



# **Texas Senate Health and Human Services Committee**

**August 10, 2021**

The Committee met to discuss the following items:

- Status of staffing in Texas hospitals.
- Understanding current trends in COVID-19 hospitalizations and fatalities data and its relation to capacity.
- Evaluating the current need for medical equipment. The Committee will hear invited testimony only.

Texas Division of Emergency Management, TDEM – Texas Emergency Management, Nim Kidd stated we are in the 4th rendition of the emergency management response:

- All disasters are local
- All agencies must respond with appropriated funds
- Rely on mutual aid
- Then ask for help.

He commented on the early need for PPE and the lack of testing availability and there was no vaccine. We now have PPE everywhere. We have an abundance of testing supplies and an abundance of the vaccine. This is a pandemic of the unvaccinated. We have mobile infusion teams and we are increasing infusion centers. We have asked communities if they were aware of money available. Some counties have not responded. Some communities have declined funding.

FEMA has been engaged from the beginning, but numerous communities have not applied for funding. This is crazy.

### **Questions/Answers/Comments**

#### **Senator Perry:**

Small areas do not know what an allowable cost is. Mr. Kidd stated that There is a lot of risk of clawback as time goes on. Every indication from FEMA is the use of CRF and ARPA funds will not be a problem unless counted twice.

TDEM has the ability to find nursing staff. Will you be able to set up shop so counties can access staff through TDEM? Mr. Kidd stated that the intent is to support the health care system. TDEM will always be the switchboard operator to

make things happen for local partners. The Senator stated that freestanding ERs should be encouraged.

The Senator stated that he does not know how many applications for nursing programs are to the higher education coordinating board. They did not feel comfortable coming to the committee to testify. People die from turf battles that the THECB participates in.

Senator Perry stated that we do not want to institutionally change things outside of the crisis.

The Chair stated we are not talking about COVID patients exclusively. Mr. Kidd stated paramedics and providers are leaving to work in hospitals for higher pay. EMS units are waiting for hours.

The Chair stated we have spent \$5.36 billion on providing staff to hospitals. Did the hospitals have to reimburse for any state dollars? Chief Kidd stated that they did not. The Chair stated that this was a record year for profits to hospitals. The problem now is that we have created a new market and are stealing nurses from hospitals to nursing agencies that are paying four times what hospitals are. Some nurses are leaving because of the difficulty of the year. The Senator asked where we go from here and how do we level this out. This is a big problem. Chief Kidd stated it is an enormous problem. The data shows the average hourly rate pre covid was \$37 dollars per hour and now it is over \$100 an hour because of the nursing agencies. Chief Kidd stated 23,000 people were employed through agencies during COVID. He stated this is not sustainable. The Senator stated that the \$5.36 billion came from the federal government. The question we have to ask is how we get the personnel and who will pay for it.

Chief Kidd stated that there were state dollars that started the response to COVID and this was reimbursed or is in the process of being reimbursed. He stated the COVID expenditures are \$9.5 billion. And local governments have received \$10.5 billion.

The Chair stated that we have to have beds for the non-COVID patients. The Chair stated we will get through this, but we have to get the system back to manageable.

Senator Seliger stated that there is a sense of skepticism. He stated hospitals are full and inquired about the shortage of nurses.

Mr. Kidd confirmed communities are calling for nurses. The Senator stated that there is a need for the Texas Higher Education Coordinating Board to put in a nursing program.

The Coordinating Board should be listening better. He commented on the vaccination units. Chief Kidd stated they are not doing infusions.

**Senator Hall:** Are you aware of hospitals getting ready to fire workers if they do not get the vaccine? Mr. Kidd stated he has no first-hand knowledge. The Senator asked about infusion. Mr. Kidd stated that with the infusions there is immediate discomfort but then they feel better much faster and keep them out of hospitals. The earlier they get it after testing positive the faster the result. The Senator asked how people know about this. Mr. Kidd stated that now the resources are going directly to providers and are no longer through the state. The Senator seemed to be misinformed. Mr. Kidd reminded the panel that the infusions are experimental also.

