More than a Bandage: Long-term Efforts to Solve the Rural Nursing Crisis
Regional Resource

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Rural Nursing Crisis

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This report was prepared by Nick Bowman in collaboration with his esteemed colleague, Cody Allen. Nick serves as liaison for the Agriculture and Rural Development Committee under the purview of chair Senator Tyler Harper of Georgia. This report reflects the policy research made available to appointed and elected state officials by The Council of State Governments Southern Office (CSG South).
NURSES ARE A CRUCIAL, YET SOMETIMES OVERLOOKED GROUP IN THE HEALTHCARE SECTOR. Numerous studies confirm that having more nurses in a hospital improves patient outcomes.* Despite the vital role nurses play (or perhaps because of it), the United States is experiencing a shortage of registered nurses (RNs). The 2018 National Sample Survey of Registered Nurses (NSSRN), conducted every 10 years, found that the average age of an RN in the United States was 50 - meaning many nurses will reach retirement age in the next 10 years. Even before the COVID-19 pandemic, the Bureau of Labor Statistics (BLS) reported that the U.S. would need nearly 200,000 new registered nurses to enter the workforce annually to match the pace of retirements and rising health care demand. Some experts believe that the RN shortage will include the entire nation by 2030, with the South and the West as the hardest hit regions. Complicating matters, it is often difficult to recruit and retain healthcare professionals in rural areas as salaries are often higher in urban areas.¹²

According to the NSSRN, there were approximately 3.9 million RNs in the United States in 2018. Figure 1 displays RN numbers for all 50 states. This count includes persons who are trained as registered nurses, but are not currently employed as one. In the South, Missouri and West Virginia have the highest number of registered nurses per capita, with 15.1 and 14.8 nurses per 1,000 residents respectively. South Carolina and Texas had the lowest ratio at 7.9 and 9.6, respectively. Tennessee and Mississippi have the highest percentage of actively employed RNs at 88.9 percent and 87.7 percent, respectively.³⁴ The national average is 12 registered nurses per 1,000 residents.⁵

Nursing shortages are particularly acute in rural areas, which tend to have patients who are older, sicker, and poorer than their urban counterparts.⁶

A 2021 survey of 130 rural hospital leaders conducted by the Chartis Group found that nearly all respondents (98.5 percent) were short staffed. A similar number of respondents (96.2 percent) said that nursing was the hardest position to fill. Due to workforce shortages, nearly half of respondents reported turning patients away and 27 percent had suspended some services.⁶⁷

The nation will need hundreds of thousands of new nurses to enter the workforce in the coming years. To meet this demand, nursing schools are seeking to expand capacity and hospitals are hoping to lure nurses out of retirement. Beyond this, state policies also can play a role in mitigating the rural nursing shortage.

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* A summary of these reports is available at [https://www.aacnnursing.org/News-Information/Fact-Sheets/Nursing-Shortage](https://www.aacnnursing.org/News-Information/Fact-Sheets/Nursing-Shortage).

¹ For more on rural healthcare, see the 2019 report “Rural Hospitals: Here Today, Gone Tomorrow,” and the 2021 report “Rural Hospitals During the COVID-19 Pandemic.”
### Registered Nurse Employment by State, 2018

<table>
<thead>
<tr>
<th>State</th>
<th>RNs</th>
<th>Percent Employed</th>
<th>RN Per 1,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>62,725</td>
<td>81.9%</td>
<td>12.8</td>
</tr>
<tr>
<td>Arkansas</td>
<td>36,726</td>
<td>82.0%</td>
<td>12.2</td>
</tr>
<tr>
<td>Florida</td>
<td>272,378</td>
<td>78.7%</td>
<td>12.7</td>
</tr>
<tr>
<td>Georgia</td>
<td>108,599</td>
<td>85.1%</td>
<td>10.2</td>
</tr>
<tr>
<td>Kentucky</td>
<td>60,983</td>
<td>85.2%</td>
<td>13.7</td>
</tr>
<tr>
<td>Louisiana</td>
<td>54,067</td>
<td>85.5%</td>
<td>11.6</td>
</tr>
<tr>
<td>Mississippi</td>
<td>41,331</td>
<td>87.7%</td>
<td>13.9</td>
</tr>
<tr>
<td>Missouri</td>
<td>92,982</td>
<td>82.4%</td>
<td>15.1</td>
</tr>
<tr>
<td>North Carolina</td>
<td>120,647</td>
<td>84.7%</td>
<td>11.5</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>44,199</td>
<td>80.2%</td>
<td>11.2</td>
</tr>
<tr>
<td>South Carolina</td>
<td>40,586</td>
<td>78.7%</td>
<td>7.9</td>
</tr>
<tr>
<td>Tennessee</td>
<td>91,974</td>
<td>88.9%</td>
<td>13.5</td>
</tr>
<tr>
<td>Texas</td>
<td>278,983</td>
<td>81.3%</td>
<td>9.6</td>
</tr>
<tr>
<td>Virginia</td>
<td>89,801</td>
<td>84.7%</td>
<td>10.5</td>
</tr>
<tr>
<td>West Virginia</td>
<td>26,592</td>
<td>85.5%</td>
<td>14.8</td>
</tr>
</tbody>
</table>

