created and shall be administered by the Department of Health in collaboration with ~~the Corporation~~ **AHEC**. The Program provides loan repayment on behalf of individuals who live and work **in this State** as a ~~nurse or physician assistant~~ **health care professional, including as a nurse, physician assistant, dental hygienist, medical technician, primary care provider, child psychiatrist, general surgeon, or in another field experiencing a health care workforce shortage** ~~in this State~~ and who meet the eligibility requirements in subsection (d) of this section.

(c) The loan repayment benefits provided under the Program shall be paid on behalf of the eligible individual by ~~the Corporation~~ **AHEC**, subject to the appropriation of funds by the General Assembly specifically for this purpose.

(d) To be eligible for loan repayment under the Program, an individual shall satisfy all of the following requirements:

(1) have graduated from an eligible school where the individual ~~has, within the past five years, been~~ was awarded a nursing degree or a degree in physician assistant studies in a field experiencing a health care workforce shortage in this State;

(2) ~~had the minimum grade point average or better or the equivalent as determined by the Corporation if the eligible school does not use grade point averages from the eligible school;~~

(3) work ~~as a nurse or physician assistant~~ in this State as a nurse, physician assistant, dental hygienist, medical technician, primary care provider, child psychiatrist, general surgeon, or in another field experiencing a health care workforce shortage; and

(3) be a resident of Vermont.

(e)(1) An eligible individual shall be entitled to an amount of loan cancellation and repayment under this section equal to one year of loans for each year of service as a ~~nurse or physician assistant~~ health care professional in this State.

(2) ~~The Corporation~~ AHEC shall award loan repayments in amounts that are sufficient to attract high-quality candidates while also making a meaningful increase in Vermont's health care professional workforce. AHEC shall prioritize awards to candidates working in fields in which Vermont is experiencing the greatest health care workforce shortages.

(f) ~~The Corporation shall adopt policies, procedures, and guidelines necessary to implement the provisions of this section.~~

Sec. 27. VERMONT **NURSING AND PHYSICIAN ASSISTANT HEALTH CARE PROFESSIONAL** LOAN REPAYMENT PROGRAM; APPROPRIATION

In fiscal year 2023 the amount of ~~\$2,000,000.00~~ **\$3,000,000.00** is appropriated from the General Fund to the Department of Health for loan repayment for nurses and physician assistants health care professionals under the Vermont Nursing and Physician Assistant Health Care Professional Loan Repayment Program established in Sec. 26 of this act.

Sec. 28. 18 V.S.A. § 36 is added to read:

§ 36. NURSE FACULTY FORGIVABLE LOAN ~~AND LOAN REPAYMENT~~ PROGRAM

(a) Definitions: As used in this section:

(1) “Corporation” means the Vermont Student Assistance Corporation established in 16 V.S.A. § 2821.

(2) “Eligible individual” means an individual who satisfies the eligibility requirements under this section for a forgivable loan or loan repayment.

(3) “Eligible school” means an approved postsecondary education institution, as defined under 16 V.S.A. § 2822.

(4) “Forgivable loan” means a loan awarded under this section covering tuition, room, board, and the cost of required books and supplies for up to full-time attendance at an eligible school.

(5) “Gift aid” means grant or scholarship financial aid received from the federal government or from the State.

~~“Loan repayment” means the cancellation and repayment of loans under this section.~~

(6) “Loans” means education loans guaranteed, made, financed, serviced, or otherwise administered ~~by the Corporation under this subchapter~~ **by an accredited U.S. educational lender** for attendance at an eligible school.

(7) “Nurse faculty member” or “member of the nurse faculty” means a nurse with a master’s or doctoral degree that qualifies the individual to teach at a nursing school in this State.

(8) “Program” means the Nurse Faculty Forgivable Loan ~~and Loan Repayment~~ Program created under this section.