**Senator Campbell:**

The Senator corrected some of the inaccurate statements from Senator Hall. She stated that we are not putting people on a respirator and letting them die. She stated that the antibody treatment is not a panacea because it does not provide long-term immunity. She stated that, unlike Senator Hall, she does believe in the vaccine. She explained the mechanism of how the vaccine works.

This is a COVID epidemic for the unvaccinated. People with the vaccine are not getting critically ill. (Senator Hall does not appear to think that vaccinations are not preventative treatment.)

Senator Campbell inquired about the federal funds. Mr. Kidd stated that those local entities that asked for the funding have received half of it and will receive the last half at a later date.

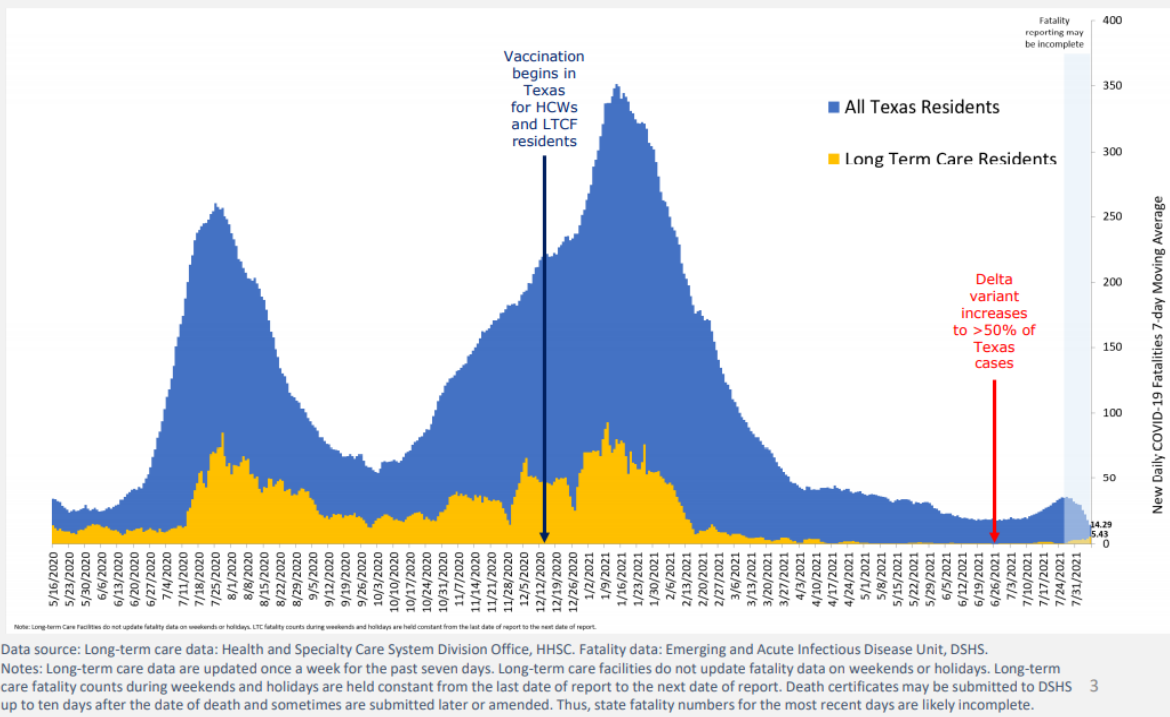
She reiterated that there are many who did not request the funding and others who got the funding are not using it for nursing support.

Senator Campbell inquired about testing for K through 12. Chief Kidd stated that resources are going to the school districts directly.

