The End of the COVID-19 Public Health Emergency: Flexibilities Addressing the Provider Workforce



The COVID-19 pandemic only <u>worsened the</u> <u>existing provider shortage</u> and increased worker burnout, exhaustion, and trauma. To address the provider shortage during the pandemic:

- ★ The federal government allocated \$178 billion to the COVID-19 <u>Provider</u> <u>Relief Fund</u> (PRF) to support hospitals and health care providers and compensate them for financial losses and unanticipated costs due to the coronavirus
- ★ The American Rescue Plan Act (ARPA) allocated \$8.5 billion in <u>ARP</u> <u>Rural payments</u> to health care providers that serve rural Medicaid, Children's Health Insurance Program (CHIP), or Medicare patients
- ★ Forty-nine states and D.C. <u>substantially</u> <u>waived or relaxed licensing regulations</u>
- ★ The Centers for Medicare & Medicaid Services and many states <u>relaxed or</u> <u>waived regulations defining scope of</u> <u>practice</u> for health professionals

Allocations of the Provider Relief Fund, February 2022 In billions of dollars



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Source: GAO, Current and Future Federal Preparedness Requires Fixes to Improve Health Data and Address Improper Payments (Washington, DC: US Government Accountability Office, 2022).

Note: Provider Relief Fund grants total \$178 billion. Fund administrative costs of \$0.9 billion are not included in figure.

Impact

- ★ The PRF helped health organizations facing workforce shortages and staff burnout to <u>support recruitment and retention efforts</u>
- ★ Over \$40 billion in ARPA funds have been committed to <u>strengthening and expanding</u> <u>the workforce</u>
- ★ Although there is no evidence of what effect emergency policies like licensure reciprocity has on health workforce supply and access to care, New Jersey's Temporary Emergency Reciprocity Licensure Program increased the state's health care workforce supply during the pandemic and likely expanded care for underserved populations
- ★ Expanded state nurse practitioner practice regulations are associated with <u>greater</u> <u>provider supply and improved access to care</u> among rural and underserved populations without decreasing care quality

Implications of the Provider Shortage

- ★ Thirty-seven states are predicted to have a <u>shortage of</u> <u>primary care physicians</u> by 2025 and a <u>national shortage of</u> <u>more than 300,000 registered nurses</u> by 2030, which have only been exacerbated by the pandemic
- ★ People will experience longer wait times for patient visits, longer waits for appointments, and the need to travel farther to see a provider as a result of provider shortages
- ★ Physician shortages are <u>concentrated in low-income and</u> <u>rural areas</u>, whereas primary care nurse practitioner supply is well-distributed and growing in low-income and rural areas
- ★ <u>Rising provider burnout</u> may lead health care providers serving low-income populations to migrate to lower stress retail work settings and digital health companies, exacerbating provider shortages for low-income populations
- ★ Removing restrictive nurse practitioner scope-of-practice regulations can increase access to care for racial and minority populations

Federal Initiatives

- ★ The Consolidated Appropriations Act of 2021 (signed December 27, 2021) included 1.000 new Medicare-supported graduate medical education (GME) positions, the first increase in the program in nearly 25 years
- ★ The Physician Shortage Reduction Act of 2021 (introduced) would have added 14,000 residency slots over seven years
- ★ The Opioid Workforce Act of 2021 and the Substance Use Disorder Workforce Act of 2021 (introduced) would have added 1,000 residency slots over four years
- ★ The Health Resources and Services Administration, Department of Health and Human Services, and Indian Health Service sponsor different loan repayment and/or forgiveness programs for health care providers working in rural, tribal, and underserved areas

Recommendations

Initiatives

Federal Policy Recommendations

IMMEDIATE OPPORTUNITIES

- ★ Pass legislation to expand and support the mental health workforce as outlined in the Senate Finance Committee's discussion draft legislation, including:
 - The Training Psychiatrists for the Future Act, which would add 400 psychiatric residency slots per year
 - The More Behavioral Health Providers Act, which would expand Medicare's Health Professional Shortage Area bonus program to attract mental health providers to shortage areas
 - The Protect Our Physicians Act to increase access to mental health programs for physicians

LONGER-TERM SOLUTIONS

- ★ Increase GME funding and residency slots
- ★ Expand the availability, eligibility, and funding for loan repayment and forgiveness programs so providers intending to pursue primary care are able to do so since medical school debt led medical students to switch to higher-paying specialties
- ★ Invest in mental health to address provider burnout

66 Difficulty finding doctors, health care providers."

- Focus group participant, South Carolina on "What comes to mind when you hear the term health care?"

State Initiatives

- ★ Many states have loan repayment or forgiveness programs for health care providers
- ★ Thirty-seven states, D.C., and Guam have joined the physician's Interstate Medical Licensure Compact
- Thirty-seven states, Guam, and Virgin Islands have enacted the Nurse Licensure Compact
- ★ Multiple states have passed legislation expanding scope of practice for advanced practitioners
- ★ Arizona: The state is the first to pass a bill that recognizes out-of-state occupational licenses across the board

State Policy Recommendations

IMMEDIATE OPPORTUNITIES

- **★** Align permanent licensure policies with COVID-era licensure policies (e.g., interstate licensure compacts, etc.)
- ★ Explore opportunities to build on scope of practices flexibilities allowed during the pandemic that prioritize patients
- ★ Adopt virtual care flexibilities to address geographic imbalances in provider supply and availability

LONGER-TERM SOLUTIONS

- Adopt loan forgiveness programs for health care workers
- ★ Invest in mental health to address provider burnout



According to the American Medical Association's 2021 Telehealth Survey Report, 52% of physicians reported that telehealth has improved the satisfaction of their work.

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This one-pager is part of USofCare's playbook, "The End of the COVID-19 Public Health Emergency: Lessons Learned from the Pandemic and Implications for People."