

MONTANA BOARD OF REGENTS

NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

ITEM 128-301-R0905

Institution: Flathead Valley Community College (FVCC)

Program Title: Practical Nursing Certificate

1. How does this program advance the campus' academic mission and fit priorities?

Flathead Valley Community College provides educational programs that prepare students for the workforce in response to the community's needs. In order to respond to requests from the medical community in the Flathead Valley, FVCC is proposing a Practical Nursing (PN) program that will partly address the local nursing shortage. This program will provide meaningful employment with liveable wages and excellent benefits for community residents.

2. How does this program fit the Board of Regents' goals and objectives?

The PN program responds to the changing population, market and employment needs of the state and nation. Licensed practical nurse employment will increase in response to the long-term care needs of an increasing elderly population and the general growth of health care (U.S. Department of Labor). The demographics of Flathead and Lincoln Counties show a growing increase in the elderly population. In 2000, the Montana population of those 65 years and older was 13.4 percent (13.4%). In Flathead County, it was 13 percent (13%), while the national figure was 12.4 percent (12.4%). Montana has a higher growth rate than the national average of aging individuals as people choose to retire here. In addition, those aging residents who have moved away from the area are returning to be with family members (U.S. Census Bureau). This educational program will partner with the medical community to preserve and improve the economy of the Flathead Valley and Montana.

3. How does this program support or advance Montana's needs and interests?

The Montana Hospital Association conducted a recent survey on healthcare worker needs in the state. Seventy-five percent (75%) of all Montana hospitals participated in the survey. The following data is from that report, which was presented to the Nursing Coordinating Group June 2004:

- Thirty-nine licensed practical nursing (LPN) positions were vacant, representing 5.7 percent (5.7%) of the budgeted LPN positions;
- The vacancy rate is significantly higher at so-called "critical access hospitals," which are the smaller, more rural facilities. At those facilities, the vacancy rate for LPNs is 9.7 percent (9.7%) and ;
- According to the respondents, they spent approximately \$27 million in the last year on "replacement strategies" such as overtime pay and travelers. That figure included all healthcare workers, but most of the money was spent on additional nursing staff.

The PN program will address some of these needs, thereby advancing health care and quality of life for Montana's citizens.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

The Montana Department of Labor & Industry, Research & Analysis Bureau reports that out of the state's 20 top employers, six are hospitals. The Bureau predicts that Montana will employ 2,812 LPNs by the year 2010. Montana can keep up with the nursing demand by educating more nurses. Montana's Nursing Program Directors report that graduates are readily hired. Seventeen Flathead Valley area employers surveyed stated that they would hire LPNs. Employers stated that approximately 32 full-time LPNs will be needed in the next six to 12 months as of January 24, 2005. In Montana, licensed practical nurses average \$25,450 annually, plus benefits. Kalispell Regional Medical Center verified a beginning salary of \$23,000, with experienced LPNs earning \$34,000. Providing individuals with employment opportunities upon graduation contributes to the economic development of the state and region. In Montana, employment for licensed practical nurses is projected to grow faster than the statewide average for all occupations through 2012 (Montana Department of Labor & Industry - Research & Analysis Bureau).

The health care industry includes establishments ranging from small town private physician practices who each employ only one licensed practical nurse to nursing homes that provide the majority of jobs. Many health services establishments operate around the clock and need staffing at all hours. Shift work is common in LPN practice. The economic impact of Montana's health care industry shown in the tables below illustrates all sectors of the economy are interconnected, and the impacts are captured in multipliers, which are ratios used to calculate the estimated total economic effect for a variety of economic activities. The multipliers quantify the induced and indirect effects of the health care industry and add it to the known demand and supply side effects. According to 2001 data below, employment multipliers were generated for hospitals and nursing and residential care facilities in Montana:

Total Employment Impact of Montana's Hospitals:

Jobs from Hospitals	
Hospital employment	19,123 number of workers
Hospital multiplier	2.03 (in rural settings, the multiplier be lower than in rural areas)
Jobs created in other businesses	19,774
Total Jobs	38,897

Total Employment Impact of Montana's Nursing and Residential Care Facilities:

Jobs from nursing and residential care facilities	
Nursing and residential care facilities employment	9,704
Nursing and residential care facilities multiplier	1.36
Jobs created in other businesses	3,537
Total Jobs	13,241

Source: Research and Analysis Bureau, Montana Department of Labor and Industry, QCEW program

Summary

There is a shortage of LPNs statewide and regionally. In addition, there are limited numbers of instructors and directors for Practical Nursing programs, which could provide an opportunity for those who graduate from this Practical Nursing program to pursue further education and

consider teaching or directing. With Montana's aging population and rural setting, providing quality health care will continue to become an increasing problem. Without additional support to create solutions to nursing shortages, health care will increasingly become unavailable and unaffordable.

5. What is the program's planned capacity?

• Break-even point?	35 FTE students
• Enrollments / year?	35
• Graduates / year?	15
• MT jobs / year?	88 predicted by Montana Department of Labor & Industry - Research & Analysis Bureau; 102 jobs predicted by the Montana Hospital Association

6. Resource Allocation:

• Total program budget?	\$ See Appendix D - Budget
• Faculty FTE?	1.25
• Staff FTE?	.5

7. Does this program require new resources? Yes No

If yes, what is the amount? \$ 70,068 for program director and faculty salaries

8. How will the campus fund the program?

Costs will be funded by student enrollments and program fees.

9. If internal reallocation is necessary, name the sources.

N/A