Department of Health

2023-25 First Supplemental Budget Session

Policy Level - RW - Rural Health Workforce

Agency Recommendation Summary

Provides funds for community grants and rural workforce positions to address Washington's rural healthcare workforce crisis. The pandemic decimated staffing at many rural healthcare systems and put them into fiscal and operational jeopardy. To stabilize rural healthcare systems and retain equitable access, short-, medium- and longer-term interventions are needed to create a sustainable rural healthcare workforce across multiple roles and disciplines.

Fiscal Summary

Fiscal Summary *Dollars in Thousands*	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Staffing						
FTEs	0.0	5.8	**2.9**	5.8	5.8	**5.8**
Operating Expenditures						
Fund 001 - 1	$0	$1,474	**$1,474**	$1,459	$1,459	**$2,918**
Total Expenditures	**$0**	**$1,474**	**$1,474**	**$1,459**	**$1,459**	**$2,918**

Decision Package Description

Package Description

Washington is experiencing an unprecedented rural healthcare workforce emergency. A recent report from the Healthcare Quality & Payment Reform indicates that 13 of the 39 Critical Access Hospitals in Washington are at-risk for closure, with two of those listed at “immediate risk”. Only 38 percent of rural hospitals continue to offer birthing services and of those remaining, five deliver 100 or fewer births per year, putting infants and mothers at risk. Rural Health Clinics are closing their doors to new patients, leaving rural residents with inadequate access to primary care services. Depending on the rural definition used, 8.4 to 21.6 percent of Washingtonians live in rural areas. The rural workforce crisis furthers health inequities between rural and urban communities and negatively impacts access, and care deliver. Unfilled openings force rural health systems into high-cost contracts for agency travel labor, further exacerbating financial difficulties, particularly with rising supply costs.

Without an adequate supply of healthcare workers, we will continue to see declines in access to care for those living in rural areas, including Tribal communities, in Washington. Loss of access to care increases the inequities and disproportionately poorer health outcomes experienced by people living in rural areas.

Because the pandemic further destabilized already fragile rural healthcare organizations, this is a significant crisis for rural healthcare in WA and makes the timeliness of these proposed interventions critical.

A recent study, published in JAMA, found that the United States, out of 11 high-income nations, had the greatest geographic health disparities between rural and urban health. These findings support the critical need to address rural health as a major health equity issue.

These strategies have not been proposed before.

Proposal

To address Washington's rural healthcare workforce crisis, strategic investments are needed to expand community-driven workforce strategies, increase available resources, and support rural communities to leverage and expand existing talent and spread best practices. The proposed strategies will provide resources for direct work with rural communities to address their critical healthcare workforce shortages:

- Help develop the rural nursing workforce, with an emphasis on recruitment and retention of positions that support family care for safe pregnancy, birthing and post-partum care, including Certified Nurse Midwives (CNM), in rural health systems. This work will include helping rural communities build relationships with nurse training and educational programs; developing the pipeline of CNMs in the rural workforce; supporting skills development and training for rural nurses in obstetrical care; providing direct recruitment assistance by linking new CNM graduates with practice vacancies in rural communities; and engaging in policy work to further the advancement of rural nursing. This position will work with interested organizations to implement a rural nurse preceptor training program and facilitate new rural rotations for healthcare professional training programs.

• Respond to the current need to increase rural based allied health professions. Work with allied health professional training programs, coordinate with rural communities to develop a youth pipeline for ancillary health professions, such as Pharmacy Techs, Radiologic Technicians, Lab Techs, Physical Therapists, Occupational Therapists, Respiratory Therapists, and care aides working in hospitals, Rural Health Clinics, home health, hospice and long-term care settings. Build further knowledge about the needs for ancillary health workers in rural communities and define how to build comprehensive rural data for the ancillary health workforce. The position will facilitate entry into apprentice programs and coordinate with sponsors of the apprenticeships to expand rural program awareness and engagement.