(b) ~~Program creation.~~ The Nurse Faculty Forgivable Loan ~~and Loan Repayment~~ Program is created and shall be administered by the Department of Health in collaboration with the Corporation. The Program provides forgivable loans to students enrolled in an eligible school who commit to working as a member of the nurse faculty at a nursing school in this State and who meet the eligibility requirements in subsection (d) of this section. ~~The Program also provides loan repayment on behalf of individuals who work as nurse faculty members at a nursing school in this State and who meet the eligibility requirements in subsection (e) of this section.~~

(c) ~~Payment.~~ ~~The forgivable loan and loan repayment benefits provided under the Program shall be paid on behalf of the eligible individual by the Corporation~~ **The Corporation shall disburse forgivable loan funds under the Program on behalf of**

eligible individuals, subject to the appropriation of funds by the General Assembly specifically for this purpose.

(d) Eligibility for forgivable loans. To be eligible for a forgivable loan under the Program, an individual, whether a resident or nonresident, shall satisfy all of the following requirements:

(1) be enrolled at an eligible school in a program that leads to a graduate degree in nursing;

(2) continually demonstrate satisfactory academic progress by maintaining the minimum grade point average or better or the equivalent as determined by the Corporation if the eligible school does not use grade point averages **maintain good standing at the eligible school at which the individual is enrolled;**

(3) have used any available gift aid;

(4) have executed a contract with the Corporation committing the individual to work as a member of the nurse faculty at a nursing school in this State;

(5) have executed a promissory note that will reduce the individual's forgivable loan benefit, in whole or in part, if the individual fails to complete the period of service required in subsection (e) of this section; and

(6) have completed the Program's application form, the free application for federal student aid (FAFSA), and the Vermont grant application each academic year of enrollment in accordance with a schedule determined by the Corporation.

(e) Eligibility for loan repayment. To be eligible for loan repayment under the Program, an individual shall satisfy all of the following requirements:

~~(1) graduated from an eligible school where the individual has, within the past five years, been awarded a graduate degree in nursing;~~

~~(2) had the minimum grade point average or better or the equivalent as determined by the Corporation if the eligible school does not use grade point averages from the eligible school;~~

~~(3) work as a member of the nurse faculty at a nursing school in this State; and~~

~~(4) be a resident of Vermont.~~

~~(f) Service commitment.~~

~~(1) Forgivable loans. For each year of service as a nurse faculty member at a nursing school in this State, an eligible individual shall be entitled to a full academic year of forgivable loan benefit under the Program. If an eligible individual fails to serve as a nurse faculty member at a nursing school in this State for a period that would entitle the individual to the full forgivable loan benefit received by the individual, other than for good cause as determined by the Corporation in consultation with the Vermont Department of Health, then the individual shall receive only partial loan forgiveness for a pro rata portion of the loan pursuant to the terms of the interest-free reimbursement promissory note signed by the individual at the time of entering the Program.~~

~~(2) Loan repayment. An eligible individual shall be entitled to an amount of loan cancellation and repayment under this section equal to one year of loans for each year of service as a member of the nurse faculty at a nursing school in this State.~~

~~(g) Adoption of policies, procedures, and guidelines. The Corporation shall adopt policies, procedures, and guidelines necessary to implement the provisions of this section.~~

Sec. 29. NURSE FACULTY FORGIVABLE LOAN **AND LOAN REPAYMENT**
PROGRAM; APPROPRIATION

In fiscal year 2023, the amount of \$500,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Department of Health for forgivable loans and loan repayment for nurse faculty members under the Nurse Faculty Forgivable Loan and Loan Repayment Program established in Sec. 28 of this act.

Sec. 29a. 18 V.S.A. § 37 is added to read: **(NEW)**

§ 37. NURSE FACULTY LOAN REPAYMENT PROGRAM

(a) As used in this section:

(1) “AHEC” means the Vermont Area Health Education Centers program.

(2) “Eligible individual” means an individual who satisfies the eligibility requirements under this section for loan repayment.

(3) “Eligible school” means an approved postsecondary education institution, as defined under 16 V.S.A. § 2822.

(4) “Gift aid” means grant or scholarship financial aid received from the federal government or from the State.

(5) “Loan repayment” means the cancellation and repayment of loans under this section.

(6) “Loans” means education loans guaranteed, made, financed, serviced, or otherwise administered by an accredited U.S. educational lender for attendance at an eligible school.

(7) “Nurse faculty member” or “member of the nurse faculty” means a nurse with a master’s or doctoral degree that qualifies the individual to teach at a nursing school in this State.