**Sources:**
- “The 2021 American Nursing Shortage: A Data Study,” University of St. Augustine for Health Sciences, May 25, 2021, [https://www.usa.edu/blog/nursing-shortage/](https://www.usa.edu/blog/nursing-shortage/).
Defining rural can be difficult due to variances in the criteria used by different federal entities. The federal Office of Management and Budget (OMB) classifies urban counties based on core-based statistical areas (CBSAs). A metropolitan area contains a core urban area of 50,000 or more residents, and a micropolitan area has an urban core of 10,000 to 50,000 residents. Under the OMB criteria, any resident of a metropolitan or micropolitan CBSA is an urban resident; anyone not in a metropolitan or micropolitan CBSA is a rural resident.¹⁰

The U.S. Census Bureau defines rural as “any population, housing, or territory not in an urban area.” Urban areas fall into two groups: “urbanized areas” with a population of 50,000 or more; and “urban clusters” with at least 2,500 and less than 50,000 residents.¹¹ In 2017, 20 percent of Americans—approximately 60 million people—lived in a rural area.¹² Using the Census Bureau’s criteria, most completely rural counties (counties with fewer than 2,500 residents) are in the Western United States. However, most rural residents live in the South. In 2010, the South had 27 million rural residents, compared to 8 million in the Northeast, 16 million in the Midwest, and 7 million in the West.¹³ The Census Bureau plans to release rural and urban counts from the 2020 Census in December 2022.¹⁴

Registered nurses provide and coordinate patient care in hospitals, doctors’ offices, home healthcare settings, nursing care facilities, schools, and other healthcare sites. Typical duties include assessing patients’ conditions, recording medical histories and symptoms, administering medicines and treatments, and operating medical equipment. Relevant degrees for an RN include a bachelor of science degree in nursing (BSN), associate degree in nursing (ADN), or diploma from an accredited nursing program. Registered nurses also must be licensed by the state in which they plan to work and pass the National Council Licensure Examination for Registered Nurses (NCLEX-RN). Despite the many qualifications necessary to become an RN, it can be a meaningful career choice. In 2021, the median pay for an RN was $77,600 per year or $37.31 per hour.⁸

Advanced Practice Registered Nurses (APRNs) are a subset of RNs who have a master of science in nursing (MSN) or postgraduate degree. These advanced clinicians are trained for a specific role or patient population and include specialties such as certified nurse practitioners, clinical nurse specialists, certified registered nurse anesthetists, and certified nurse-midwives.⁹

Who Are They?
One of the primary causes of the national nursing shortage is an increase in demand for healthcare. The U.S. currently has the largest senior citizen population (defined as 65 years of age and older) in the nation’s history, mainly comprised of the baby boomer generation (persons born between 1946 and 1964). The senior citizen population jumped from 41 million in 2011 to 71 million in 2019. The Census Bureau projects that this population will reach 73 to 80 million by 2030.15

Another contributing factor is the COVID-19 pandemic and its effects. During the height of the pandemic, many healthcare facilities temporarily discontinued elective surgeries. This caused a significant decrease in revenue, forcing many hospitals to furlough employees to remain solvent. Some remaining employees worked 60 to 80 hours per week, leading to widespread burnout.16 Against this backdrop, large numbers of experienced personnel opted to resign or retire, while others left for better-paying jobs.17 Since the start of the pandemic, 18 percent of healthcare professionals have resigned because of burnout associated with the pandemic, while 12 percent have been laid off.18

Figure 2 shows healthcare and social assistance worker resignations from 2000 to 2021. In the first quarter of 2022, U.S. hospitals had 105,000 fewer employees compared to February 2020.19

The RN shortage is intertwined with another shortage: qualified nursing instructors. In 2020, the American Association of Colleges of Nursing found that insufficient clinical sites, faculty, and other factors caused more than 80,000 nursing program applicants to be rejected. According to a recent survey, more than half of all nursing schools are currently trying to fill vacant full-time faculty positions. The myriad causes of this teaching shortage include:

- Many older faculty members are reaching retirement age;
- Most faculty positions require a graduate degree or doctorate, which many nurses lack; and
- Salaries for nursing instructors are less than the salaries of practicing nurses.20

Figure 2. Resignations of Healthcare and Social Assistance Workers, 2000-2021

Health Care Workers Call It Quits

Number of quits for health care and social assistance workers


According to early estimates of 2020 Census data, rural populations may have decreased since the previous count. A recent analysis conducted at the University of New Hampshire found that rural areas lost approximately 289,900 residents from 2010 to 2020 (a decrease of 0.6 percent). This amount may seem small, but if true, it would be the first time in U.S. history that the rural population has decreased between decennial censuses. By comparison, urban and suburban populations increased by 21 million, or 8 percent, during the same period. Hawaii and Montana were the only outliers, with more rural gains than urban.