• Provide pass-through grant funds to develop rural community-based Grow Your Own programs. These programs reach youth and community members to increase interest in health professions with the goal of keeping those who have grown up in rural areas to stay and serve their own community. Grow Your Own strategies include early exposure to health professions, job shadowing, apprenticeships, scholarships with service obligations, high school health sciences academy models, partnerships between Critical Access Hospitals, Rural Health Clinics, and Tribal health clinics with community college and university training programs, and other creative solutions the community may develop. These strategies also focus on upward and lateral skill development of existing employees as well as attraction of new adult employees from within the community. This program also includes a position to manage the grants program, identify best-practices, promote evidence-based strategies, develop tools and resources, and provide hands-on assistance to initiate and support their programs and ensure the success of the local programs.

• Increase capacity for HPSA shortage designation work. This position will gather and validate provider data, make timely and accurate HPSA and MCTA designations, and provide advanced technical assistance to health facilities about the designation process and utilization of HPSA and MCTA scores. HPSA designation work utilizes many factors related to social determinants of health such as the percentage of the population under 200% of the poverty line, migrant farmworker population, American Indian/Alaska Native population, homeless population, elderly population, infant mortality rate and low birth weight rate. This position will increase capacity for HPSA designation so that communities with the greatest need for health care providers can access state and federal resources that require HPSA designations.

• Provide equitable funding for two new Area Health Education Centers to grow and diversify the rural workforce. Area Health Education Centers (AHECs) are a national model developed by Congress in 1971 to recruit, train and retain a health professional workforce for rural and urban underserved populations, with over 300 AHECs nationally. AHECs are increasingly committed to maximizing diversity, facilitating better distribution of professionals, and offering pathways from pre-college through training for health careers.

Historically, there have been two AHECs in Washington, including the Eastern Washington Area Health Education Center, operated by Eastern WA University on their Spokane campus, serving all Eastern WA, and the Area Health Education Center for Western Washington of Whatcom Community College in Bellingham, tasked with coverage of all Western WA. Examples of how these AHECs serve Washington rural communities include assisting in placing third year family medicine residents in rural clinical placements over the summer for rural exposure and offering programs that expose high school students to healthcare careers in rural settings.

The University of Washington (UW) AHEC Program Office provides approximately $100K per year for each of the centers in federal funding through a grant. However, the federal funds distributed by UW do not provide sufficient funding to run the expected programs and leverage workforce strategies for rural communities.

To help bolster funding for the AHECs and provide matching dollars on the federal funds, the department provides $205K per year in G-FS to each AHEC. This funding allows us to work in collaboration with AHECs to identify resources and opportunities for under-represented and disadvantaged students with the goal of creating a more equitable healthcare workforce reflective of the communities served. The contractual relationship strengthens joint strategies and avoids unintended duplication.

In Fall 2022, two new AHECs were established in Washington and these centers and are not currently receiving GF-S funds from the department. The new centers are in Wenatchee, operated by Wenatchee Valley College, a designated Hispanic Serving Institution, to cover central WA and the Southwest WA AHEC, led by the WA Association for Community Health, which will emphasize reaching schools with a high number of Latino/Latina and Native American students.

The new AHECs need equal funding to strengthen rural and urban underserved workforce development in their service areas and operate with the same resources and capacity as the existing funded AHECs.

Alternatives

Over the last several years, the Rural Health staff have closely monitored federal grant alerts to identify funding sources that would build internal capacity to assist our rural health workforce activities and support rural community level workforce development. Unfortunately, few grants are designed for rural and those few do not support this envisioned work.

At the state level, there have been investments in workforce development, including Career Connect Washington (CCW) as well as the Good Jobs Challenge and Regional Challenge grants (administered by WSAC). CCW has funded only one rural health system (Jefferson Healthcare), out of over $16 million in public funds invested across the state to expand career connected learning. Our rural health systems are missing out right now, and with the low-barrier and rural-focused solutions in this proposal, we can build readiness and capacity so that rural health systems will be able tap into existing funding sources for future program growth and replication.

The need for increased capacity for HPSA/MCTA is also closely tied as HPSA designation is a gateway to increased funding opportunities for rural and underserved health systems and workforce incentives. We have provided feedback and information to the Primary Care Office Project Officer about the increased HPSA and MCTA workload and the need for commensurate federal appropriations to fund the work. The National PCO Committee and National Rural Health Association (NRHA) has backed PCOs across the country and advocated for increased funding so that it is level with the cooperative agreement requirements. So far, these efforts have been unsuccessful, and the federal funding level remains static despite substantial added work requirements.

