



# Requiring a nurse residency for newly licensed registered nurses



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## Executive Summary

We recommend that a nurse residency for newly licensed registered nurses (RNs) be required for all new graduate RNs as a component of their employment. Requirement through mandate or incentives at federal or state levels would enable that 100% of all newly licensed RNs complete an accredited new graduate nurse residency program (NRP). Evidence demonstrates the benefit and need for all newly licensed RNs hired into acute care hospitals to complete a clinical NRP (Benner, Sutphen, Leonard, & Day, 2010). Providing care to hospitalized patients is now more complex due to increased patient acuity, shorter lengths of stay, significant documentation requirements, the need to coordinate care with other disciplines, and use of high tech equipment in care delivery. The existing NRPs in hospitals today are provided through employers, usually hospitals, as nurses are hired into their first position post-licensure. NRPs may be administered in collaboration with a school of nursing or may be solely within an employer organization. The current nurse residencies for newly licensed RNs differ from physician residency programs in which physicians become licensed after completion of a postgraduate residency year and are funded by Graduate Medical Education (GME). It is important to note that highly effective NRPs have been implemented without academic collaborative effort (American Nurses Credentialing Center, 2016); however, this requirement for support and engagement of academic partners promotes standardization and facilitates schools of nursing to maintain updated knowledge of clinical environment changes.

Accredited NRPs in acute care hospitals should be eligible for participation in Center for Medicare and Medicaid Services (CMS) Indirect and Direct Reimbursement dollars, similar to the current reimbursement provided to accredited clinical residency programs for

pharmacy, medicine, and chaplain programs (Centers for Medicare and Medicaid Services, 2014). Support for CMS funding of baccalaureate degree NRPs was sought in 2007 by the six academic medical center and academic partners who developed the original University HealthSystem Consortium (now Vizient)/American Association of Colleges of Nursing curriculum, with accreditation recommended as an action toward such program reimbursement. CMS denied funding because the proposal at that time did not include associate degree nursing graduates in the residency. Whether or not hospitals ultimately receive CMS funding for nurse residencies, NRPs should be designed and implemented across all clinical practice settings. Structured, accredited NRPs 6 to 12 months in length have been documented to improve new graduate retention, competence, and the confidence required to practice autonomously and in collaboration with other disciplines (Anderson, Hair, & Todero, 2012). Based on the strength of the evidence, the Institute of Medicine (now the National Academy of Medicine) recommended that NRPs be implemented for all new graduate nurses (Institute of Medicine, 2011). The Academy recommends that (a) all employers be required to have an accredited NRP and (b) these programs should be funded with CMS GME dollars.

## Background

Transitioning from the role of a graduated nursing student to a practicing licensed RN is recognized as a challenging time, generating both stress and great anticipation. Newly licensed RNs have identified major challenges including delegation, prioritization, management of care delivery, collaborating with other disciplines, conflict resolution, and utilization of feedback. Research has determined that nurses need a structured residency focused on one clinical area of

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specialization (Goode, Reid Ponte, & Sullivan Havens, 2016). Structured transition to practice programs can improve quality and safety practices, increase job satisfaction, reduce stress, decrease turnover, and also lead to improved patient outcomes (Kramer et al., 2012).

An integrative review of the literature found that NRPs assist new graduates to make the transition from the academic setting to a professional practicing RN (Rush, Adamack, Gordon, Lilly, & Janke, 2013). Evidence indicates residencies should address skill development, assure preceptors receive formal training, and provide support to residents through the 6 to 9 months post-hire period (Kramer et al., 2012). Additionally, a residency program emphasizing collaboration across disciplines has been found to enhance a positive learning environment (Anderson et al., 2012). Anderson et al. (2012) also note there is a need to standardize residency program content for a review of study documents wide variation in educational content and teaching strategies. Research reports that new graduates placed on healthy work environment units experience better learning and are more likely to remain in their position (Goode, Reid Ponte, & Sullivan Havens, 2016). Nurses who participated in a 1-year NRP reported statistically significant increases in skill confidence, ability to organize and prioritize work, improved comfort communicating with team members, patients, and families, and stronger unit clinical leadership (Goode, Lynn, Krsek, & Bednash, 2009). Research from a longitudinal study of an NRP found new graduate turnover decreased significantly over a 10-year time period (Ulrich, Krozek, Early, Ashlock, Africa, & Carman, 2010). The residency program also facilitated transition into the professional role and development of nurse resident competency, similar to findings by Goode, Lynn et al. (2009). In another study, NRPs were found to benefit both the new graduate and the organization by increased retention, decreased turnover, and reduced use of contract labor (Letourneau & Fater, 2015). A multisite study found that structured transition to practice programs that included at least 6 of the following 10 elements provided better support for new graduate nurses: patient-centered care, quality improvement, evidence-based practice, communication and teamwork, informatics, safety, clinical reasoning, feedback, reflection, and knowledge related to the specialty area (Spector et al., 2015). Further work by this research group found cost savings when implementing a transition to practice program; results indicated a financial benefit was achieved due to higher nurse retention rates (Silvestre, Ulrich, Johnson, Spector, & Blegen, 2017).