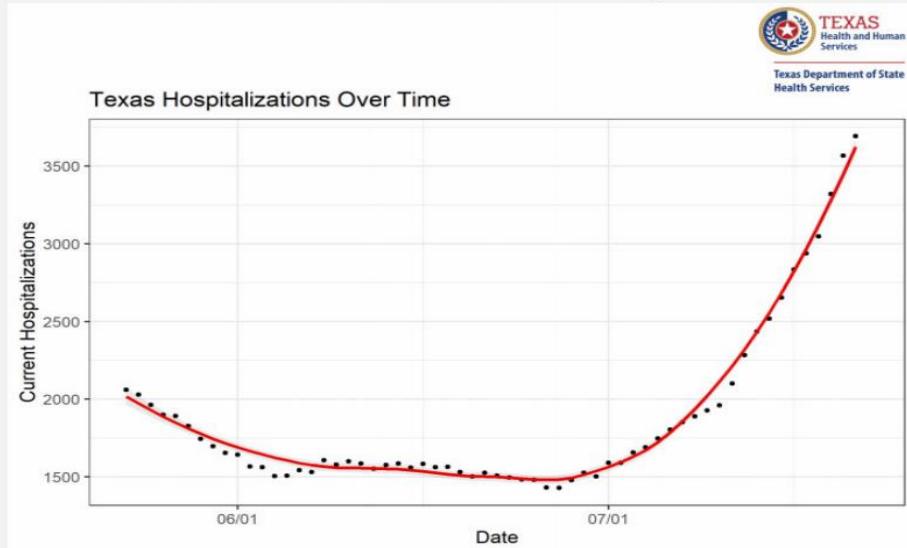
**Senator Powell:** One of the things we are dealing with is that children are going back into schools without being mandated to wear a mask. We are not prepared to address an explosion of pediatric cases. She stated that we have to reduce the red tape in securing the federal funds.