Our proposed efforts are complementary and not duplicative to the existing programs and funding initiatives and will help position WA rural health systems to equitably access resources.

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

This is an expansion to respond to the rural workforce crisis as well as the federal approval for two additional Area Health Education Centers (AHEC) federally allowed to respond to WA workforce needs. All requested funds for FTEs and associated costs as well as the dollars to fund community grants are new funds. The new AHEC funds matches the existing funding for the two current AHECs.

Below are funds currently supporting workforce positions:

Numbers in thousands	FY20	FY21	FY22	FY23
GFS	**297**	**300**	**303**	**319**
Salary	197	201	206	213
Benefits	70	70	76	77
Other	4	4	4	4
Travel	1	0	0	8
T costs	25	25	17	17
Federal	**132**	**137**	**128**	**229**
Salary	88	91	86	152
Benefits	30	32	31	55
Other	3	3	3	5
Travel	0	0	0	2
T costs	11	11	8	15
Title 19 Match	**161**	**168**	**166**	**170**
Salary	107	111	113	116
Benefits	36	39	40	41
Other	4	4	4	4
T costs	14	14	9	9
Grand Total	**590**	**605**	**597**	**718**

FTEs by Fund	FY20	FY21	FY22	FY23
GFS	2.4	2.4	2.4	2.4
Federal	1.05	1.05	1.05	2.05
Title 19 Match	1.3	1.3	1.3	1.3
Total	**4.75**	**4.75**	**4.75**	**5.75**

Detailed Assumptions and Calculations:

RURAL HEALTH WORKFORCE
Healthcare Workforce Shortages
To address Washington's critical healthcare workforce shortages in rural communities the department will work to develop the nursing and allied health workforce in rural health systems, work to expand apprenticeships, and increase capacity for communities designated as shortage areas by their Health Professional Shortage Areas (HPSA) score.

Costs include staff time for 4.3 FTEs and associated costs (including goods and services, travel, intra-agency, and indirect charges). The costs to expand this program will be $503,000 (GFS) in FY 2025, and $490,000 (GFS) in FY2026 and ongoing.

Grow Your Own Program
The department will establish a Grow Your Own grant program for Washington's rural communities to increase interest in health professions with the goal of retaining individuals who have grown up in rural areas to serve their community. The program will consist of 12 grants for $30,000 each, and staff time to manage the new program.

Costs include staff time for 1.5 FTE and associated costs (including goods and services, travel, intra-agency, and indirect charges). The costs to establish the program will be $546,000 (GFS) in FY 2025 and $544,000 (GFS) in FY 2026 and ongoing.

Area Health Education Center
The department will expand this program by contracting with two additional Area Health Education Centers (AHEC) to recruit, train, and retain health professionals to work in rural and urban underserved populations. The costs to expand this program will be $425,000 (GFS) in FY 2025 and ongoing.

FY 2025 costs will be 5.8 FTE and $1,474,000 (GF-S)
FY 2026 and ongoing costs will be 5.8 FTE and $1,459,000 (GF-S)

Workforce Assumptions:

HSC4: develop the nursing workforce, with an emphasis on recruitment and retention of positions that support family care for safe pregnancy, birthing, and post-partum care, including Certified Nurse Midwives (CNM), in rural health systems. This work will include helping rural

communities build relationships with nurse training and educational programs. This position will work with interested organizations to implement a rural nurse preceptor training program and facilitate new rural rotations for healthcare professional training programs.
FTE: 1.0
Salary: $88,794
Benefits: 31,784

HSC4: manage the grants program, identify best-practices, promote evidence-based strategies, develop tools and resources, and provide hands-on assistance to ensure the success of the local programs.
FTE: 1.0
Salary: $88,794
Benefits: 31,784

HSC4: gather and validate provider data, make timely and accurate HPSA and MCTA designations, and provide advanced technical assistance to health facilities about the designation process and utilization of HPSA and MCTA scores.
FTE: 1.0
Salary: $88,794
Benefits: 31,784

HSC2: analyze existing data on the needs for ancillary health workers in rural communities, work with allied health professional training programs, coordinate with rural communities to develop a youth pipeline for ancillary health professions. The position will facilitate entry into apprentice programs and coordinate with sponsors of the apprenticeships to expand rural program awareness.
FTE: 1.0
Salary: $71,144
Benefits: $28,292

Estimated expenditures include salary, benefit, and related costs to assist with administrative workload activities. These activities include policy and legislative relations; information technology; budget and accounting services; human resources; contracts; procurement; risk management, and facilities management.

