

**Sandi Vito, Executive Director, 1199SEIU Training and Employment Funds,
President, Healthcare Career Advancement Program Education Association
Testimony Prepared for the U.S. Senate Committee on Health, Education,
Labor and Pensions Hearing**

“Modernizing Apprenticeships to Expand Opportunities.”

Chairman Alexander, Ranking Member Murray, and other members of the Committee, I appreciate the opportunity to testify before you this morning as you consider the important role that registered apprenticeships play in our workforce system.

My name is Sandi Vito, I am Executive Director of the 1199SEIU Training and Employment Funds and President of the Healthcare Career Advancement Program Education Association.

The Training and Employment Funds operate as an industry partnership jointly governed by 1199SEIU United Health Care Workers East, the largest healthcare union in the United States and health care employers from New York, Massachusetts, Maryland, Washington D.C. and Florida. The Funds are multi-employer Taft-Hartley trusts established in accordance with Section 186(c) of the Labor Management Relations Act of 1947 and an “employee welfare benefit plan” as that term is defined in Employee Retirement Income Security Act of 1974, 29 U.S.C. 1001 et seq. (“ERISA”), as amended. As a multi-employer trust fund, the Funds are financed with contributions from employers pursuant to various collective bargaining agreements between 1199SEIU United Health Care Workers East (“the Union”) and healthcare employers.

The Funds administer education benefits on behalf of more than 250,000 healthcare workers and 450 employers. Each year, more than 35,000 frontline healthcare workers receive workforce development and higher education benefits in allied health programs through the Training Funds. Through our programs we support career pathways for entry level healthcare workers, while meeting the workforce needs of employers. The Training and Employment Funds’ programs include:

- Citizenship
- English as a Second Language
- High School Completion for adult learners
- College preparation
- Allied Health Certificate and Degree Programs in more than fifty occupations as wide-ranging as surgical technologist and nursing to pharmacist and social work
- Skills enhancement and continuing education to assist the industry with healthcare delivery system transformation
- Registered Apprenticeship

Partnering with more than 100 colleges, the Training and Employment Funds’ workforce development model uses an intensive support service model to increase completion and career advancement success rates.

The 1199SEIU Training and Employment Funds are members of the Health Career Advancement Project (H-CAP), which is a national labor/management cooperation organization of industry partnerships across 16 states plus Washington, DC. This national network encompasses nearly 1,000 employers and more than 600,000 workers from all sectors of healthcare. Working as a national industry intermediary

contractor with U.S. Department of Labor (USDOL) and with the support of foundations – such as JP Morgan Chase – H-CAP has provided technical assistance, subject matter expertise, shareable resources, and capacity building infrastructure to support the development of Registered Apprenticeship in healthcare.

Modern healthcare has not traditionally been an industry in which registered apprenticeships are used with any frequency. However, over the last two years, through H-CAP support, more than 17 apprenticeship programs have been registered and implemented across the country. The employers associated with those apprenticeships are varied. They include Kaiser Permanente in California, Colorado, and soon to be in Washington state, Care New England in Rhode Island, University of Rochester -- Strong Memorial Hospital in New York, Steward Health Care in Massachusetts, and Mount Sinai Health System and BronxCare in New York City.

Other employers not associated with H-CAP or SEIU, such as, Norton Healthcare in Kentucky, Ochsner Health System in Louisiana, Dartmouth Hitchcock in New Hampshire, and Fairview Health Services in Minnesota have invested in registered apprenticeship programs. Registered apprenticeships continue to expand throughout the U.S. healthcare industry without sacrificing standards or quality.

The occupations registered with the USDOL and state departments of labor through H-CAP support are varied, ranging from community health worker to medical coder. In all, 17 occupations, with two more pending, have been registered over the last two years.