**Department of State Health Services, Dr. John Hellerstedt.**

## Vaccination Decreases Mortality

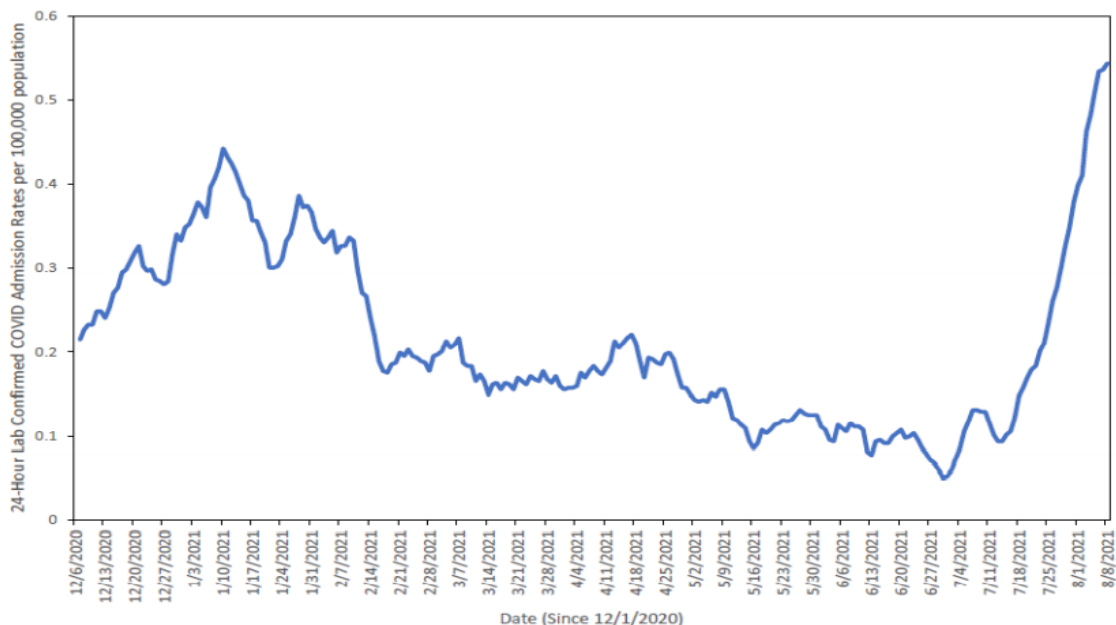


## Increases in COVID-19 Hospitalizations

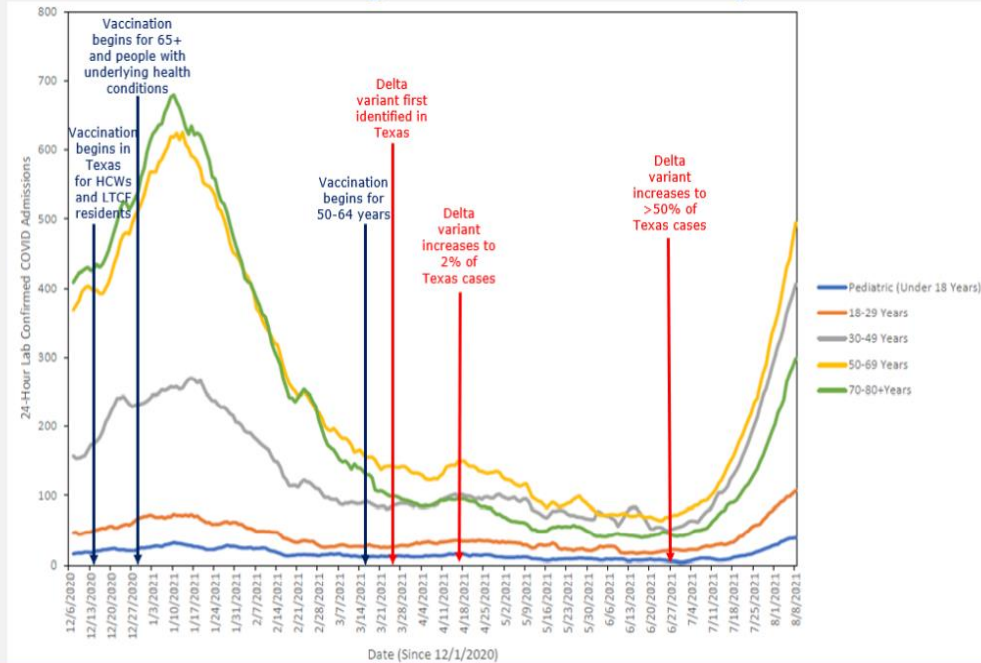


>97% of individuals entering hospital for COVID-19 are unvaccinated, per CDC

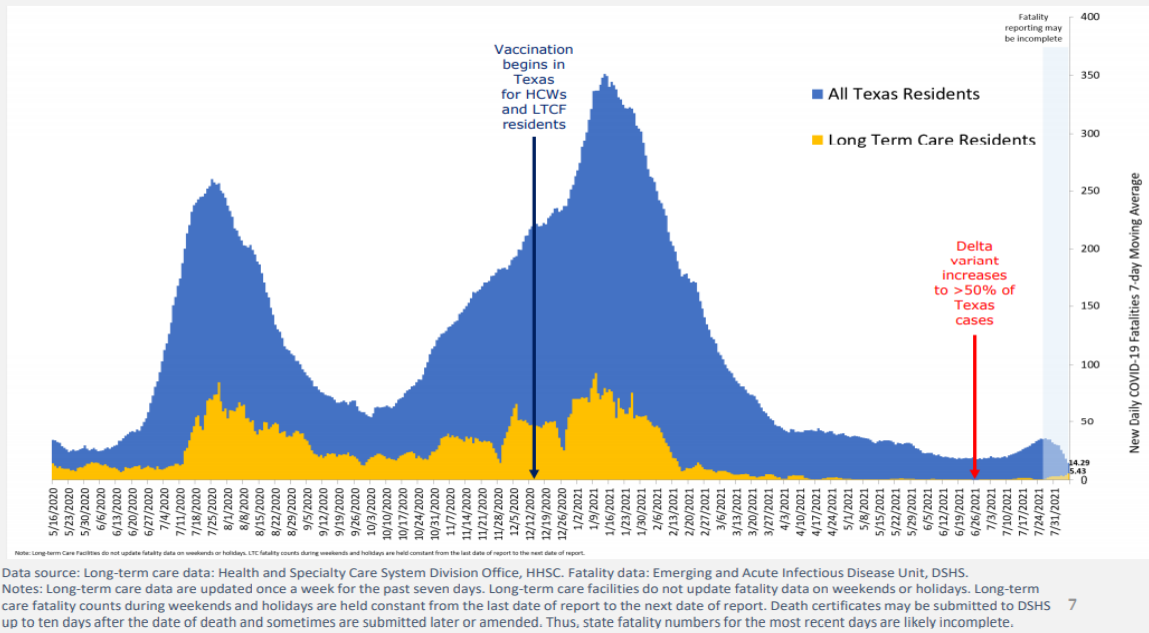
## Increases in Pediatric COVID-19 Hospitalizations



## Factors Contributing to COVID Hospitalizations



## Vaccination Decreases Mortality





### Questions/Answers/Comments

**Senator Blanco:** Inquired about pediatric hospitalizations and asked what we can do for those children who cannot get the vaccine. The Commissioner stated that nonpharmaceutical interventions absolutely work. Masking (undertaking willingly) works. The Senator asked if masks should be mandated for 12 years and under. The Commissioner stated that masking is a leadership decision but masking in an indoor environment increases the safety in that environment.

