



December 9, 2008

Senator Tom Daschle
Transition Health Policy Team
Washington, DC

Dear Tom:

Thank you for meeting with Andy and me yesterday. We look forward to working closely with you to reform health care in 2009. Enclosed is the proposal that Andy mentioned in the meeting.

Sincerely,

Dennis Rivera

ANDREW L. STERN
International President

ANNA BURGER
International Secretary-Treasurer

ANNELLE GRAJEDA
Executive Vice President

MARY KAY HENRY
Executive Vice President

GERRY HUDSON
Executive Vice President

ELISEO MEDINA
Executive Vice President

DAVE REGAN
Executive Vice President

TOM WOODRUFF
Executive Vice President

SERVICE EMPLOYEES
INTERNATIONAL UNION
CTW, CLC

1800 Massachusetts Ave NW
Washington, D.C. 20036

202.730.7000
TDD: 202.730.7481
www.SEIU.org



December 9, 2008

The National Health Care Workforce Enhancement Initiative

Background

The United States Congress is currently considering a new economic stimulus/recovery package to jump-start the ailing economy. While there are a variety of policy options that could be a part of the economic package, vital avenues that should be considered are health care workforce infrastructure enhancements.

According to the Center for Health Workforce Studies, there are 17.6 million jobs in health care settings or in health occupations nationally, accounting for almost 12% of the workforce. In addition, Bureau of Labor Statistics data indicates that one in every five jobs created through 2016 will be in the health sector. Registered Nurses (RNs) represent the single largest occupation in the health care sector and more than one million new RNs will be needed to meet future demand. Thirteen of the top twenty occupations projected to grow the fastest are health occupations, especially personal and home health aides. In addition to nursing and direct care workers, the United States faces looming personnel shortages in many health professions such as physicians and pharmacists. Overall, the Bureau of Labor Statistics projects that we will need 3.5 million more workers to meet the increasing demand of health care services. In addition, the health care system will need to replace the 2 million workers who will retire from the health care workforce in the coming years.

Enhancing the health care workforce is a wise investment. It will not only provide entry-level employment and career ladder opportunities for motivated, hard working individuals, but it will also strengthen and stabilize a major sector of the economy and improve the quality of health care for everyone. It will also provide an immediate boost to the economy and aid those who are suffering from the economic downturn. In addition, a significant investment in the health care workforce enables Congress to lay the groundwork for major reforms to our health care system. Initial investments in the health care workforce will provide a down payment for reform and help ensure that the health care infrastructure is up to the challenge of providing quality care to all Americans. Without a well trained and extensive health care workforce, health reform, in whatever form, will not succeed.

Legislative Proposal for Enhancing America's Health Care Workforce

This legislative proposal seeks to help stabilize the economy and lays the groundwork for increasing the capacity of the health care workforce, which will be the foundation for a 21st century health care system. The proposal will strengthen the health care workforce field via a comprehensive approach focusing on targeted investments. A large percentage of the funding from this program would immediately be targeted toward assisting the rising number of unemployed Americans.

Administration:

ANDREW L. STERN
International President

ANNA BURGER
International Secretary-Treasurer

ANNELLE GRAJEDA
Executive Vice President

MARY KAY HENRY
Executive Vice President

GERRY HUDSON
Executive Vice President

ELISEO MEDINA
Executive Vice President

DAVE REGAN
Executive Vice President

TOM WOODRUFF
Executive Vice President

SERVICE EMPLOYEES
INTERNATIONAL UNION
CTW, CLC

1800 Massachusetts Ave NW
Washington, D.C. 20036

202.730.7000
TDD: 202.730.7481
www.SEIU.org



The Secretary of Labor will allocate funding for national and regional programs that seek to enhance the health care workforce. The Secretary will be responsible for selecting the projects and allocating the new workforce enhancement resources.

Qualified Initiatives:

In general, health care workforce development funding should seek to build upon already existing federal programs in order to quickly build workforce capacity and assist with the rising unemployment rate. Special emphasis should be placed on initiatives that focus on enhancing entry-level health care workers, workforce diversity, primary care capacity and opportunities for veterans returning from the conflicts in Afghanistan and Iraq. Expanding the biotechnology and life sciences workforce should also be a funding priority. Senator Durbin's bill, S. 2064, would authorize funding targeted for labor-management training programs aimed at educating more nurses from the incumbent health care workforce, and this bill deserves inclusion in a broader health care workforce initiative.

Funding:

\$10 billion in federal funds will be available over two years through the economic stimulus package for use in the health care workforce development initiatives. Funding will be allocated over a period of five years beginning on the date that funds are made available through this proposal. Half of the funding will flow down to the states, half will be retained by the Secretary so that he/she can fund worthy projects and initiatives quickly.

Immediate Economic Assistance & Stimulus:

A large percentage of the funding from this program would immediately be targeted toward assisting the rising number of unemployed Americans. Funding would flow to quickly train needed health care workers, filling a need in professional shortage areas and moving Americans from the ranks of the unemployed to the employed. Incumbent health care workers would be eligible to participate so they can move up to fill shortage positions and open up entry level opportunities for disadvantaged workers. Priority would be given to joint labor-management training and job placement initiatives, and consortiums involving nursing school, community colleges, and worker organizations. Stipends, tuition and fees, tuition repayment, wage replacement, job placement and readiness services, and extended unemployment benefits are approved expenditures under this initiative.

Report/Oversight:

The funded initiatives will achieve measurable outcomes through built-in assessment criteria and analyses. The Secretary, or designated organizations, will prepare and submit a final report to the appropriate Congressional Committees of jurisdiction in the House of Representatives and Senate. The report will include a comprehensive evaluation of the projects funded through this initiative.