Opportunities for Improved Health Service Delivery
Healthcare Commission Ideas for Governor Freudenthal
June 29, 2005

Support Magnet Hospital Designation

1) What is the problem?

- **a)** No Wyoming hospital has been awarded "Magnet" designation, to date.
- **b)** Wyoming hospitals are experiencing a shortage of nurses.
- **c)** The nursing shortage will not be "cured" without changes to the way hospitals do business, in order to retain new nurses recruited and attract high quality healthcare professionals. Magnet designation addresses many nursing workplace concerns.
- **d)** The nursing shortage is national, putting Wyoming in a position of having to compete with more attractive locations with better salaries and more employment opportunities for nurses' spouses.
- **e)** Five Wyoming hospitals are in various stages of pursuing Magnet status but most cannot afford the process of applying for Magnet designation.

2) Describe your ideas.

- **a)** State funded matching grants of up to $500,000 over 5 years will allow any Wyoming hospital to pursue Magnet status. If a grant is awarded to a hospital that does not achieve Magnet designation in 5 years, half the grant money must be repaid to the state of Wyoming.
- **b)** Eligibility requirements will limit funding to hospitals without the means to independently pursue Magnet designation.

3) Who are your partners?

- **a)** Health care facilities willing to work to achieve the designation.

4) Please provide supporting evidence and data for the proposal.

- **a)** "Magnet" status is a designation given to hospitals with exemplary nursing practices. Magnet designation addresses workplace issues around nursing dissatisfaction. Magnet facilities have documented improvement in patient outcomes and better recruitment and retention of nursing staff. There are more than 100 Magnet facilities nationally. Nurses leaving Wyoming often seek positions in Magnet facilities. However, pursuit of Magnet status is expensive and manpower intensive.
- **b)** Magnet designation is a major factor in nursing recruitment and retention because Magnet designated facilities demonstrate:
  - **i)** Lower turnover (9.9% compared to 17%) and vacancy rates[1]
  - **ii)** Competitive salaries, reasonable scheduling, support for continuing education, little or no use of traveling nurses[2]
  - **iii)** Patient-satisfying staffing ratios[3]
  - **iv)** Lower mortality rates (4.6% lower than non-Magnet hospitals' mortality rates)[4]
- **c)** High quality nursing staff is a priority for physicians interested in relocating.[5]
- **d)** The American Hospital Association endorses the characteristics of Magnet facilities.[6]
- **e)** 93% of the public would have confidence in the quality of a hospital passing rigorous standards.[7]

5) Funding/Staffing needs.

- **a)** $500,000 grants made to 3 to 6 institutions = $1.5 million to $3 million over 5 years.

6) Who is better off and how could you measure the improvement?

- **a)** For nurses, workplaces will be appealing and comparable to the quality in other states.
- **b)** Improvements will be measured in patient outcomes, recruitment/retention of nurses, and recruitment/retention of physicians and other healthcare providers.

7) Could this proposal be included in the Children and Families Initiative?

- **a)** By improving the supply of nurses, this proposal increases access to, and should improve care throughout the state.

8) Potential drawbacks and political considerations.

a) Some facilities will be reluctant to pursue Magnet status due to:

i) A perceived shift in power under Magnet status from administration to shared governance

ii) The perceived cost of meeting Magnet criteria without projection of the cost savings to be realized

9) Alternative possibilities.

a) State funded grants of up to $500,000 could be made to hospitals to pursue Magnet status or make workplace improvements that meet Magnet criteria, even if Magnet designation is never achieved. Institutions can phase in Magnet criteria. Even if Magnet status is not achieved, there is still continuous improvement in working environments. Hospitals could apply for up to 5 grants at various stages of the Magnet certification process. Many hospitals in Wyoming are without the manpower or resources to achieve full Magnet designation. However, all hospitals are able to make workplace improvements with incentive and financial support.

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[1] University of Oregon's Labor Education and Research Center, 2002
[2] University of Oregon's Labor Education and Research Center, 2002
[3] American Academy of Nursing, 2002
[4] Aiken, L., Smith. H.L., and Lake, E.T. (1994). "Lower Medicare Mortality among a set of Hospitals know for Good Nursing Care." *Medical Care*, 32(8), 771-785
[5] American Nurses Credentialing Center, 2005
[6] American Nurses Credentialing Center, 2005
[7] American Nurses Credentialing Center, 2005