Are we tracking the demographics of the hospitalized and unvaccinated? The Commissioner stated that he would confirm with staff. He stated they have been using focus groups to address vaccine hesitancy. They are also using local leaders to spread the word about the need for vaccinations. The vaccinations are increasing because of the new strain. We have all the vaccines that we need. We should not miss the opportunity to use all the vaccines.

**Senator Campbell:** School boards should make their own decisions regarding masking. Masking does provide a physical barrier and if you are old enough you should get the vaccine. The Senator asked about hospital capacity. The Commissioner stated the most critical issue is staff, but available beds also are a factor. The Senator asked if pediatric admissions include RSF. The Commissioner stated that the graph above is COVID, but some hospitals are reporting a small amount of RSV. The Senator stated that the monoclonal antibodies attack the virus. Does the reception of monoclonal antibodies block the development of immune response?

The Commissioner answered in the affirmative. There is an increase in immunity with the vaccine after having had COVID. The Senator asked about 30-40 percent of people with COVID having breakthrough COVID. The Commissioner stated that is a deep/intense epidemiological issue.

**Senator Seliger:** He stated that we have not passed legislation usurping local decisions. The Commissioner stated that school districts with increasing rates of illness should use masking and other measures. Science can advise but it cannot decide. The minimal amount of flu shows that these interventions really work. The Senator inquired about boosters. The Commissioner stated that CDC could extend



emergency licensing to boosters (Subsequent to this testimony Pfizer has been granted first licensing.

**Senator Hall:** Are you aware of the success of infusion? Why isn't the state doing more?

Why are we spending millions of dollars for vaccinations when infusion exists? The Commissioner stated that infusion doesn't prevent illness. It slows down the progression of the disease and blocks the ability to create immunity. The top priority is vaccination. For every 20 people receiving the infusion, it prevents only one hospitalization. The Senator asked if we are making sure people who do not have COVID receive services. The Commissioner stated that leadership directed the postponement of elective surgeries. The way to avoid the crunch is to provide full staffing. The Senator stated that people who come into a hospital because of a motorcycle wreck and that they also have COVID and they died from the motorcycle wreck, are included in the COVID death count. He stated the COVID data is not accurate.

The Chair inquired about the under 18 hospitalizations, they are about 25 new hospitalizations per day. The Chair stated there is confusion of data in the general public. We should be asking how many people who enter the hospital are fully vaccinated. The Commissioner stated there are studies in other places and we can see if Texas has the capability to collect that data. The Senator stated that we have to have the data to move the needle. The Chair inquired about vitamin D and COVID. The Commissioner stated he is not aware of a double-blinded study related to vitamin D.

The Commissioner stated they tried to minimize the effect of agencies stealing staff from hospitals. The Chair inquired about bridging the gap that hospitals are seeing in the need for staffing. The Chair inquired what if the appropriation does not go to DSHS.

Does DSHS have the ability to be the HR agency for staffing? The Commissioner stated that the money must come through them. How many hours of service were provided? The Commissioner stated that they did not have the hours of service but 14,000 staff were provided. The Chair requested the breakdown of the different professional staff provided.

**Esmaeil Porsa CEO & President, Harris Health System), Bellaire, TX.** `Safety net hospitals are vulnerable because of who they are and who they serve. There are health disparities in the community. Communities of color have taken the brunt of the impact of COVID. He stated that 63 percent of all ICU patients are COVID positive. He has a workforce who are tired, overworked, and under attack. He has lost staff to temp agencies... 1,346 staff have been lost due to COVID and of those 404 were nurses. Crisis pay had been at \$140 -160 per hour. Temp agencies are charging \$286 per hour. He had 183 temp nurses working at the facilities and ICU beds have had to close because of the lack of staff. The number of admissions is increasing dramatically. The Delta variant is having a major impact. Action must be taken to avoid the impending disaster.

