

Testimony of CWA District One
Health Committee Budget Hearing
FY2024 NYS Budget
Submitted: February 17, 2023

Good morning. Thank you for the opportunity to testify today on the need to ensure sufficient funding to stabilize New York's hospitals and healthcare workforce. My name is Debora Hayes, and I am the Upstate New York Area Director for CWA District One and have been an RN for 44 years. CWA District One represents approximately 15,000 healthcare workers across New York State and is the largest healthcare union in Western New York.

The most urgent crisis facing healthcare institutions and our members across the State is staffing. Unsafe staffing predates the Covid-19 pandemic by decades but the pandemic brought us to a tipping point. While much of the world is now moving on from the Covid-19 pandemic and the public attention on supporting healthcare workers has subsided, our members and healthcare workers across New York State continue to carry a broken healthcare system on their backs every single day.

Crisis-level short-staffing and deteriorating hospital and working conditions at the expense of patient care add relentless stress to an exhausted, burnt-out, and overworked workforce - and unfortunately, there is no end in sight. The staffing emergency in our State requires both a short and long-term response. Last year, we were pleased to see the State make a major investment in the healthcare workforce pipeline with programs like Nurses Across New York. However, there is much more work to do. **The State must continue robust investment in incentives to join the healthcare profession while focusing on getting workforce development programs online and increasing capacity at educational institutions and in clinical placements.**

In the short term, **the State must focus on supporting healthcare employers to immediately improve job conditions and raise wages in order to recruit and retain the current workforce.** While there is certainly a shortage of healthcare workers, the biggest threat is the shortage of good healthcare jobs. A recent study from the Center for Health Workforce Studies identified workers leaving for better-paying jobs and burnout as the biggest drivers of difficulties in retaining healthcare workers in hospitals.¹

Hospitals and other healthcare employers must address staffing and working conditions in order to salvage the current workforce. However, hospitals across New York State are struggling

1

<https://www.chwsny.org/wp-content/uploads/2022/04/CHWS-Health-Care-Workforce-in-New-York-State-2022-002.pdf>

financially in the aftermath of the pandemic. A recent report showed that four out of five hospitals in New York have negative or unsustainable operating margins.² This means that the vast majority of hospitals in NYS are unable to pay the level of wages and bonuses that will enable them to navigate the current labor market or make necessary investments to improve working conditions.

Hospitals are facing significant financial hardship and patients and workers across the State are bearing the devastating consequences. In order to improve conditions for healthcare workers, keep hospitals open, and ensure the best quality of care for all New Yorkers, we need a massive infusion of funds for our hospitals and healthcare workers. **We urge the legislature to increase the Medicaid reimbursement rate to 10% across the board.** Increasing the medicaid reimbursement rate provides stable funding for hospitals while also protecting access to care for the most vulnerable New Yorkers.

In addition, we strongly urge the State to include \$1.3 billion in funding for distressed hospitals and safety nets. We also encourage the State to give special consideration to hospitals that have suffered significant net operating losses as a result of the COVID-19 pandemic but have been largely ineligible for traditional State subsidies that rely on a formula based on payer mix.

Healthcare workers have carried our State on their shoulders and continue to do so - but it is unsustainable. We must act now to improve working conditions and protect the workforce. Providing attractive bonuses and raising wages are immediate measures that must be taken now even as longer-term, structural reforms to bolster the workforce pipeline are put in place.

It is in all of our interests--the public, the workers, and the hospitals--for the state to invest directly in expanding and stabilizing the hospital workforce across New York.

2

https://www.hanys.org/communications/publications/critical_condition/docs/2022_critical_condition_report.pdf