(8) “Program” means the Nurse Faculty Loan Repayment Program created under this section.

(b) The Nurse Faculty Loan Repayment Program is created and shall be administered by the Department of Health in collaboration with AHEC. The Program provides loan repayment on behalf of individuals who work as nurse faculty members at a nursing school in this State and who meet the eligibility requirements in subsection (d) of this section.

(c) The loan repayment benefits provided under the Program shall be paid on behalf of the eligible individual by AHEC, subject to the appropriation of funds by the General Assembly specifically for this purpose.

(d) To be eligible for loan repayment under the Program, an individual shall satisfy all of the following requirements:

(1) graduated from an eligible school where the individual was awarded a graduate degree in nursing;

(2) work as a member of the nurse faculty at a nursing school in this State; and

(3) be a resident of Vermont.

(e) An eligible individual shall be entitled to an amount of loan cancellation and repayment under this section equal to one year of loans for each year of service as a member of the nurse faculty at a nursing school in this State.

Sec. 29b. NURSE FACULTY LOAN REPAYMENT PROGRAM; APPROPRIATION

(NEW)

In fiscal year 2023, the amount of \$500,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Department of Health for loan repayment for nurse faculty members under the Nurse Faculty Loan Repayment Program established in Sec. 29a of this act.

Sec. 29c. 18 V.S.A. § 38 is added to read:

§ 38. VERMONT MENTAL HEALTH PROFESSIONAL FORGIVABLE LOANINCENTIVE PROGRAM **(NEW)**

(a) As used in this section:

(1) “Corporation” means the Vermont Student Assistance Corporation established in 16 V.S.A. § 2821.

(2) “Eligible individual” means an individual who satisfies the eligibility requirements under this section for a forgivable loan.

(3) “Eligible school” means a school in the Vermont State College System.

(4) “Forgivable loan” means a loan awarded under this section covering tuition, room, board, and the cost of required books and supplies for up to full-time attendance at an eligible school.

(5) “Gift aid” means grant or scholarship financial aid received from the federal government or from the State.

(6) “Loans” means education loans guaranteed, made, financed, serviced, or otherwise administered by an accredited U.S. educational lender for attendance at an eligible school.

(7) “Program” means the Vermont Mental Health Professional Forgivable Loan Incentive Program created under this section.

(b) The Vermont Mental Health Professional Forgivable Loan Incentive Program is created and shall be administered by the Department of Health in collaboration with the Corporation. The Program provides forgivable loans to students enrolled in a master’s program at an eligible school who commit to working as a mental health professional in this State and who meet the eligibility requirements in subsection (d) of this section.

(c) The Vermont Student Assistance Corporation shall disburse forgivable loan funds under the Program on behalf of eligible individuals, subject to the appropriation of funds by the General Assembly for this purpose.

(d) To be eligible for a forgivable loan under the Program, an individual, whether a resident or nonresident, shall satisfy all of the following requirements:

(1) be enrolled at a school in the Vermont State College System in a program, whether through in-person or remote instruction, that leads to a master’s degree in a mental health field;

(2) maintain good standing at the eligible school at which the individual is enrolled;

(3) have used any available gift aid;

(4) have executed a contract with the Corporation committing the individual to work as a mental health professional in this State;

(5) have executed a promissory note that will reduce the individual’s forgivable loan benefit, in whole or in part, if the individual fails to complete the period of service required in subsection (e) of this section; and

(6) have completed the Program’s application form, the free application for federal student aid (FAFSA), and the Vermont grant application each academic year of enrollment in accordance with a schedule determined by the Corporation.

(e) For each year of service as a mental health professional in this State, an eligible individual shall be entitled to a full academic year of forgivable loan benefit under the Program. If an eligible individual fails to serve as a mental health professional in this State for a period that would entitle the individual to the full forgivable loan benefit received by the individual, other than for good cause as determined by the Corporation in consultation with the Vermont Department of Health, then the individual shall receive only partial loan forgiveness for a pro rata portion of the loan pursuant to the terms of the interest-free reimbursement promissory note signed by the individual at the time of entering the Program.