Cases and hospitalizations have increased significantly to the current highs in only five weeks. Previously it took three months to hit this level of hospitalizations. In the past, the closure of bars and the mandatory use of face masks had a significant impact in reducing hospitalizations. Currently, not a single person who lost their lives had been fully vaccinated. 98 percent of admissions were unvaccinated. Vaccines are the only way to stop this pandemic.

**Joseph Chang Chief Medical Officer, Parkland Health and Hospital System, Dallas, TX.**

He stated that Dr. Porsa has stated a lot of what he was going to say. Parkland has 470 positions that they cannot fill, and they have 130 agency nurses employed. He stated that the market has worked but it has resulted in a bidding war. It has been impossible to recruit and fully staff nurses. Because of staffing, pregnant women were having to be transferred to other hospitals. The staffing crunch is really hurting the non-COVID patients. Only 27 of the 1,100 admissions were fully vaccinated since January 15th. There were no deaths.

**Questions/Answers/Comments (from the two presentations)**

**Senator Seliger:** What must the state do. Dr. Porsa stated we must let the public knows what works like social distancing, wearing masks, etc. The way the numbers are going up, there is no way the hospitals will be able to handle this. The Chair inquired how many beds could be provided if fully staffed. Dr. Porsa stated it is complicated because they had leveled up their beds by converting some beds to ICU beds. The Senator stated that some would say that hospitals are not paying

nurses enough. Dr. Porsa stated that they are paying nurses more because of the COVID experience.

They put in a \$10,000 retention and recruitment bonus and there is differential pay. Dr. Chang stated that the crisis is driving long-term decisions. Even before the pandemic, we had a nursing shortage. The Senator stated that the large systems are always short of nurses. Dr. Chang stated that they adjust (“internal disaster declaration”). Safety-net hospitals do not have a lot of elective surgery. The definition of elective surgery is important. The language from the governor has a nuance now that allows evaluation of what is elective. The Chair inquired about the amount the agency gets and the amount the nurses get.

She stated we have messed up the marketplace. Dr. Chang stated there is a benefit to have centralized control to mitigate the bidding war for nurses. He stated they need help to control this funding issue. The Chair stated that ARPA funding is now going directly to the local entities and not to the state. Both doctors stated they will share in the costs, but they need help in finding the nurses.

**Senator Powell:** The Senator inquired about transfers from outside the county. The doctors stated that they take out-of-county patients.

**Senator Hall:** What are the conditions of patients coming to the hospital compared to early in the pandemic. Dr. Porsa stated that they triage differently. He added that these are thirty and forty-year-olds now getting intubated and they are arriving unvaccinated with excuses for not getting vaccinated. The Senator asked if people are being sent home with no information because they do not require admission. Dr. Porsa stated every patient who is sent home receives a call daily. They do not have infusion centers, but they refer to infusion centers. They use approved medications for patients.

The Chair stated that the limitation of elective surgeries was done to help hospitals manage a surge. She stated it should not take the government to tell hospitals to tamp down elective surgeries. We want you all to make the judgments. Dr. Chang concurred. The Chair inquired about adverse reactions to vaccines. Both stated that allergic reactions are the most. Very few require hospitalization. There is a 15-minute waiting period after vaccination to ensure reactions do not have an adverse

effect. The doctors stated that there will be new vaccines coming on the market. The Chair stated that early intervention is the key.

Senator Hall asked about a mandatory vaccine for personnel. Dr. Chang answered they will be requiring vaccines for all staff including contract staff.

**Senator Campbell:** So are either of the hospitals on divert. Parkland lives in a state of divert. Parkland never closes. Harris County diversion is not real operative because most of the patients walk or take public transportation to the hospital. Both stated it is a balancing act. The Senator asked if there has been liability because staff has gotten infected. Dr. Porsa stated that staff do better than the general public. Dr. Chang stated that they have not had any.