Nationally Registered Occupations:

- Advanced Home Health with Specialties (pending)
- Ambulatory Coder
- Central Sterile Processing Technician
- Community Health Worker
- Emergency Medical Technician
- Hospital Coder
- Medical Assistant
- Surgical Technologist (pending)
- Support and Retention Coordinator I and II (Home Care Supervisor)

Occupations Registered at the State Level:

- Certified Nurse Assistant
- Community Health Nurse
- Direct Support Professional
- Early Childhood Educator
- In-patient Nurse Residency
- Licensed Vocational Nurse to Registered Nurse
- Paramedic
- Patient Care Technician
- Physical Therapist Aide
- Substance Abuse and Behavioral Disorder Counselors (LACD Counselors)

Through H-CAP's efforts 143 people are apprenticed in these occupations at the national level, and, to date, a 98% on-time completion rate has been achieved. More than 350 people have been apprenticed at the state level.

While the Training and Employment Funds and H-CAP's affiliated organizations administer many training and education programs, registered apprenticeships are the gold standard of workforce development strategies.

The New York Times recently cited two studies, noting an analysis of "11 different workforce training programs in Washington State [that] found...registered apprenticeships had by far the largest positive effect on short- and long-term salaries, returning 18 times the cost of the program in lifetime earnings. A 2012 study of 10 states found that registered apprentices earned \$240,000 more over a lifetime than similar workers who hadn't gone through such a program."¹

Both employers and workers benefit from registered apprenticeships.

- For employers, registered apprenticeships fill a labor market gap, augmenting instruction in areas where hands-on learning guided by a mentor provides new competencies that cannot be adequately learned in the classroom. Often didactic - or classroom instruction - does not fully prepare students for the real-life contingencies of a particular job. By combining formal classroom instruction with mentored on-the-job training and a structured learning pathway, through which apprentices acquire and demonstrate skill and knowledge, registered apprenticeships provide a high-quality learning opportunity not replicated in other workforce development strategies.
- Employers can trust that apprentices demonstrated, in a real-world environment, the skills to perform the job. The journeyman or apprentice certificate earned through registered apprenticeships benefits employers by guaranteeing that the competencies registered with the U.S. Department of Labor have been mastered.
- Participants or apprentices have the ability to earn while they learn, allowing talented workers to master new skills while continuing to support their families.
- Registered apprenticeships have protections for both workers and employers. For workers, as they gradually take on more independent responsibilities, built-in wage progressions ensure they are paid for the work they deliver.
- At the end of the registered apprenticeships, workers have jobs in their chosen field, along with labor market mobility, enabling apprentices who complete the program to obtain employment throughout the industry.
- The industry itself benefits as more workers are available for high-demand occupations.

Registered apprenticeships are unique in that they have protections for workers, such as wage progression, and the registration ensures they are aligned not to a single employer's needs but to industry standards. Other work-based learning strategies may be valuable workforce development tools, but they are categorically not registered apprenticeships. The distinction is important. The term registered apprenticeships denotes a level of quality employers and workers can rely upon, and diluting the meaning or practice of this workforce strategy will undermine a tradition of high-quality outcomes.

¹ Kevin Carey, "Trump's Apprentice Plan Seems to Need a Mentor," *New York Times*, September 28, 2017

To share one example of the value of registered apprenticeships: Coding in hospitals has become more complex. Hospital based coders must understand more than 70,000 codes, have a grasp of anatomy and physiology, and possess strong interpersonal skills to ask questions of care providers. Local colleges were graduating coding students at a rapid rate. Nonetheless, the hospitals we work with in New York reported shortages. They were not hiring recent coding graduates. Instead, they were hiring coders with experience, largely from each other.

The coding registered apprenticeship program provides the ability to combine classroom instruction with hands-on coding of real-time records, under the guidance of an experienced coder – or mentor. Apprentices are paid for their work and, as they are able to code more records on their own, their wages increase. At the end of the apprenticeship, not only does that employer have newly qualified workers but the entire industry's workforce has grown.

The workers earn an associate's degree and now have a credential with value in the labor market. A credential they were only able to obtain through the earn-while-you-learn experience offered by the registered apprenticeship model. Workers in this apprenticeship have increased their wages from minimum wage to \$56,000 annually.