Sec. 29d. VERMONT MENTAL HEALTH PROFESSIONAL FORGIVABLE LOAN INCENTIVE PROGRAM; APPROPRIATION **(NEW)**

In fiscal year 2023, the amount of \$1,500,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Department of Health for forgivable loans under the Vermont Mental Health Professional Forgivable Loan Incentive Program established in Sec. 29c of this act.

Sec. 29e. AGENCY OF HUMAN SERVICES; DESIGNATED AND SPECIALIZED SERVICE AGENCIES; WORKFORCE DEVELOPMENT **(NEW)**

(a) In fiscal year 2023, the amount of \$1,250,000.00 is appropriated to the Agency of Human Services, of which \$1,000,000 is from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds and \$250,000.00 is from the General Fund, to

be distributed to the designated and specialized service agencies equitably based on each agency's proportion of full-time equivalent (FTE) mental health and substance use disorder treatment staff to the total number of FTE mental health and substance use disorder treatment staff across all designated and specialized service agencies statewide. The designated and specialized service agencies shall use these funds for loan repayment and tuition assistance to promote the recruitment and retention of high-quality mental health and substance use disorder treatment professionals available to Vermont residents in need of their services, as set forth in subsection (b) of this section.

(b)(1) Each designated and specialized service agency shall make the funds received pursuant to subsection (a) of this section available to its current and prospective employees as set forth in subdivisions (A) and (B) of this subdivision (1) on a rolling basis in exchange for a one-year service obligation to provide mental health services or substance use disorder treatment services, or both, at a designated or specialized service agency in this State. The funds may be used for the following purposes:

(A) loan repayment for master's-level clinicians, bachelor's-level direct service staff, and nurses; and

(B) tuition assistance for individuals pursuing degrees to become master's-level clinicians, bachelor's-level direct service staff, and nurses.

(2) Loan repayment and tuition assistance funds shall be available to the current and prospective employees of designated and specialized service agencies in the form of forgivable loans, with the debt forgiven upon the employee's completion of the required service obligation.

(c) On or before March 1, 2023, the Agency of Human Services shall make a presentation available to the House Committees on Appropriations, on Health Care, and on Human Services; the Senate Committees on Appropriations and on Health and Welfare on the use of the funds appropriated in this section.

Sec. 30. 18 V.S.A. § 9456 is amended to read:

§ 9456. BUDGET REVIEW

(a) The Board shall conduct reviews of each hospital's proposed budget based on the information provided pursuant to this subchapter and in accordance with a schedule established by the Board.

(b) In conjunction with budget reviews, the Board shall:

* * *

(10) require each hospital to provide information on administrative costs, as defined by the Board, including specific information on the amounts spent on marketing and advertising costs; ~~and~~

(11) require each hospital to create or maintain connectivity to the State's Health Information Exchange Network in accordance with the criteria established by the Vermont Information Technology Leaders, Inc., pursuant to subsection 9352(i) of this title, provided that the Board shall not require a hospital to create a level of connectivity that the State's Exchange is unable to support;

(12) review the hospital's investments in workforce development initiatives, including nursing workforce pipeline collaborations with nursing schools and compensation and other support for nurse preceptors; and

(13) consider the salaries for the hospital’s executive and clinical leadership and the hospital’s salary spread, including a comparison of median salaries to the medians of northern New England states.

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Sec. 31. GREEN MOUNTAIN CARE BOARD; FISCAL YEAR 2023

HOSPITAL BUDGET REVIEW; NURSING WORKFORCE

DEVELOPMENT INITIATIVES

For hospital fiscal year 2023, the Green Mountain Care Board may exclude all or a portion of a hospital’s investments in nursing workforce development initiatives from any otherwise applicable financial limitations on the hospital’s budget or budget growth. Notwithstanding any provision of GMCB Rule 3.202, the Board may modify its hospital budget guidance for hospital fiscal year 2023 as needed to comply with this section.

Sec. 32. AGENCY OF HUMAN SERVICES; HEALTH CARE WORKFORCE DATA CENTER

(a) In fiscal year 2023, the amount of ~~\$1,000,000.00~~ \$750,000.00 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Office of Health Care Reform in the Agency of Human Services to enable the Agency to establish and operate the statewide Health Care Workforce Data Center. In order to enhance the State’s public health data systems, respond to the COVID-19 public health emergency, and improve the State’s COVID-19 mitigation and prevention efforts, the Center shall collect health care workforce data, shall collaborate with the Director of Health Care Reform to identify and propose solutions to address data gaps, and shall

share the data with the Green Mountain Care Board as appropriate to inform the Board's Health Resource Allocation Plan responsibilities pursuant to 18 V.S.A. § 9405.

