Testimony to the Michigan Senate Health Policy Committee
relevant to Senate Bill 68 (S.B. 68), licensure of advanced practice registered nurses

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My name is Ani Turner and I am the Deputy Director of the Center for Sustainable Health Spending at Altarum Institute, a nonprofit health research organization headquartered in Ann Arbor. I have degrees in Mathematics and Applied Economics from the University of Michigan and over 25 years of experience analyzing issues in health and health care. One of my areas of professional focus has been data and projections related to the health workforce. As this committee considers S.B. 68, I would like to briefly present relevant findings from projections of the future supply and demand for clinicians, compare Michigan’s advanced practice registered nurse (APRN) practice environment to other states, and highlight decades of evidence on quality of care and patient outcomes under independent APRN practice.

Like much of the nation, Michigan faces an increase in demand for health care at the same time that a large proportion of our physicians and other clinicians will be reaching retirement age. **Michigan’s population, like the nation’s, is aging.** In 2010, about one in seven people in Michigan was 65 or older. In just a decade, one in five will be 65 or older.\(^1\) Older populations are more likely to have one or more chronic conditions and to have a higher demand for health care services.

Due to health reform and an increase in employment in recent years, more Michiganders are able to afford health insurance and health care. As of February 2015, over 570,000 people had enrolled in the Healthy Michigan program, the state’s Medicaid expansion.\(^2\) An additional 340,000 people have selected a health plan through Michigan’s health insurance marketplace for 2015.\(^3\) Michigan has added nearly 200,000 jobs in the past two years, likely increasing insurance coverage and earnings.

**Even as the demand for services increases, our physician and APRN workforce is aging toward retirement.** Over half (53%) of Michigan physicians are age 55 or older, as are about half of APRNs in Michigan (50% of nurse practitioners, 45% of certified registered nurse anesthetists, and 52% of certified nurse midwives).\(^4\) So, half of our most highly trained clinicians will be reaching potential retirement age over the next decade.

We can quantify the impact of trends such as the aging of the population and expected clinician retirements using health workforce projection models. Such models typically project supply by starting with the current supply, adding in the number of new clinicians graduating from training programs, and

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1 Population projections developed for the Michigan Department of Transportation by the Institute for Research on Labor, Employment, and the Economy, University of Michigan, March 2012.
2 Michigan Department of Community Health.
4 Michigan Department of Community Health Survey of Physicians: Survey Findings 2012 and Survey of Nurses 2013: Analysis of Advanced Practice Registered Nurses.
subtracting expected deaths and retirements over time. For a particular state, net migration into or out of the state is also considered. Models of clinician demand typically look at how the population uses clinician services by age, sex, level of insurance coverage, and other factors, and projects those needs into the future based on the expected size and characteristics of the population.

Workforce projection models that automate these types of calculations and allow testing of various assumptions and scenarios have been developed by federal and state governments and other organizations. Michigan commissioned such a study for physicians in 2006. **Every such modeling effort at the state or national level in recent years has projected a significant shortage of physicians.** National models show shortages of over 90,000 physicians by 2020,\(^5\) while a shortage of about 4,500 physicians was projected for Michigan.\(^6\)

Less widely known than the projections of physician shortages is that **models that also include APRNs and physician assistants (PAs), find that the shortage of physicians can be largely alleviated if APRNs and PAs are fully integrated into health care delivery.**\(^7\) This conclusion holds even though APRNs and PAs are assumed to substitute for only a portion of the services physicians provide.

The supply of APRNs and PAs has been growing more rapidly than the supply of physicians, so that the nation’s clinician workforce is projected to transition from three-quarters physicians in 2010 (similar to the current clinician supply in Michigan) to two-thirds physicians in 2025 (Figure 1). The severity of the clinician shortage in the U.S. and in Michigan will depend on how well the skills of this new clinician workforce can be leveraged.

**Figure 1: Changing Composition of the U.S. Clinician Workforce**

![Figure 1: Changing Composition of the U.S. Clinician Workforce](image)

Source: Unpublished Altarum Institute U.S. clinician supply projections developed under contract to the National Center for Health Workforce Analysis, Health Resources and Services Administration.

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\(^5\) Association of American Medical Colleges, Center for Workforce Studies, June 2010 analysis.


