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**TO: Assembly Committee on Regulatory Licensing Reform**

**FROM: Ann Zenk, SVP Workforce & Clinical Practice  
Jon Hoelter, VP Federal & State Relations**

**DATE: April 12, 2023**

**RE: WHA Testimony in Support of AB 144; Relating to: preliminary health care credentials granted to previously unlicensed individuals.**

Chairman Sortwell, and members of the Committee on Regulatory Licensing Reform, thank you for holding a hearing on AB 144, relating to: preliminary health care credentials granted to previously unlicensed individuals. The Wisconsin Hospital Association represents more than 135 hospitals and integrated health systems across the state, from small, rural, Critical Access Hospitals to large, urban academic medical centers, and everything in between.

While our members may differ greatly in the size of the community they serve, one consistent challenge they all face is how to meet the ever-increasing demand for health care services in an environment where every sector is experiencing a workforce shortage. Just yesterday, I had the privilege of providing a briefing for legislators and staff on our 2023 workforce report which highlighted the scale of the challenge our hospitals face:

While staffing at hospitals continues to rise, it is not keeping pace with demand as approximately 10,000 positions remain vacant in Wisconsin hospitals across the state. In fact, vacancy rates have increased for all 17 health care positions that we track – and nearly doubled overall from 5.3% in 2020 to 9.9% in 2021. Even worse, demographics are working against health care, as the highest utilizers of health care are those aged 65 and older who are also retiring from the healthcare workforce. It will be seven years from now when the last baby boomers turn 65, meaning that we have yet to experience the full impact of the baby boom generation on the demand for health care and, thus, our health care workforce.

Fortunately, we have had great partners in the Wisconsin Legislature and the Evers Administration. When faced with long backlogs in licensure for out-of-state health care workers, largely stemming from challenges surrounding the COVID-19 pandemic, the legislature passed and Governor Evers signed 2021 Act 10. This legislation allowed health care professionals licensed and in good standing from another state to begin practicing immediately while they waited for DSPS to process their license.

I'm proud to report that this legislation has been a tremendous success, helping us to recruit and staff up to better meet health care demand. Whereas we previously had hospitals report that they missed out on hiring a qualified health care professional because another state beat Wisconsin to the punch in issuing them a license, Wisconsin is now seen as a model for other states to emulate.

In fact, this legislation has worked so well, that our hospitals began wondering if we could duplicate this innovative process for new graduates. As many of you know, there tends to be bi-annual licensure backlogs when new classes graduate both at the beginning of summer and end of the year. The Department of Safety and Professional Services (DSPS) has made significant efforts to alleviate these challenges under the Evers Administration, partly by implementing a new, and long overdue, electronic licensure system. Despite this forward-thinking measure, licensure backlogs still remain – backlogs that could be greatly reduced by duplicating the 2021 Act 10 fast-track process for new graduates.

AB 144 would do just that, by allowing new graduates of health care training programs that have passed their required national exam and cleared a criminal background check to begin practicing immediately if they have attested to completing everything required for licensure and also have an employer offer them a job. The employer would also have to attest to the fact that the prospective employee has met all requirements for licensure, to the best of their knowledge.

We are optimistic that this reform will greatly reduce the number of people contacting their legislators to gain DSPS's assistance with fast-tracking their applications – a process which currently requires DSPS's licensure staff to interrupt their normal workflow to divert attention to such applications. Additionally, it will reduce the time crunch DSPS staff find themselves in when a glut of new graduates apply for licensure and need to obtain it quickly to meet hiring deadlines.

It is important to note that safeguards would remain in this process. DSPS would still be in charge of verifying that all the information applicants and third parties have submitted is accurate, and they would remain responsible for issuing them a permanent license once they deem an application to be complete. Health care employers would also be responsible for attesting to the fact that they believe a new graduate is fit to practice. Fortunately, hospitals and health systems already undergo a rigorous credentialing process for new applicants prior to offering them a job. They also partner the new employee with an experienced peer when they start working.

As impactful as we believe this legislation will be, it is not a panacea for all the challenges DSPS faces. WHA appreciates the work DSPS is doing to improve licensure backlogs, particularly in meeting with our members to better understand and troubleshoot current licensure challenges. We believe the current workforce challenge is an all-hands-on-deck moment for policy makers. In addition to passing this reform, and other bills that were recommended by the Legislative Council Study Committee on Occupational Licensure, we encourage the legislature to work closely with DSPS to analyze their budget request and allocate staff or other resources that will right-size the agency and enable it to better accomplish the important work it is entrusted with.

Thank you for the opportunity to speak in support of this important legislation. I urge you to support Assembly Bill 144 so we can build on the positive reforms Governor Evers and the Legislature have already begun, and help sustain and expand the workforce hospitals and health systems need to meet growing demand for care.