As seen in Figure 3, the nursing shortage is a national problem, but it is more severe in rural areas. The only category of healthcare professional that is more abundant in rural areas is licensed practical nurse/licensed vocational nurse. In all other categories, urban areas have more professionals per capita than rural areas. For registered nurses, the gap is significant: 65.3 registered nurses per 10,000 rural residents compared with 93.6 registered nurses per 10,000 urban residents. Research has demonstrated that it is especially challenging for rural hospitals to hire healthcare professionals for myriad reasons including:

- Wages are generally higher at larger hospitals;
- Many nursing colleges are located in metropolitan areas;
- Rural providers may have a heavier workload than urban providers;
- Lack of employment and entertainment options for spouses; and
- Unfamiliarity with rural areas.

These issues create a self-perpetuating cycle: as rural populations shrink, it becomes harder to hire rural healthcare professionals, and as economic opportunities in rural areas decrease, more people leave rural areas. Because of this, the quality of care can be difficult to maintain in understaffed rural hospitals. With limited options, some rural hospitals may hire temporary contract employees from travel nursing agencies to fill vacancies, but these employees often earn more than permanent staff. At the height of the COVID pandemic, some travel nurses were earning more than $5,000 per week due to the increased demand. By comparison, the median salary for a nurse at a rural hospital is $1,200 per week.

Figure 3. Per Capita Rates of Health Professionals, Rural vs. Urban

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Health professionals per 10K, Rural</th>
<th>Health professionals per 10K, Urban</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dentists</td>
<td>2.9</td>
<td>4.3</td>
</tr>
<tr>
<td>Registered Nurses</td>
<td>65.3</td>
<td>93.6</td>
</tr>
<tr>
<td>Licensed Practical Nurses/Licensed Vocational Nurses</td>
<td>25.1</td>
<td>20.6</td>
</tr>
<tr>
<td>Physician Assistants</td>
<td>8.1</td>
<td>10.2</td>
</tr>
<tr>
<td>Physicians (MDs)</td>
<td>10.9</td>
<td>30.8</td>
</tr>
<tr>
<td>Physicians (DOs)</td>
<td>1.8</td>
<td>2.4</td>
</tr>
<tr>
<td>Primary Care Physicians</td>
<td>5.3</td>
<td>7.9</td>
</tr>
<tr>
<td>Total Physicians</td>
<td>12.7</td>
<td>33.3</td>
</tr>
<tr>
<td>Nurse Practitioners</td>
<td>6.5</td>
<td>8.1</td>
</tr>
<tr>
<td>Total Advanced Practice Registered Nurses</td>
<td>6.5</td>
<td>8.1</td>
</tr>
<tr>
<td>Nurse Anesthetists</td>
<td>1.2</td>
<td>1.6</td>
</tr>
</tbody>
</table>

Although government actions may not be able to increase rural populations, lawmakers do have the ability to improve the quality of life for rural Americans through expanded healthcare opportunities. Without government assistance, these troubling trends are likely to persist, resulting in inadequate care and worse health outcomes. The following sections describe actions taken at the state and federal level to reduce some of these obstacles.

### Health Professional Shortage Areas

The Health Resources and Services Administration, a division of the U.S. Department of Health and Human Services (HHS) created the Health Professional Shortage Area (HPSA) designation to highlight regions with insufficient healthcare providers. Criteria considered for the HPSA designation include the population-to-provider ratio, percentage of population below the federal poverty level, and travel time to the nearest source of care. Based on these criteria and input from state partners, HHS defines shortage areas for three categories: primary care, dental health, and mental health. As seen in Figure 4, the vast majority of HPSAs are in rural and partially rural regions.26,27

#### Figure 4. Health Professional Shortage Areas by Category and Region

<table>
<thead>
<tr>
<th></th>
<th>Primary Care</th>
<th>Dental Health</th>
<th>Mental Health</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural</td>
<td>1,110</td>
<td>579</td>
<td>765</td>
</tr>
<tr>
<td>Non-Rural</td>
<td>206</td>
<td>49</td>
<td>154</td>
</tr>
<tr>
<td>Partially Rural</td>
<td>141</td>
<td>38</td>
<td>257</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,457</strong></td>
<td><strong>666</strong></td>
<td><strong>1,176</strong></td>
</tr>
</tbody>
</table>