\(^7\) National Center for Health Workforce Analysis, *Projecting the Supply and Demand for Primary Care Practitioners through 2020*, November 2013.
Is it realistic to expect that we can fully leverage these new proportions of clinicians? Nationally and in Michigan, for every 10 physicians today, there are about 2.3 APRNs. In a decade, for every 10 physicians, there will be 3.5 APRNs. While changes to training, regulatory, and reimbursement environments may be needed to fully support such a shift, these projected proportions are well within existing models of delivery that are currently in practice.

“Team-based care” is a term often used to describe new models of care delivery that may include greater numbers of APRNs and PAs, or other combinations of staff. Hallmarks of these new models of delivery are an organization around patient needs, and full use of the training and abilities of each member of the team. Delivery models in use today vary widely in the types and numbers of staff, depending on the population being served. Team-based care does not preclude independent practice, as many members of a team, including primary care physicians, specialist physicians, pharmacists, psychologists, dentists, podiatrists, and APRNs, can practice independently and as a team, with different members of the team taking the lead for different types of patient needs.

What about concerns about patient safety and quality of care under more independent APRN practice? Studies comparing the quality of care provided by APRNs and physicians go back as far as 1974. Decades of research since then has found no evidence of lower quality of care or outcomes under independent APRN practice. The Institute of Medicine (IOM) recently assembled a diverse team of experts who reviewed this research, conducted public meetings and site visits, and spent over a year studying the capacity of the nursing workforce to meet the nation’s future health needs. One of the major conclusions of the IOM study was that all APRNs should be practicing to the full extent of their education and national certification, and that “what nurse practitioners are able to do once they graduate varies widely for reasons that are related not to their ability, education or training, or safety concerns, but to the political decisions of the state in which they work.” In response to this report and to growing concerns about provider shortages, some states have moved to reduce restrictions on APRN practice.

How does Michigan compare to other states in the APRN practice environment? The map in Figure 2 shows that Michigan is among the 12 most restrictive states for the practice of nurse practitioners (NPs). It is the only state in the Midwest so restricted. 20 states (including DC) currently have practice laws consistent with the IOM recommendations (green), and another 19 states somewhere in between (yellow). Thus, in 39 states, NPs are less restricted in their practice than in Michigan.

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At least 8 states and the Veterans Health Administration are currently considering legislative actions to increase practice authority for APRNs: Florida, California, Massachusetts (currently restricted practice states), and Illinois, Mississippi, Kansas, New York, and Utah (currently reduced practice states).

The presence of many other areas of the country with less restrictive practice environments means we don’t have to speculate or rely on expert opinion about what might happen under S.B. 68 – we can examine what is happening in most of the rest of the nation.

Looking specifically at the experience of states, a March 2013 study took account of the timing of changes to nurse practice acts, and compared various measures of quality of care, frequency of routine checkups, and emergency room use between states. The study found that in states that allow NPs to practice and prescribe without physician supervision, the frequency of routine checkups increases and various measures of care quality improve. Patients with conditions that respond to primary care also showed reduced emergency room use, suggesting both an improvement in health and cost savings in the provision of care.\(^\text{10}\) The study found that improvements came about because populations had greater access to a health care provider, and there was a reduction in the administrative burden to both physicians and APRNs, allowing more time for patient care.

As stated by the IOM:

...the contention that APRNs are less able than physicians to deliver care that is safe, effective, and efficient is not supported by the decades of research that has examined this question... No studies suggest that care is better in states that have more restrictive scope-of-practice regulations for APRNs than in those that do not.”

In addition to the IOM, other organizations supporting full practice authority for APRNs include the National Governors Association, the AARP, the Federal Trade Commission, the National Council of State Boards of Nursing, and the Bipartisan Policy Center.

Given the information I’ve presented today, what can be done to alleviate our projected provider shortages and to strengthen our health care resources? We can try to train more physicians or other advanced clinicians, but this will require significant time and resources. We can try to encourage our clinicians to remain in Michigan, and even entice others to come to Michigan to practice, and we can help our clinicians spend more time in patient care, making better use of our existing workforce. These two strategies are affected by the practice environment in our state. I believe S.B. 68 makes our practice environment more attractive to the nearly 9,000 licensed APRNs in our state and reduces the administrative burden on both physicians and APRNs, in ways that decades of research have shown do not affect quality of care or patient outcomes.

S.B. 68 offers an opportunity for Michigan to join other states in increasing our effective supply of clinicians and allowing the full practice of some of the most highly trained members of the valuable asset that is our health workforce.