(b) The Center shall use existing statewide information to the extent practicable to avoid imposing administrative burdens on health care providers and to avoid duplication of efforts underway elsewhere in Vermont. The Center shall expand its data collection practices over two years to include all levels of the health care workforce, beginning with the highest-level licensed health care professionals.

(c) In order to ensure the Center has access to accurate and timely health care workforce data, the Center:

(1) shall have the cooperation of other State agencies and departments in responding to the Center's requests for information;

(2) may enter into data use agreements with institutions of higher education and other public and private entities, to the extent permitted under State and federal law; and

(3) may collect vacancy and turnover information from health care employers.

(d) One permanent classified Health Care Workforce Data Center Manager position is created in the Agency of Human Services, Office of Health Care Reform in fiscal year 2023 to manage the Health Care Workforce Data Center created pursuant to this section.

(e) The Agency of Human Services may include proposals for additional funding or data access, or both, for the Center as part of the Agency's fiscal year 2024 budget request.

Sec. 33. OFFICE OF PROFESSIONAL REGULATION; BARRIERS TO
MENTAL HEALTH LICENSURE; REPORT

The Office of Professional Regulation shall undertake a systematic review of the licensing processes for mental health and substance use disorder treatment professionals to identify barriers to licensure. On or before January 15, 2023, the Office shall provide its findings and recommendations to address any identified barriers to licensure to the House Committees on Health Care, on Human Services, on Commerce and Economic Development, and on Government Operations and the Senate Committees on Health and Welfare, on Economic Development, Housing and General Affairs, and on Government Operations.

Sec. 34. AGENCY OF HUMAN SERVICES; POSITION;

APPROPRIATION

(a) One classified, three-year limited-service Health Care Workforce Coordinator position is created in the Agency of Human Services, Office of Health Care Reform in fiscal year 2023 to support the health care workforce initiatives set forth in this act and in the Health Care Workforce Development Strategic Plan. The Coordinator shall focus on building educational, clinical, and housing partnerships and support structures to increase and improve health care workforce training, recruitment, and retention.

(b) In fiscal year 2023 the amount of \$170,000.00 is appropriated from the General Fund to the Agency of Human Services, Office of Health Care Reform for the Health Care Workforce Coordinator position, of which \$120,000.00 is for personal services and \$50,000.00 is for operating expenses.

Sec. 35. DEPARTMENT OF LABOR; GREEN MOUNTAIN CARE

BOARD; SUPPLY AND DEMAND MODELING

On or before January 15, 2023, the Department of Labor, in collaboration with the Green Mountain Care Board, shall explore and recommend to the House Committees on Health Care, on Human Services, and on Commerce and Economic Development and the Senate Committees on Health and Welfare and on Economic Development, Housing and General Affairs a process, methodology, and necessary funding amounts to establish and maintain the capacity to perform health care supply and demand modeling based on information in the Health Care Workforce Data Center, for use by health care employers, health care educators, and policymakers.

Sec. 36. DEPARTMENT OF FINANCIAL REGULATION; GREEN

MOUNTAIN CARE BOARD; PRIOR AUTHORIZATIONS;

ADMINISTRATIVE COST REDUCTION; REPORT

(a) The Department of Financial Regulation shall explore the feasibility of requiring health insurers and their prior authorization vendors to access clinical data from the Vermont Health Information Exchange whenever possible to support prior authorization requests in situations in which a request cannot be automatically approved.

(b) The Department of Financial Regulation shall direct health insurers to provide prior authorization information to the Department in a format required by the Department in order to enable the Department to analyze opportunities to align and streamline prior authorization request processes. The Department shall share its findings and recommendations with the Green Mountain Care Board, and the Department and the Board shall collaborate to provide recommendations to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance on or before

January 15, 2023 regarding the statutory changes necessary to align and streamline prior authorization processes and requirements across health insurers.