Source: “Shortage Areas,” Health Resources and Services Administration, April 28, 2022, [https://data.hrsa.gov/topics/health-workforce/shortage-areas](https://data.hrsa.gov/topics/health-workforce/shortage-areas).
In 2003, the AgriSafe Network, a national nonprofit organization, was formed by rural nurses working to improve the health and safety of farmers and ranchers. The network operates the Nurse Scholar Program, a training program for rural nurses to enhance their skills related to prevention, identification, and assessment of illnesses most common in agricultural work and life in rural areas. Courses are presented as a series of webinars that participants may complete at their own pace. The series totals 20 hours and covers topics such as health and safety for the aging farmer, prevention of heat-related illnesses, caring for the opioid epidemic, and the health effects of chemical and pesticide exposures. The program costs $500 for general participants and $250 for rural nurses working for nonprofit organizations, rural health clinics, federally qualified health centers, government agencies, or educational institutions. The program is free for nurses in Missouri working in rural health clinics, government agencies, academia, or nonprofit organizations due to a scholarship financed by Farm Credit Services of Southeast Missouri.28,29,30
AHEC Scholars Program

Created by Congress in 1971, the National Area Health Education Consortium (AHEC) Organization works to recruit, train, and retain healthcare employees dedicated to serving underserved populations. The national network includes more than 300 AHEC offices in 45 states. The organization offers the AHEC Scholars Program, a no-cost certificate program for medical students, including nursing students, that provides applied training and education to prepare participants to practice in rural and underserved communities and make them stronger job candidates. Scholars receive networking opportunities, mentoring, and stipends for travel expenses related to professional development.

The program requires a two-year service commitment and features 40 hours of clinical training and 40 hours of classroom learning. The program is built around six core concepts:

1. Interprofessional education (also known as interdisciplinary training);
2. Behavioral health integration;
3. Social determinants of health;
4. Cultural competency;
5. Practice transformation; and

To qualify, applicants must be two years away from completing a healthcare degree program, make a two-year service commitment to the AHEC Scholars Program, and complete an evaluation one year after finishing the program. As of April 2022, more than 4,500 scholars across the country have completed the program. 31

Many state AHEC offices participating in this program have different qualifying criteria. For example, the South Carolina AHEC Scholars Program gives preference to applicants who meet one or more of the following criteria: a state resident, from a rural background, committed to primary care, or a member of an underrepresented group.32 Similarly, the Maryland program strongly encourages minorities, applicants from disadvantaged or rural backgrounds, and first-generation college students to apply.33

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1 For a more complete list, please visit https://www.ruralhealthinfo.org/funding/topics/nurses.
National Health Service Corps
The National Health Service Corps (NHSC), a division of the U.S. Department of Health and Human Services (HHS), works to increase healthcare access through loans and scholarships to medical students in underserved areas. The State Loan Repayment Program (SLRP) provides loan reimbursement to encourage healthcare providers to serve in Health Professional Shortage Areas (HPSAs). Qualifying personnel include certified nurse practitioners, certified nurse midwives, and psychiatric nurse specialists. Awardees can receive up to $25,000 in loan repayment funds for practicing at an approved site with a sufficient HPSA score. The NHSC also administers the NHSC Scholarship Program to medical students who commit to serving in HPSA facilities. Traditionally, funding for the SLRP has been divided evenly between the federal and state governments. However, the American Rescue Plan Act temporarily removed the required one-to-one state match for the upcoming project period. The open application cycle closed on April 8, 2022, and the NHSC is no longer accepting applications for the SLRP for the project period that began on September 1, 2022.34,35,36,37

National Rural Recruitment and Retention Network
The National Rural Recruitment and Retention Network, also known as 3RNET, helps rural healthcare providers address staffing shortages. The nonprofit organization, funded by the Federal Office of Rural Health Policy and membership dues from participating organizations, has a network coordinator in all 50 states who helps rural providers recruit and retain healthcare professionals. The Network places approximately 2,000 professionals annually with 90 percent of placements in HPSAs. Their work is accomplished through their job listing website, an annual conference, community-based training, and educating providers on recruitment and retention best practices.38

Blue Cross and Blue Shield of Louisiana Foundation
The Blue Cross and Blue Shield of Louisiana Foundation sponsors the Healthcare Workforce Collective Impact Grants program. These grants help fund organizations providing educational and professional development opportunities for healthcare professionals. The program is open to all 501(c)(3) nonprofit organizations working to improve healthcare in the state, with an emphasis on general practitioners, nurses, and nurse practitioners - especially those serving and living in low-income and rural communities. Grants range from $250,000 to $1 million, are awarded over three years, and require a one-to-one match.40