Strategic and Performance Outcomes

Strategic Framework:

The package aligns with Results WA. Goal 4 Healthy and Safe Communities. Equitable access to primary care and other health care services in rural communities are critical to affect health disparities and may influence Results WA indicators, such as hospitalization rates, opioid use and overdose, infant mortality, suicide prevention, and overall medical costs.

The proposed work directly links to the agency Transformational Plan Priority II: Health Systems and Workforce Transformation and specifically Strategy 3 "...further policies and efforts that support, invest in and diversify our health system workforce." Part of the department's commitment in the Plan is to align resources to ensure our health systems and infrastructure are stable and responsive to Washingtonians regardless of where they live. This proposal addresses the Plan and commitment directly by investing in innovative strategies to develop strong local health system workforce supports in rural communities.

A rural workforce that assures equitable access to healthcare for rural Washingtonians also relates to Priority I: Health and Wellness. Healthcare clinicians are actively engaged in pro-health initiatives and wellness, addressing conditions early such as adverse childhood experiences, advancing a continuum of prevention and harm reduction strategies, contributions to multi-sector strategies to address upstream factors that contribute to things such as chronic disease, addictions and injures.

The proposed solutions also align with Foundational Public Health work related to Access/Linkage with Medical, Oral and Behavioral Care Services, Policy Development and Support, and Community Partnership Development.

This proposal helps to support and address the Governor's Office interest in improving access to high-quality rural OB and LD services for improved birth outcomes.

Performance Outcomes:

Outcomes

- Fewer open positions at rural healthcare systems.
- Shorter average time to fill openings at rural healthcare systems.
- Decreased use of agency/traveler staff with resulting savings in labor costs.
- Lower turnover rates.
- Increased diversity of healthcare workforce to match the communities served, specifically increased number of Latino/Latina healthcare professionals hired by rural healthcare organizations.
- Increased number and type of rural Grow Your Own programs.
- No further closures to birthing at rural hospitals.

Incremental Performance Metrics

- Increased number of youths engaged in health careers pathway programs.
- Increased number of Latino/Latina and American Indian/Alaska Native students engaged in health careers pathway programs.
- Increased number of rural students entering healthcare profession and allied health role education and training programs.
- Increased number of Certified Nurse Midwives practicing in rural communities.
- Increased number of health profession students receiving rotations with training opportunities in rural and urban underserved settings.
- Increase enrollment in healthcare profession training program enrollment from the underserved Latino/Latina population in the central region of the state.
- Increased number of deployed strategies to address short-, medium- and long-term solutions to rural healthcare workforce.
- Increased number of rural healthcare Grow Your Own programs that prioritize first-generation rural college students.

Equity Impacts

Community outreach and engagement:

Community outreach and engagement

In 2022, site visits to 22 rural health systems revealed organizations in fiscal and operational crisis due to high agency labor costs, inability to recruit, and challenges with retention as the pandemic caused team members to leave for higher travel wages. These in-depth dialogues exposed and underlined the urgency of the rural workforce crisis with shortages not just for provider and nurses but for multiple clinical and nonclinical roles. The situation remains dire in many places and recovery has been slower and less complete than in urban and suburban settings.

Conversations with leaders and faculty from nursing and an example ancillary program (lab techs) shows declining enrollment and difficulty with marketing the education opportunity. While nursing programs have been limited by lack of qualified instructors, rural nursing leaders also report difficulty with enlisting preceptors among overworked and burnt-out nurses and may lack the resources to provide the nursing residencies that are known to improve the retention of new nurses. One study found that 17% - 30% of new nurses leave their job within the first year and up to 56% leave within the second year. The onboarding and support of new nurses is critical. Chief Nursing Officers consistently said they would like assistance with preceptorships and residencies.

The interviews with the 22 rural sites have been instrumental in shaping this proposal along with the Rural Health team membership in multiple workforce work groups and task forces.