Based on evidence, the Institute of Medicine (now renamed the National Academy of Medicine) issued the report *The future of nursing: Leading change, advancing health* (Institute of Medicine, 2011) and called for the implementation of nurse residencies for all new graduate nurses. Already many hospitals have recognized the importance of this report; outcomes from a 2014 study found that residency programs for newly licensed RNs

have been established in approximately 48% of hospitals (Barnett, Minnick, & Norman, 2014).

## New Graduate Residency Programs: Two Exemplars

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Two examples of new graduate NRPs, well established over time, are the *Versant New Graduate Residency Program* (Versant, 2017) and the *Vizient and American Association for Colleges of Nursing Nurse Residency Program* (Vizient and American Association of Colleges of Nursing, 2018). Hospitals pay to participate in these residency programs. Accrediting agencies that have assumed a leadership role in residency programs are the Commission on Collegiate Nursing Education (CCNE, 2015) and the American Nurses Credentialing Centers (ANCC, 2016), a part of the American Nurses Association Enterprise.

### Versant Residency Program

The Versant RN Residency Program is a year-long program with an immersion period focused on competency validation (Versant, *New Graduate RN Residency*<sup>™</sup>, 2016). Versant's competency-based system focuses on the competency profile of each nurse per specialty, identifies gaps using a performance gap analysis, and remediates the gaps before validation of competencies at the point of care. Throughout the year-long program, residents are also guided by debriefing or self-care facilitators and professional development mentors. Versant's performance and outcomes representative work with partner hospitals to implement and manage the program on an ongoing basis and goal setting to achieve goals developed in collaboration with the organization around safety, organizational capacity, sustainability, and economic benefit. Performance and process metrics are collected from all participants during the program and annually up to 5 years. Ulrich et al. (2010) describe the extensive evaluation process for measuring residency outcomes to assure residents obtain the knowledge and support required for success. More than 20,000 new graduates have successfully completed the Versant New Graduate Residency, with turnover in the first year reported at 4.9% and 14% at 24 months (Versant, 2016). Versant's competency-based framework now provides organizations with a strategic workforce analysis product that allows organizations using their program to determine the numbers of new graduate nurses, experienced nurses, and contingency labor to provide economic support for the benefit of transition to practice programs (Africa, 2017).

### Vizient and American Association of Colleges of Nursing Residency Program

This jointly developed 1-year residency program requires that the hospitals have an academic partner school of nursing as a condition of participation. Nurse

residents have a preceptor-guided clinical experience, monthly seminars, small group-guided sessions to discuss issues and provide support, and the requirement to complete an evidence-based practice project with formal poster presentation. The program reports resident first year retention rate as 95%; more than 300 hospitals participate in this program (Lynn, 2017). The residency program is designed to prepare the nurse resident to use effective decision-making skills, provide clinical leadership at the point of care, incorporate research into practice, and strengthen professional commitment to nursing. On-line evaluations provide organizations with annual reports and benchmarking data permitting comparison of outcomes among hospital sites.

### The Academy's Position

The Academy of Nursing supports strengthening the nursing and health-care delivery system as a component of its strategic plan; requiring nurse residencies is consistent with the mission of the Academy. This policy brief brings forth a mandate to employers to fund and require all newly licensed graduate RNs to complete an accredited NRP. The need for NRPs for newly licensed RNs as a condition of employment has been recommended in reports by the following organizations: the American Nurses Credentialing Center, the American Organization of Nurse Executives, the National Academy of Medicine, the National Council of State Boards of Nursing, the Carnegie Report, and The Joint Commission. The Commission on Magnet Recognition recently revised the 2019 standards to include a requirement for all magnet-recognized hospitals to provide evidence of a nationally accredited transition to practice program (American Nurses Credentialing Center, 2017).

### Policy Recommendations

1. The Joint Commission, CMS, and/or other appropriate regulatory bodies shall require all newly licensed RNs completion of an accredited new graduate NRP.
2. The Academy will explore federal and state mandates or incentives to achieve the 100% goal.
3. NRPs will be designed, established, and administered in collaboration with an academic school or college of nursing and the hospital, since NRPs are considered postgraduate education after conferring the ADN or BSN degree.
4. Hospital employers should utilize an evidence-based NRP curriculum in a nationally recognized NRP to gain access to the educational materials and evaluation measures.
5. NRPs must be accredited to assure adherence to education, clinical standards, and accurate evaluation

metrics. This essential recommendation assures NRPs are built with similar standards and evaluation methodology.

6. All NRPs will include curricular content on how to incorporate evidence into practice.

### Policy Action Step

1. Communicate with CMS, state, and nongovernmental agencies to discuss requirements for accreditation and hospital funding for implementing a post-licensure, new graduate NRP.
2. Submit in December 2018 a mature, accredited NRP to CMS in one academic medical center's annual cost report as a test case.

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