Nurse Corps Scholarship Program
The Bureau of Health Workforce, a division of HHS, administers the Nurse Corps Scholarship Program for nursing students who commit to two years of full-time service at a healthcare facility in an HPSA. To qualify, applicants must be a U.S. citizen, enrolled in or accepted to an accredited nursing program, have no federal judgment liens, and have no existing service commitments. For awardees, the scholarship covers the cost of tuition, books, clinical supplies, instruments, and provides a monthly stipend for living expenses ($1,466 for the 2022-2023 academic year).39
Since 1994, Alabama has offered a $5,000 annual tax credit to physicians who practice in rural areas. The credit can be claimed for no more than five consecutive years. In 2020, the Legislature passed House Bill 236 to extend eligibility for the credit to certified nurse anesthetists. To qualify for the credit, recipients must practice and reside in a small or rural community, practice for at least 20 hours per week, and not have started practicing in a rural area before January 1, 2020. Certified nurse anesthetists practicing in a rural area before that date are only eligible for the credit if they return to practice after working in a large or urban community for three years. The final provision aims to attract new nurse anesthetists to rural areas with shortages.

In March 2022, the Alabama Office of Apprenticeship announced a partnership with the Alabama Board of Nursing and Alabama Community College System to create the state’s first registered nurse apprenticeship program. Nursing students receive classroom and work-based instruction through the program while earning a salary as a hospital employee. After successfully passing the NCLEX-RN, students are hired at the hospital at which they apprenticed. Of note, the program is open to urban and rural nurses.

Reemphasizing this issue’s importance, the Legislature also passed Senate Joint Resolution 62 (2022) to create the Health Care Workforce Task Force. The resolution outlines the composition of the task force and instructs appointing authorities to reflect the “racial, gender, geographic, urban, rural, and economic diversity of the state.” Senator April Weaver was selected to chair the task force, which will study issues related to the shortage of healthcare workers in the state and make recommendations to correct the deficit. The resolution instructs task force members to prepare and present a report each year to the Legislature with their findings and proposals. After submitting a final report during the 2026 legislative session, the task force will disband.
Arkansas

In 1995, the General Assembly began appropriating funds to two scholarship programs designed to assist nursing students with educational costs - the Rural Advanced Nursing Practice Student Loan and Scholarship Program and the Advanced Nursing Practice Community Match Student Loan and Scholarship Program. Since its inception, the General Assembly has allocated funds for the University of Arkansas for Medical Sciences to administer these scholarships. The funding is split evenly between the two programs. Until the end of FY 2009, each program received $100,000 annually; starting in FY 2010, the annual appropriation increased to $150,000.46,47,48,49,50,51,52,53,54,55,56,57

The Arkansas Rural Nursing Education Consortium (ARNEC) is a cooperative project among six rural colleges working to rectify the state’s rural nursing shortage.† ARNEC was created to allow licensed practical and vocational nurses (LPNs and LVNs) to earn their associate of applied science in nursing degree through the LPN/LVN-to-RN transition program. Compared to LPNs and LVNs, RNs have more duties, require more advanced training, and work in a wider number of settings - in addition to receiving significantly higher compensation.†† Graduates of the one-year program receive their degree and qualify for a greater amount of nursing positions.58

The Arkansas Rural Health Partnership (ARHP) is a nonprofit healthcare network tasked with supporting the state’s rural healthcare workforce and recruiting new health professionals to serve in rural areas. ARHP delivers on-site training to healthcare professionals, offers information to patients, provides mental health and substance abuse treatment, and connects rural hospitals with resources. Examples of training for healthcare professionals include advanced stroke life support certification, diabetes site accreditation assistance, and mental health first aid certification. On the recruitment side, ARHP partnered with the University of Arkansas for Medical Sciences to establish a K-12 pipeline to encourage younger students to seek a career in rural healthcare and to create paid internships for high school seniors and college students interested in healthcare. Under these internships, students work in ARHP partner hospitals and are trained in mental health first aid and other skills.59,60

† Black River Technical College, Pocahontas; Ozarka College, Melbourne; South Arkansas Community College, El Dorado; University of Arkansas Cossatot, De Queen and Nashville; University of Arkansas Hope – Texarkana; and University of Arkansas Rich Mountain, Mena.

†† Per the BLS, the median pay for LPNs and LVNs in 2021 was slightly more than $48,000 annually or $23 per hour.
The Sunshine State has three separate financial assistance programs for nurses and nursing students. One program is operated and administered by the state Department of Health, while the other two are under the purview of the state Department of Education.

The Medical Education Reimbursement and Loan Repayment Program, established in 2002, encourages qualified healthcare professionals to practice in underserved areas of the state. The program provides financial assistance to offset loans and education expenses for professionals - including students seeking a nursing degree and licensure or advanced practice registered nurse licensure. Under the program, LPNs and RNs may receive up to $4,000 per year, and nurse practitioners qualify for as much as $10,000 per year for educational expenses and reasonable living expenses as determined by the Department of Health. To qualify, nurses must provide proof of primary care employment in a designated rural hospital or Department of Health defined underserved area - such as correctional facilities, state hospitals, and other state-run institutions providing care. The primary focus is on locations with high infant mortality, high morbidity, and low Medicaid participation.