Disproportional Impact Considerations:

Disproportional impact considerations

Although Rural Health at the department does assist with recruitment of professionals for Federally Qualified Health Centers serving urban underserved populations, and that is part of the work of the AHECs, the proposal does not include strategies for urban underserved populations. This is because the residents in those areas have more supports from other organizations they can draw upon, for example assistance with social drivers of health, and recruitment for urban sites is far less challenging.

Target Populations or Communities:

Target populations and communities

This proposal focuses on improved access to high quality, equitable and culturally competent care for rural residents by assisting healthcare systems that serve rural communities, Latino/Latina populations and tribal members.

There are 39 Critical Access Hospitals, seven other rural hospitals, and 123 Rural Health Clinics. In addition, there are substantial workforce gaps in rural home health and hospice agencies, long-term care, behavioral health (mental health and substance use disorder treatment) and pharmacies. The smallest communities in the most remote locations often have the greatest challenges with workforce but the pandemic spread those challenges to even the larger rural communities closer to population centers.

The rural health systems adjacent to orchards and field crops serve an undocumented as well as documented population of Latino/Latina of both Hispanic and indigenous roots. AHECs are directly focused on supporting rural and underserved communities facing inequities in healthcare access and developing a diversified workforce that better matches the community served. While Tribes in WA primarily have their own clinics, they depend on rural hospitals for more acute care.

This work is focused on locally driven solutions by local healthcare system leaders and their community boards. The leaders and faculty of higher education health professional training programs are also a target population as bridges are built and solidified between rural health organizations and the colleges, universities, and institutes.

Grow Your Own strategies begun in pioneering rural healthcare systems have placed an emphasis on awarding scholarships to first generation college students, a strategy to replicate and pair with supported education as needed for individual academic success. There are policy issues to explore related to rural resident admissions to the closest community college. Currently there is anecdotal evidence that urban students with higher GPAs are taking those slots and then returning to urban areas to work.

Other Collateral Connections

Puget Sound Recovery:

N/A

State Workforce Impacts:

N/A

Intergovernmental:

N/A

Stakeholder Response:

We anticipate a supportive response from the following stakeholders: rural community members, rural healthcare organizations, rural school districts, higher education at universities, community and technical colleges and institutes, Office of the Superintendent of Public Instruction, WA Association for Community Health, UW Family Medicine WWAMI AHEC Program Office, The Rural Collaborative, Northwest Rural Health Network, Grand Alliance of Columbia Health, WA Student Achievement Council, behavioral health agencies, WA State Hospital Association, WA State Medical Association, WA Academy of Family Practice , WA Chapter American Academy, Health Professions boards and commissions, Health Workforce Council, Regional Workforce Development Councils, Career Connect WA, Accountable Communities of Health, Health Care Apprentice Consortium, WorkSource Regional sites, WA State Pharmacy Association, Rural Health Clinics of WA, WA Rural Health Association and rural local health jurisdictions.

State Facilities Impacts:

N/A

Changes from Current Law:

N/A

Legal or Administrative Mandates:

N/A

HEAL Act Agencies Supplemental Questions

1. Please describe specific likely or probable environmental harms and/or benefits and their associated health impacts to overburdened communities and vulnerable populations.

N/A

2. Please describe any potential significant impacts to Indian tribes' rights and interest in their tribal lands.
N/A

3. Describe how your agency engaged with Tribes in developing this proposal, including offers for tribal consultation, and any direction provided by Tribes through this engagement.
N/A

4. Has an Environmental Justice Assessment been completed? If so, please submit the assessment as an attachment in ABS.
N/A

5. Describe how your agency used the Environmental Justice Assessment process to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits? If your agency determined that you were unable to eliminate, reduce, or mitigate environmental harms and equitably distribute environmental benefits, please provide a justification for not doing so.
N/A

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No

Objects of Expenditure

Objects of Expenditure *Dollars in Thousands*	Fiscal Years		Biennial	Fiscal Years		Biennial
	2024	2025	2023-25	2026	2027	2025-27
Obj. A	$0	$435	**$435**	$432	$432	**$864**
Obj. B	$0	$168	**$168**	$167	$167	**$334**
Obj. C	$0	$780	**$780**	$780	$780	**$1,560**
Obj. E	$0	$40	**$40**	$29	$29	**$58**
Obj. G	$0	$14	**$14**	$14	$14	**$28**
Obj. T	$0	$37	**$37**	$37	$37	**$74**

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