

July 16, 2007

SENATE APPROVES UPDATE TO NURSE PRACTICE ACT

The Illinois Senate last week voted 49-0 to approve **SB360**, which updates the Nursing and Advanced Practice Nursing Act, changing the title to the Nurse Practice Act and extending the sunset of the Act to 2018. The bill, which IHA supported, had been approved by the House on a vote of 107-0 in late June and now goes to the Governor.

Key revisions to the Act include:

- New nurse graduates are required to pass the NCLEX exam and apply for their nursing license prior to being hired by hospitals;
- Continuing education for RNs and LPNs of 20 hours per licensure cycle is mandated;
- Advanced practice nurses may practice in a hospital or ASTC via a facility's privileging and credentialing process without a written collaborative agreement; and
- Nurses cannot be deemed supervisors when delegating nurse activities or tasks.

Meanwhile, IHA last week sent a letter to the Governor urging him to sign **SB867**, Nurse Staffing by Patient Acuity, into law. This legislation bases hospitals' staffing plans on each hospital's patient acuity model and was developed by IHA, working with the Illinois Nurses Association, as an alternative to proposals that would have mandated nurse-patient ratios.

"SB867 reaffirms the state's and hospital community's commitment to promote quality care by supporting nurse staffing principles in acute care settings that are evidence-based [and taking] into account the unique care needs of each and every patient," IHA Senior Vice President Howard A. Peters wrote in the letter to the Governor.

We encourage IHA members to join us in asking the Governor to sign this important bill by sending an e-mail or letter from our web site, www.ihatoday.org.

GOVERNOR ORDERS NEW RULES ON HEALTH INSURANCE PREMIUMS

Insurance companies will be prohibited from basing premium increases on health status for individual policies under new rules announced last week by Gov. Blagojevich. The Governor also ordered the Illinois Division of Insurance to file an emergency rule that will, for the first time, require insurance companies to report quarterly on how much they collect in premiums and how much is spent on health care claims.

A press release from the Governor's Office says that the rule preventing insurance companies from considering health status when setting a premium on a renewed individual health insurance policy "will protect consumers from being priced out of coverage after they've experienced an illness or injury." The release says that the rule on new reporting requirements "will provide the state the information necessary to more stringently regulate rates."

SCHIP REAUTHORIZATION BEGINS TO MOVE

The U.S. Senate Finance Committee is getting close to moving a \$35 billion package to reauthorize the State Children's Health Insurance Program (SCHIP) that would be funded by a 61-cent increase in the federal tobacco tax. Committee chair Max Baucus (D-Mont) last week announced that a tentative bipartisan agreement had been reached on the bill, which is expected to be marked up in the committee on July 17. SCHIP is due to expire Sept. 30.

Meanwhile, three Republican members of the Finance Committee, including the ranking Republican, Charles Grassley (IA), sent a letter to President Bush asking him to ensure that HHS "refrain from granting or extending waivers for adult coverage under SCHIP." The senators say the waivers have made it more expensive and complicated to reauthorize SCHIP.

HEALTH CARE WORKFORCE SHORTAGE MAY GROW

By 2020, America will have a shortage of between 400,000 and 1 million registered nurses and about 24,000 doctors, according to projections by the federal government. A new report by the PricewaterhouseCoopers Health Research Institute suggests the shortage could become worse, exacerbated by problems with nurse education, nurse retention, and the roles and distribution of health care workers.

The report notes that every percentage point increase in nurse turnover costs an average hospital about \$300,000 annually. Hospitals that perform poorly in nurse retention spend, on average, \$3.6 million more than those with high retention rates. A survey of hospital executives conducted for the report found that executives are experiencing initiative overload, with nurse recruitment/retention initiatives competing with other priorities, such as quality improvement, information technology and patient safety.

With nurses starting to retire as Baby Boomers begin turning 65 years of age, the total number of nurses in the country is projected to decrease after 2010. Despite the need for more nurses, more students are being turned away from nursing schools because there aren't enough faculty or clinical training sites, the report said.

BRIEFLY NOTED

✓ IHA is working to improve state legislation on the copying of medical records, enabling hospitals to recover more of their costs in producing such records. A House committee last week approved an amendment to **HB830**, which previously passed the full Senate, to allow hospitals to charge persons seeking medical records in electronic format 50% of the rate that they charge for paper records. The amended bill now goes to the full House for concurrence.

✓ An amendment to the FY2008 appropriations bill for HHS, Labor and Education that would have prevented OSHA from enforcing annual fit testing of respirators for hospital personnel who may encounter TB patients was rejected by the U.S. House Appropriations Committee last week. AHA opposes fit-testing requirements as a labor-intensive, time-

consuming and expensive process with no proven benefit for preventing exposure to TB. Hospitals currently follow CDC guidelines on initial and periodic fit testing.

✓ Uninsured adults tend to wait to get health care services until they are eligible for Medicare, driving up overall Medicare costs, according to a study in the July 12 *New England Journal of Medicine*. Medicare expenses were 51% greater for previously uninsured beneficiaries with chronic conditions such as cardiovascular disease or diabetes than for Medicare beneficiaries who had insurance before turning 65.

✓ The Congressional Budget Office has released a report predicting a dramatic rise in federal income taxes by 2050 if health care costs continue to grow at 2.5% more than the growth in GDP. Even if health care costs are restrained and grow at only 1% more than GDP, the highest tax bracket would rise from 35% to 60%.

✓ A CD of IHA's recent program, "Earning Physician Loyalty - What Does It Take," is now available. To see photos and hear excerpts from the program, and to order a copy of the CD, [click here](#). For more information, contact Beth McKay-Anaya at emckay-anaya@ihastaff.org.