The program also includes a provision to provide increased funding to nurse practitioners who meet additional qualifications, such as working independently in primary care, general pediatrics, general internal medicine, or midwifery. The increased financial assistance may total up to $15,000 per year - $5,000 more than a non-autonomous nurse practitioner. This higher-level funding is only available for those working in a primary care shortage area having a special population or facility with an HPSA score of at least 18, or that is defined as a rural area by the Federal Office of Rural Health Policy. The program, administered by the state Department of Health, is funded via state appropriations but may also feature a matching funds option for federal loan repayment programs.

Established in 1989, the Florida Nursing Student Loan Forgiveness Program (NSLFP), aims to increase the employment and retention of RNs and LPNs in designated high-need areas. The NSLFP offers financial assistance of up to $4,000 per year for a maximum of four years toward loans to pay the cost of tuition, books, and living expenses. Under the program, payments are made at the end of each 12-month enrollment period directly to the participant's lender - dependent upon available state funds. To qualify, nurses must be licensed as an LPN, RN, or APRN in the state, have nursing education loans, and work full-time in a designated shortage area for all four years. State statutes define a qualifying employment area as:

- State-operated medical and healthcare facilities;
- Public school systems;
- County health departments;
- Federally sponsored community health centers;
- Teaching hospitals;
- Children’s specialty hospitals; and
- Match facilities, such as other state-licensed hospitals, birth centers, and nursing homes that must be matched on a one-to-one basis by contributions from employing institutions.

Applicants requesting funds are prioritized based on place of employment until all available funds are awarded. The highest priority is given to nurses working at state-operated medical and healthcare facilities, followed by public schools, with the lowest rating awarded to applicants at any other matching hospital, birth center, nursing home, or healthcare facility.

The NSLFP program is funded by the Nursing Student Loan Forgiveness Trust Fund, administered by the state Department of Education. All private healthcare industry and other amounts received pursuant to the employer matching provision are deposited into this specialized fund. The state also levies a $5 fee upon the initial application or renewal of nursing licenses, the proceeds of which are also deposited into this fund.

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1 A nurse required to practice under a doctor’s supervision.
Georgia
The Peach State offers the Advanced Practice Registered Nurse Loan Repayment Program to APRNs who commit to practicing in an underserved rural county (defined as 35,000 residents or less). To qualify, applicants must be U.S. citizens, agree to practice full-time (with at least 32 hours per week of direct patient contact), have an unrestricted APRN license, and work in a qualifying practice that treats Medicaid patients. **Awardees receive a service-cancelable loan applied to student loan debt of up to $10,000 per year for four years.**

Kentucky
Nurses in the Bluegrass State may qualify for financial assistance through the Kentucky State Loan Repayment Program (KSLRP). Established as a partner program with the federal National Health Service Corps in 2003 and administered by the Commonwealth’s Office of Rural Health, the program serves as a recruitment and retention tool to reduce healthcare workforce shortages in rural and underserved locations statewide. Applicants must be trained and licensed to provide direct patient care as a provider. **Several nursing fields qualify for the KSLRP, including nurse practitioners, certified nurse-midwives, registered nurses, and psychiatric nurse specialists.**

Additionally, applicants must have an applicable Kentucky license in good standing and be employed full-time - or have an offer of full-time employment - at a qualifying institution. Eligible institutions include public or nonprofit sites such as federally qualified health centers, certified rural health clinics, federal or state correctional and detention facilities, community mental health facilities, state and county health department clinics, critical access hospitals, and long-term care facilities as well as solo or private group practices. These qualifying institutions must be located in an HPSA and participate or be eligible to participate in Medicaid, Medicare, and the Children’s Health Insurance Program. Applicants also must agree only to use the funds to repay qualifying medical education loans and must not have a history of legal issues related to the KSLRP or other service obligations. Applicants must have a one-to-one match from a sponsoring source to qualify for the KSLRP. Sponsors may include employers at the eligible practice site, private foundations, corporations, community organizations, philanthropies, and rural-oriented organizations. However, sponsoring employers may not use any matching funds as a salary offset and may not add additional service requirements to the applicant’s employment. Applicants receive awards based on a tiered, needs-based system considering sponsor commitment level and provider type. The maximum funding available for a two-year commitment varies based on provider type. **Certified nurse midwives and nurse practitioners are eligible for up to $40,000 in awards, while RNs are capped at $20,000.** Many states - including CSG South members such as Louisiana, Missouri, North Carolina, South Carolina, and West Virginia - take advantage of similar federally funded programs for HPSAs, which closely resemble the NHSC Loan Repayment Program.
Oklahoma