**Marc Boom Texas Hospital Association and Houston Methodist.** What Houston is seeing is happening across the state:

- Delta variant has changed the game (R-6-7)
- We did not close the deal with vaccines—we are begging people to get vaccinated
- We let our guard down because of the new variant and COVID fatigue... no [protective behaviors.

The slope of the curve is the steepest it has ever been. On July 1, 87 beds out of 2300 were COVID and now (5 weeks later) 650 are COVID. They peaked out at 750 during the peak of the pandemic. There is no input to use in the models and so projections are not workable.

This time, staffing is a dramatic limitation. In May and June, we had record numbers of patients due to deferral of care. They have exhausted tired workers because this was all avoidable. Morale and retention are huge issues. We need an approach that does not pit hospitals against each other for staffing. We also need leadership to stress the importance of masks and other protective measures.

The Chair: How many beds could you operate if you had full staffing? Dr. Boom stated that they have 2300 beds in total and they are okay, but they have to continue to ramp up. The going rate they are getting from staffing agencies is \$123 an hour. The goal is for them to go back to zero agency nursing. It is a resource for rural hospitals and emergencies. The Chair stated that someone is going to have to

pay and the state is not getting the money directly. You are a private hospital so can you go to counties and ask for financial participation for private hospitals. Everyone wants great care for the patients and they are willing to be part of a dialogue to make that happen. The Chair stated that there is money available and we will be partners with you.

**Senator Perry:** They have heard that yes, they are sitting on the money, but we have other plans for it. Is there a possibility to share with private hospitals for nurse staffing? Dr. Boom stated that they had not been through disasters of this kind. We want to be at the table to figure out how to address this issue. The Senator stated that they have to contact counties needing nurses but still sitting on the federal dollars. The Senator wants the information coming to be transparent and honest.

**Senator Powell:** Asked inaudible question. The doctor stated that they embrace the vaccines as amazingly effective and astoundingly safe. Almost every admission is unvaccinated. And they have surgical challenges. The message has to be to trust the science. People are getting afraid and so more are getting vaccinated.

They need to be doing a lot more. We need full approval on all the vaccines from the FDA. He commented on the immunosuppressed population and the problems they are facing.

Every hospital in Region Q showed 91 percent in hospitals were not vaccinated. For them, the average is 85% unvaccinated. Older people do not make as much antibodies as younger people. There is also waning immunity.

**Senator Campbell:** Is there gouging going on with the staffing agencies. Dr. Boom stated that there was for PPE. These are complex questions. Staffing agencies should go away after the emergency is over. The Senator asked about the number of African American's vaccinated. The doctor stated that DSHS keeps that data. The Asian community has the highest rate of vaccination. There is mistrust in the African American community as well as lack of insurance, level of poverty, and lack of primary care due to disproportionality issues. The spring surge was largely African American, and the summer surge was primarily Latinx.

The Chair inquired about a glide path forward in the nurse staffing issue. We have to find a way to produce more nurses.

Dr. Boom stated that in non-COVID time the nursing shortage is manageable. We are losing nurses though because of this crisis. We need more nursing schools and education and recruitment from out of state. Every state is experiencing this problem.

**Senator Hall:** Asked about the mix. Dr. Boom stated that the efficacy of the vaccines is 95%. We have mandated vaccines for all employees. This move has actually made staffing easier because staff know they are as safe as they can be in the work environment. We will only hire people who are vaccinated. About 25% of the hospitals across the nation have made the same requirement. We are hoping the new delta variant will be a sharp increase and then a sharp decline as it was in India.

The Chair asked about infusion centers. Dr. Boom stated that at all their centers they have infusion centers.

**Michael Olson CEO, Citizens Medical Center, Victoria, TX.** They are a level three trauma center and are a county hospital but not a hospital district. They have about 1,200 employees.

They have seen a steep rise in COVID patients that have outpaced their staffing capability. They have 38 beds they could use if they had staffing. Most of their patients are unvaccinated. They provide incentives for existing staff, but they get tired and worn out. They recruited agency nurses (14 out of 40 needed). They are up to \$120 an hour. They need staffing desperately. They have all the PPE and equipment they need.

