

May 13, 2021

The Honorable Sherrod Brown  
United States Senate  
503 Hart Senate Office Building  
Washington, DC 20510

The Honorable Shelley Moore Capito  
United States Senate  
172 Russell Senate Office Building  
Washington, DC 20510

The Honorable Bob Menendez  
United States Senate  
528 Hart Senate Office Building  
Washington, DC 20510

The Honorable Rob Portman  
United States Senate  
448 Russell Senate Office Building  
Washington, DC 20510

The Honorable Tammy Duckworth  
United States Senate  
524 Hart Senate Office Building  
Washington, DC 20510

Dear Senators Brown, Capito, Menendez, Portman and Duckworth:

On behalf of our nearly 5,000 member hospitals, health systems and other health care organizations, our clinician partners – including more than 270,000 affiliated physicians, 2 million nurses and other caregivers – and the 43,000 health care leaders who belong to our professional membership groups, the American Hospital Association (AHA) writes to express support for S.1568, the Technical Reset to Advance the Instruction of Nurses (TRAIN) Act.

A talented, qualified, engaged and diverse workforce is at the heart of America's health care infrastructure. Recent studies show that America will need to hire at least 200,000 nurses per year to meet increased demand and to replace retiring nurses. In 2017, more than half of all nurses were age 50 or older, and almost 30% were age 60 or over. Workforce pressures also exist across a variety of allied health professions. According to one recent survey, the annual turnover rate of hospital certified nursing assistants (CNAs) was 27.7% (nearly double the turnover rate of nurses and physician assistants). Meanwhile, the Bureau of Labor Statistics projects a need for 11% more CNAs by 2025. These projected shortages highlight the need for supportive policies that ensure America's health care workforce can meet the demands of today and be adequately prepared for the delivery system of tomorrow.



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The Centers for Medicare & Medicaid Services (CMS) supports nursing and allied health education programs by funding approximately 120 hospital-based nursing schools operated by a sponsoring hospital. These schools play a key role in training our health care workforce and providing a pipeline of highly-trained nurses to their communities and the nation overall.

Beginning in 1998, Medicare began making direct graduate medical education (DGME) payments based on Medicare Advantage utilization, as well as traditional fee-for-service utilization. Beginning in 2000, Medicare also began making reasonable cost-based payments for nursing and allied health education programs based on Medicare Advantage utilization. CMS last provided instructions for the calculation of these payments in 2003, and at that time the agency failed to factor in a statutorily-required cap on total payments. As a result, Medicare has made incorrect payments to both hospital-based nursing and allied health education programs and DGME.

Last year CMS discovered it had miscalculated annual updates to these payments by failing to apply the cap, and that this mistake went back for more than a decade. On Aug. 21, 2020, CMS instructed Medicare Administrative Contractors (MACs) to recalculate Medicare Advantage payments to nursing and allied health and DGME, and to recoup payments previously made to nursing and allied health programs. This solution proposed by CMS will jeopardize the financial health of these essential hospital-based nursing programs and could cause many of them to close, amid a pandemic and a nationwide nursing shortage.

Your bipartisan bill, the TRAIN Act, provides an important remedy to the current situation. The legislation would direct CMS not to seek repayment from nursing and allied health programs. In addition, importantly, DGME payments would not be affected and those who received inadequate DGME payments could continue to pursue remedies from CMS.

Thank you for your leadership on behalf of the nation's health care workforce. The AHA looks forward to working with you to enact this important legislation.

Sincerely,

/s/

Stacey Hughes  
Executive Vice President