The Sooner State’s Nursing Student Assistance Program, administered by the Oklahoma Health Care Workforce Training Commission, provides forgivable scholarship loans to nursing students who commit to serving in rural communities. Applicants must be U.S. citizens, residents of Oklahoma, and have a grade point average of 3.0 or higher. Applicants must also be unconditionally admitted to an in-state accredited nursing program, submit a letter signed by the nursing school director, and be willing to practice outside of the Oklahoma City and Tulsa metropolitan areas. **One year of service in a rural area earns one year of loan forgiveness.** Funding amounts vary depending on the course of study and can be matched by a qualified sponsoring institution or facility. **Figure 5** indicates the funding amounts for each course of study. 73

**Figure 5. Forgivable Loan Amounts from the Oklahoma Nursing Student Assistance Program**

<table>
<thead>
<tr>
<th>Course of Study</th>
<th>Non-Matching Funds</th>
<th>*Matching Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Licensed Practical Nurse</td>
<td>$1,500 per LPN Program (must be full-time and one year only)</td>
<td>$3,000 per LPN Program ($1,500 sponsor / $1,500 state)</td>
</tr>
<tr>
<td>Associate Degree in Nursing</td>
<td>$2,500 per year ($1,250 per semester) up to 2 years</td>
<td>$5,000 per Academic Year ($2,500 sponsor / $2,500 state)</td>
</tr>
<tr>
<td>Bachelor of Science in Nursing</td>
<td>$3,500 per year ($1,750 per semester) up to 3 years</td>
<td>$7,000 per Academic Year ($3,500 sponsor / $3,500 state)</td>
</tr>
<tr>
<td>Master of Science in Nursing/Doctor of Nursing Practice</td>
<td>$5,000 per year ($2,500 per semester) up to 4 years</td>
<td>$10,000 per Academic Year ($5,000 sponsor / $5,000 state)</td>
</tr>
</tbody>
</table>

*A qualified sponsoring facility can match these amounts.

Texas
The state Department of Agriculture’s Rural Communities Health Care Investment Program (RCHIP) administers funding to assist rural underserved areas in recruiting non-physician healthcare providers. The Legislature established the program in 2001 via Senate Bill 126 to attract and retain rural healthcare professionals through loan repayment assistance and financial stipends to relocate or establish rural practices.74 Under RCHIP, licensed non-physician providers may receive up to $10,000 in stipends or student loan repayments for committing to practice for 12 months in a medically underserved area.75,76 State statutes define a medically underserved area as a county with a total population equal to, or less than, 50,000 or is designated as such under other existing state or federal law, or by the state Department of Rural Affairs.77 Notably, rules explicitly maintain that provider service obligations must be met by in-person care, and the use of telemedicine as a primary care form is prohibited.78 The program is primarily funded utilizing a permanent endowment fund seeded by the state’s tobacco settlement proceeds.79 Additional funding sources include legislative appropriations, gifts or grants, investment returns, and amounts recovered from non-compliant participants.80 Unlike similar programs, departmental regulations and state statutes do not explicitly define the types of applicants accepted - beyond the non-physician designation. Prior awardees have included RNs. Additionally, the funds are deposited directly with the applicant - not the loan service provider - making this a possible recruitment and retention benefit for nurses with or without student loans.81

Pivoting to higher education, Austin State University’s Rural Nursing Initiative seeks to alleviate the state’s nursing shortage by increasing the number of nursing students admitted. As nurses who train in rural areas tend to stay there, the campus in the rural town of Nacogdoches is well-positioned to address the issue through this program. The Legislature has appropriated funds for the initiative in its biennial budget since its creation in 2006. Before 2019, the nursing program admitted only 60 to 75 students each year. Since 2019, the program has admitted 80 or more students annually - an increase of more than 33 percent. In 2019, the Legislature built upon this success by appropriating $540,740 to a similar initiative administered by Stephen F. Austin State University for FY 2022 and FY 2023.82,83

West Virginia
Nursing students in the Mountain State may benefit from the Rural Health Initiative (RHI), administered by the Higher Education Policy Commission’s Division of Health Sciences (DHS). Through RHI, the DHS awards grants to three state-funded institutions—Marshall University, West Virginia School of Osteopathic Medicine, and West Virginia University—to support the recruitment and retention of healthcare professionals in rural, underserved areas of the state. In FY 2019, each institution received $587,000 for the initiative. These institutions then work to enroll medical students who plan to practice medicine, dentistry, nursing, and pharmacy in rural areas. The three universities are responsible for developing and managing their own Rural Health Initiative program, including the curriculum.84,85

The DHS also manages the Health Sciences Service Program, a loan repayment program for medical students interested in serving in underserved communities. The program offers $15,000 in loan repayment funds to students in their final year of a graduate or doctoral nursing program who intend to become nurse practitioners. To qualify, students must commit to serving two years full-time, or four years half-time at a state-approved facility.86 The state maintains a list of qualifying sites.87
Alaska