**Rebecca McCain CEO, Self; Electra Memorial Hospital.** They are a small 19-bed hospital. In March 2020 they had three staff call in sick. 75% of the staff became sick from an index case.

They have had as many as 11 COVID patients. They paid shift differentials. They were grateful for the staffing provided by the state. They have recently admitted 7 COVID patients ... only two were vaccinated and those were gentlemen in their 90s and both are going home. The rest were not vaccinated. She stated that they had a non-COVID patient who needed care and they called 60 hospitals in 6 states and could not find a hospital to take the patient. The patient ultimately died. They have

contacted staffing agencies and it has become a bidding war. They are down two nurses presently. They need statewide coordination of staffing.

**Ted Matthews, CEO Self; Eastland Memorial Hospital.** They are a busy rural hospital... 45 discharges per month with 2,200 encounters monthly. They are facing a crisis in the emergency room. They have a 20% positivity rate. All seven ER rooms are always fully occupied. They are having problems transferring individuals. They too have staffing issues and have negative operating margins. We aren't even getting recruitment responses for RNs. They are down 6 RNs in the hospital right now. Without being able to transfer patients they are facing a crisis.

**Senator Campbell:** The Senator stated LVNs and LPNs are being underutilized. We have to expand their utilization. The panel commented that they are actively recruiting LVNs. Can we use paramedics to monitor infusions? The panel answered in the affirmative, but paramedics are hard to hire and keep just like nurses. Senator Campbell stated that if the nonvaccinated workers get COVID that reduces the staffing also.

**Senator Perry:** He asked about the Delta impact. The panel stated that they are seeing similar lengths of stay as previous waves.

The Chair inquired about the need for ventilators and high-flow oxygen. The smaller hospitals do not have 24-hour ventilator staff and in some cases do not have the circuits for the ventilators. The RACs have been helpful to the small hospitals. The Chair commented on the statewide coordination suggestion for staffing.

If we do statewide coordination, who pays. One of the hospitals stated they hoped the county would, but they would partner for the Medicare patients. One of the challenges is that people are staying longer. There are ways to figure out payment sharing, and we need that to start right away. Counties hoarding COVID funds for other purposes should be told that the expectations for the use of the funds is for COVID nursing and staff. The Chair stated that we will work through this.

**Eric Epley, Executive Director Regional Advisory Councils.** He stated that the staffing issues are real and he receives calls weekly. We are in crisis We are 15 away



from our peak number in the summer. The curve is not slowing. They are between a rock and a hard place. Central coordination is critical and will provide parity. Hospitals can be placed on diversion override. In San Antonio, there has been 10 diversion overrides in the last few days.

We are in a precarious situation. Hospitalized patients have been 90% unvaccinated. He reminded the panel that we are in hurricane season and other disasters continue to happen.

**Senator Perry:** inquired if there is a pipeline of nurses that can be worked. Mr. Epley stated that would be a question for Chief Kidd. RACs are the best to control payment issues and staffing allocation issues under the DSHS guidance.

**Senator Campbell:** What happens when you override a diversion. What do you do with the patients? We do not override a singular unit but hospitals with more than one unit. The Senator asked where we will get the nurses (question to Nim Kidd). He stated that some staffing agencies are bringing in nurses from out of state. 70% come from out of state. DSHS will begin a process that will add to the three agencies under contract. Senator Campbell inquired if we can use LTC beds as alternative beds. (Interested health care historians may want to look way back to the swing bed concept. What the Senator is proposing is a reverse swing bed... and could work).

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*This summary contains supplemental information from third-party sources where that information provides clarity to the issues being discussed. Not every comment or statement from the speakers in these summaries is an exact transcription. For the purpose of brevity, their statements are often paraphrased. These documents should not be viewed as a word-for-word account of every meeting or hearing, but a summary. Every effort has been made to ensure the accuracy of these summaries. The information contained in this publication is the property of Texas Insight and is considered confidential and may contain proprietary information. It is meant solely for the intended recipient. Access to this published information by anyone else is unauthorized unless Texas Insight grants permission. If you are not the intended recipient, any disclosure, copying, distribution or any action taken or omitted in reliance on this is prohibited. The views expressed in this publication are, unless otherwise stated, those of the author and not those of Texas Insight or its management.*

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