According to the Director of Coding at Care New England, "We used Registered Apprenticeship to first, have a grow-your-own approach to investing in our incumbent coding staff and providing them with needed education and skills, and second, to reach out to other Care New England employees who may have an interest in a coding career. The Current coding staff could advance in their careers, and the Medical Coding department within the Care New England system could benefit from onboarding additional coders in the long term. One of the distinguishing features of identifying and realizing these goals relied on the strong labor/management collaboration supporting the program."²

The Training Funds implemented a Community Health Worker apprenticeship in New York City, and a graduate, Destina Garcia, was featured in a September 2017 New York Times article about the advantages of registered apprenticeships in healthcare. Destina's story illustrates the promise and value of registered apprenticeship in industries beyond traditional apprenticeship trades like carpentry and plumbing. She was one of 15 new CHWs who participated in the pilot registered apprenticeship, which began in November 2016.

Destina grew up in the South Bronx, sharing a two-bedroom apartment with her parents, four brothers, a sister, grandmother, and uncle. During her childhood she watched family members deal with illnesses that impacted their quality of life. Her father suffered from diabetes. Her mother struggles with Lupus. And she lost her younger sister to a fatal heart attack at just 18. As the eldest child, Destina spent much of her time taking care of the people closest to her. These experiences instilled in her a desire to help others, which is why she feels healthcare is her calling.

Before her apprenticeship, Destina managed to find entry-level work in medical records and earn certificates as a certified nursing assistant and emergency medical technician. However, employers were reluctant to hire her in those occupations because she didn't have relevant work experience. She was

² Jennifer Couri, Director of Coding, HIM, CDI, and Revenue Integrity, Care New England – Women and Infant's Hospital

hesitant to enroll in a four year college program because of the cost and the fact that she would not be guaranteed a job upon graduation.

Then, Destina learned about the groundbreaking CHW registered apprenticeship at BronxCare and was selected to be part of the first cohort of apprentices.

CHWs connect underserved community members with critical medical and social services. They also educate clients about the importance of adopting healthy daily habits to improve their quality of life and reduce healthcare costs.

As part of the registered apprenticeship, Destina took three classes, earning nine college credits, through LaGuardia Community College, CUNY. Classes were conducted on-site at the hospital. During the on-the-job portion of the training, she was supported by a peer mentor with more than 20 years experience, who Destina continues to stay in touch with for advice and guidance even after completing her apprenticeship.

Because registered apprenticeships eliminate the school-to-practice gap by providing both didactic and practical experience, Destina was able to apply the knowledge she learned in the classroom to the work she was performing in close to real time. During the course of the apprenticeship she received two raises, bringing her salary to \$42,000 annually. Pay increases based on acquired skills and experience are an integral component of the registered apprentice system.

Destina completed her apprenticeship in June 2017 and has continued working at BronxCare in the Population Health Department as a CHW. The apprenticeship served not only to support Destina in acquiring a family supporting job, and the industry in securing a talented and caring worker, but also as a gateway to future career advancement. Destina plans to transfer the credits earned during her apprenticeship toward a bachelor's in social work program at Lehman College, CUNY.

Registered apprenticeships provide positive results for participants, employers and the entire healthcare industry. For Destina, perhaps the most important of those results was the transition from sporadic, lower-wage employment to a full-time position as a Community Health Worker making \$42,000 per year.

For employers and the industry, the value of the registered apprenticeship model lies in the confidence that employees will possess the skills and competencies required to perform their jobs well.

The expansion of registered apprenticeships in healthcare and other industries is an important objective and one that should be encouraged. In fact, through H-CAP's continued efforts to expand apprenticeship, more than 700 healthcare apprentices will be engaged by the fall of this year.

Expanding the registered apprenticeship model has tremendous value. However, it is imperative that any expansion not create a duplicative system that is of lower quality, with less rigorous standards than the registered apprenticeship model. A lower quality system would not adequately train participants, provide for worker protections, nor provide credentials employers and workers can trust.

As we look to the future expansion of registered apprenticeship opportunities, the tradition of quality is the true benefit to workers, communities, employers and industries.

Thank you for your time and for inviting to me testify today.