Alaska’s Senate Bill 93 (2019) established the Health Care Professionals Workforce Enhancement Program - a state-administered support-for-service program to complement the existing federal grant loan forgiveness program. This program features an employer payment requirement but opens the remainder of funding to other governmental, philanthropic, hospital-based, tribal, or nonprofit entities. Under this program, employers remit funds to the state Division of Public Health to be awarded to eligible employees. The program features an administrative fee to fund the state’s oversight of the program. The cap on annual payments is tied to the five-year average of the Consumer Price Index and is estimated to result in an annual inflation adjustment of 1.2 percent through 2025. Applicants must commit to a three-year service term to remain eligible for payments and are limited to 12 years in the program. The program allocates funding tiers based on employment type. Doctor of nursing practice students are eligible for a maximum combination of loan repayments and direct incentives of $35,000 to $47,250 annually, while all other nursing disciplines are eligible for financial assistance of $20,000 to $27,000 annually.

Minnesota

Minnesota operates a state-funded loan forgiveness program through its Office of Rural Health and Primary Care, a division of the state Department of Health. The Health Professional Loan Forgiveness Program, established in 2003 via House File 6, is available to all nursing fields - including postsecondary-level nursing instructors. The service requirements vary by specialty, with a three-year minimum in a department-designated rural area or an underserved urban area for nurse practitioners. For other nursing professionals, eligible sites include nursing homes, developmentally disabled intermediate care facilities, hospital-affiliated nursing homes, assisted care housing, or a home care provider with a required minimum full-time service period of two years. Nursing faculty or instructors must teach at least 12 credit hours, or 720 hours annually, in a postsecondary-level nursing or allied healthcare field. Nursing faculty may receive up to $11,000 per year, rural public health nurses and assisted living or nursing home providers up to $6,000 annually, and psychiatric nurse practitioners up to $14,000 per year.

South Dakota

The Rural Experiences for Health Professions Students (REHPS) Program, managed by the Southeast South Dakota Rural Area Health Center, seeks to inspire healthcare students to practice in rural parts of the state. Healthcare students are paired with another student from a different healthcare discipline and practice in a community with a critical access hospital and a population under 13,000 for three to four weeks. In addition to a stipend, housing, and meals, students gain hands-on experience in a rural setting and help grow their professional network. Students must be enrolled in a relevant healthcare program, including nurse practitioner, at one of five participating colleges--Dakota Wesleyan University, Mount Marty College, Presentation College, South Dakota State University, or University of South Dakota. As of 2020, more than 225 students had completed the program.
Numerous factors - both prior to and during the COVID-19 pandemic - have led to a dire shortage of qualified nurses across the country. This problem is especially acute in rural areas. The causes include increased demand for healthcare, burnout from the pandemic, and declining rural populations. Additionally, insufficient growth in nursing school enrollment, inadequate financial incentives to practice in rural areas, lack of qualified nursing school faculty, and costly higher education and licensing requirements have exacerbated this problem.

While the challenges are great, they are not insurmountable. Myriad actions are available to state policymakers that may assist in addressing this crisis, such as:

- **Scholarships and loan forgiveness** for students pursuing a nursing or other healthcare professional degree who commit to serving in rural and underserved areas;

- **Grants to medical and graduate schools** that offer specialized rural healthcare courses or programs for advanced fields;

- **Working with nursing schools to recruit and retain** more qualified nursing instructors; and

- **Tax credits and incentives** for healthcare professionals or facilities who practice or operate in critical-need rural areas.

Importantly, legislators have no shortage of existing and potential partners to help alleviate this shortage. These include state Offices of Rural Health, local Area Health Education Consortiums, post-secondary medical and healthcare institutions, nonprofit organizations, private sector groups, and federal offices and agencies working on this issue, such as the Bureau of Health Workforce and the Health Resources and Services Administration.

Specifically, state policymakers may wish to encourage medical and graduate schools to invest in the expansion of existing programs that allow RNs with a bachelor’s degree to obtain a masters or doctorate degree.97 Another possible approach is to supplement the compensation for nursing instructors. **Currently, practicing RNs and nurse practitioners earn significantly more than instructors. This inequity discourages nursing professionals from transitioning to teaching and preparing the next generation of nurses.** Legislatures can accomplish these goals through targeted appropriations to state-funded nursing schools, stipulating that funding must be dedicated to creating new bachelor of science in nursing, master of science in nursing, or doctor of nursing practice programs and/or increasing instructor salaries and other incentives. States may also consider providing tax credits and incentives to nurses who practice in rural areas, as has been done in Alabama and other states, with stated service requirements.

As the nation emerges from the COVID-19 pandemic, many healthcare professionals who left the sector may consider returning to the field. **With the windfall of short-term federal stimulus funds and rapidly improving revenue collections, now may be an opportune time for states to reprioritize the nursing shortage. Without action, this crisis will only worsen as the fissures exposed by the pandemic have widened the existing cracks in our healthcare system.**
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