

June 7, 2007

Dear Senator:

On behalf of the American Hospital Association's (AHA) nearly 5,000 member hospitals, health systems and other health care organizations, and our 37,000 individual members, I am writing to express our concern over several provisions of the manager's substitute to S. 1348, legislation being considered by the Senate that would implement sweeping reform of immigration law.

The AHA shares the Senate's concerns about the nation's need for border security and a resolution of the status of millions of unauthorized immigrants living in the U.S. At the same time, we must point out that the Senate bill, as written, could exacerbate an already serious health care workforce shortage in America's communities.

This shortage is severe among both clinical and non-clinical workers, but it is particularly acute among registered nurses (RNs). The Department of Health and Human Services estimates that, by 2020, our nation will need 2.8 million nurses – 1 million more than the projected supply. A recent AHA survey reported that there were 116,000 nursing vacancies as of December 2006.

The nursing shortage affects not just hospitals, but also nursing facilities, assisted living facilities, home health agencies and health clinics. The problem will only get worse as "baby boomers" get older and live longer, placing greater demand on the health care system. And many of those "boomers" are nurses themselves, who are already beginning to retire.

At the same time, more than 150,000 qualified applicants for nursing school were turned away in 2005 because of full enrollments and a shortage of trained nursing faculty.

The AHA is committed to helping increase our domestic supply of nurses. Meanwhile, it is critical that hospitals be able to continue meeting the health care needs of their communities by, when necessary, recruiting highly qualified, internationally educated RNs.



We, therefore, ask you to consider these important changes in the pending immigration bill:

- **Preserve the role of employers in selecting immigrant employees.** Under S. 1348, the current employment-based (EB) system (“green cards”), under which most foreign nurses enter the U.S., is replaced with a point-based system in which immigrants apply for a visa without employer sponsorship. Under the new system, points are awarded to a visa applicant for a variety of factors, including education, occupation and the ability to speak English. This would replace our current market-based system, where employers petition for an EB visa on behalf of a foreign employee, to a system where individuals abroad will file for their own visas and be granted a visa based on the number of points accumulated. While employers are in the best position to determine whether a specific applicant is best suited for the job for which he or she is being hired, under S. 1348 the government would make that determination. In addition, nurses are, at the outset, disadvantaged under the point system since more weight would be given to visa seekers with high levels of education, such as a master’s or Ph.D. Qualified nurses coming from abroad generally have bachelor’s degrees. **We favor amendments that reinstate employer sponsorship, including sponsorship for nurses. Also, we urge you to increase the number of points given to health care workers, particularly nurses.**
- **Elimination of H-1B residents and fellows.** The AHA is pleased that S. 1348 reauthorizes the Conrad 30 J-1 visa waiver program indefinitely. It further establishes a pilot program to redistribute unused “waivers” to states that have a greater need. Foreign medical graduates come to the U.S. on these visas, which are temporary visas designed to allow foreign students to complete medical training in the U.S. The visa requires that once training is completed, the visa holder must return to his or her country of origin. The Conrad 30 J-1 visa waiver program allows foreign medical students or those completing training to remain in the U.S. provided they work for two years in a medically underserved area. **While S. 1348 reauthorizes the Conrad 30 program, the bill also restricts foreign medical residents from using the H-1B temporary visa.** Many hospitals now use this visa to fill residency and fellowship slots with foreign medical graduates. Under the proposed language, all foreign physicians coming for graduate medical training would have to use the J-1 visa. At the conclusion of their training, these physicians will have to return home for two years before returning to the U.S. to practice, unless they can secure a discretionary waiver by working in an underserved area or a VA hospital. **This change will significantly lower existing sources of residents and fellows ... we favor its deletion.**
- **Employment verification.** The legislation also would require all employers, regardless of whether they employ any foreign nationals, to participate in an electronic employment verification system (EEVS), based on the Department of Homeland Security Basic Pilot Program. Employers would have to verify the work authorization of all new employees within 18 months. The system would have to expand from its current level of 16,000 employers to 6 million employers (more than

June 7, 2007

Page 3 of 3

20,000 new enrollments per day for 18 months) and verify 50 million new hires per year. After three years, all current employees (149 million at present) would have to undergo another system-wide verification process. While hospitals want to ensure that our employees are legally entitled to work in the U.S., we are concerned about the increased paperwork and administrative burden that this will impose on health care facilities. More than 30 agencies already oversee some aspect of patient care and the paperwork burden is substantial. **We favor amendments that eliminate the burdensome re-verification requirement, impose standards on the system prior to implementation, and protect employers from identity theft.**

- **Loss of financial assistance for hospitals treating Z-visa holders.** The bill would create a visa program (“Z” visa) that will allow current illegal immigrants in the U.S. to legalize their status in the country. The bill does not make any provision to fund emergency medical care provided to this population. Section 1011 of the *Medicare Modernization Act*, which was enacted to assist hospitals with the uncompensated care burden of treating illegal immigrants, is not modified or extended to adjust for the change of the undocumented population to Z-visa status. The elimination of Section 1011 coverage for this newly legalized worker population will leave hospitals with the same demands for emergency care, but less funding to help offset the cost of providing that care. While the patients will no longer be illegal, they will still place the same demands on the health care system. **We favor amendments that would both extend existing Section 1011 financial reimbursement to hospitals that provide care to this population, and extend Section 1011 funding for two additional years.**

We would appreciate your assistance in modifying the proposed legislation to remedy these concerns. Doing so can help ensure that hospitals and other facilities have enough nurses to meet the needs of their communities. We look forward to working with you and your staff as the Senate continues to draft S. 1348.

Sincerely,

Rick Pollack  
Executive Vice President