This annual report is filed pursuant to Act 88, SLH 2004, which requires the Board of Nursing (“Board”) to report to the Legislature on its findings resulting from research on:

1. The impact of the Commission on Graduates of Foreign Nursing Schools (“CGFNS”) examination and the English proficiency examination on nurse applicants who graduate from an educational institution in a foreign country;

2. Whether there is data indicating a correlation between requiring either or both the CGFNS or English proficiency examinations and an increase in communication skills of such licensed nurses in the workplace; and

3. The effect of these examination requirements on the nurse shortage and licensure.

Starting in 1980, the CGFNS examination and an English competency examination, namely the Test of English as a Foreign Language (“TOEFL”), were required for licensure as a nurse. In addition, an educational evaluation from a Board approved vendor was required. In 1990, pursuant to Act 105, the Legislature repealed the requirement for both the CGFNS and TOEFL examinations due to the nursing shortage the State was experiencing then. The Legislature repealed that requirement for reasons explained in Section 1 of House Bill Number 2818, H.D. 2, S.D. 1, C.D. 1, Act 105, SLH 1990 and in 1990 Conference Committee Report Number 15. The requirement for the educational evaluation report from a Board approved vendor was retained.

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1 "The Legislature finds that there is a shortage of nurses in Hawaii. One of the reasons for the shortage is the duplicative application procedure for foreign-trained nurses that cause them to go elsewhere in the United States to become licensed. In Hawaii, as in the majority of states, a person must take the National Council Licensure Examination for Nursing (“NCLEX-RN”) and receive a passing grade before a license will be issued. Applicants educated in the United States who wish to take the NCLEX-RN in Hawaii are required to present certain school documents that reveal completion of an accredited nursing program. Foreign-trained applicants who wish to take the NCLEX-RN in Hawaii must first take an examination from the [CGFNS] and present a certificate from the CGFNS before their applications to take the NCLEX-RN will be accepted. The CGFNS examination tests English proficiency and the applicant’s probability of passing the NCLEX-RN. Both the NCLEX-RN and the CGFNS examination are given in English. However, a foreign-trained applicant can go to California, where the applicant need not present the CGFNS certificate to take the NCLEX-RN, pass the test, have a California license issued, and then return to Hawaii and have a Hawaii license issued by endorsement. Unfortunately, most foreign-trained nurses who take this route to becoming licensed do not return to Hawaii. The purpose of this Act is to alleviate the shortage of nurses in Hawaii by streamlining the examination requirements for foreign-trained nursing applicants and allowing registered and practical nurses from other states to practice with a temporary permit until their licenses from another state are verified or until the result of their examinations are known."

2 "This bill proposed changes to the nursing licensure process that will make it easier for qualified candidates to attain licenses without compromising any standards. The bill would exempt all foreign nursing school graduates from the CGFNS or any English proficiency test, but would require a transcript evaluation. This will not compromise the quality of nursing care. The test of nursing skill remains the NCLEX-RN, the licensure examination. Candidates with poor nursing or English skills will not pass. The CGFNS, or any English proficiency test, simply places a redundant obstacle in the path of any nursing candidate and hinders our efforts to relieve the nursing shortage."
With regard to the Board approved vendor recognized as the education evaluator of foreign educated nurses, the CGFNS Education Evaluation Report was selected since 1980 and remained in effect until the mid-1990s. During the 90’s, the Board became dissatisfied with the CGFNS Education Evaluation Report because of inconsistencies in their reports. As a result, Educational Credentials Evaluators (“ECE”) was selected to replace the CGFNS. By 2001, the Board was dissatisfied with ECE and was approached by the CGFNS to reconsider recognition. The CGFNS had come under new management and on February 1, 2002, the Director of Research and Evaluation reported that between 80-85% of the states required CGFNS’ education evaluation. In light of this, the Board decided to terminate the ECE recognition and instead endorse CGFNS’s Education Evaluation Report for nurse licensure. Since 1990, the Board has utilized the education evaluation method, through a recognized vendor, as the only additional requirement for foreign educated nurses to qualify for the nurse licensing exam.

While the licensing law for nurses does not require the CGFNS and TOEFL exams, and where the Board has not received any request to restore these two requirements, the Board nevertheless responds to the questions posed by Act 88, SLH 2004 as follows:

(1) The impact of the Commission on Graduates of Foreign Nursing Schools (“CGFNS”) and an English proficiency examination and its impact on nurse applicants who graduate from an educational institution in a foreign country.

(A) The negative impact of requiring the CGFNS examination and an English proficiency examination on foreign educated nurse applicants would be:

(i) A significant delay in the license processing time by more than six months. As it is now, foreign educated nurse applicants experience a delay of six months just for CGFNS to complete the Education Evaluation Report. Part of the problem for CGFNS is that they were named in section 343 of the Illegal Immigration Reform and Immigrant Responsibility Act (“IIRIRA”) of 1996 as an organization qualified to administer a screening program for healthcare professionals, which includes nurses, who are seeking an occupational visa\(^3\). This has created a bottleneck and has slowed down the process of certification and credentialing. On March 8, 2004, the CGFNS in a memorandum\(^4\) to the state boards of nursing and other agencies in the nation acknowledged this problem and outlined how it intended to resolve it. However, nothing

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\(^3\) On July 25, 2003, the Department of Homeland Security (“DHS”) published its final rule related to Section 343 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (“IIRIRA”). Section 343 requires that certain health care workers have their credentials evaluated and certified before they are allowed to work in their profession in the United States. A health care certification identifies and documents that an international health care worker has met minimum requirements for training and English proficiency. The final rule applies to temporary and permanent employment-based visas as well as Trade NAFTA health care workers from Canada and Mexico. There is a transition period when DHS may admit a temporary internationally educated health care worker or extend or change the status of workers already in the United States even if the worker does not, at the time of application, possess the required certification. Grants of admission, extension or changes of status to temporary immigrants during the transition period will be valid for only one year, unless extended by Congress. There is no change and no transition period in the requirement for those applying to enter the United States under an employment-based permanent visa. This is an evolving situation and the Board has to regularly seek out updated information regarding immigration.

\(^4\) “During the past year, The [CGFNS] has received much feedback from our major stakeholders concerning our customer service delivery and support. Some of this feedback has come through direct communications with our customer service team members, as well as to our senior management team. Most recently, concerns about our customer service capabilities have aired in a public forum through stories in the print media. As the Board President and Chief Executive Officer of CGFNS, we wanted to proactively respond to these concerns and describe the ways we are trying to better serve your needs.” The memo continues to include proposed improvements relating to the CGFNS infrastructure, process, and communications.
definitive has transpired to date on the part of CGFNS. By requiring the CGFNS exam and TOEFL, both of which would be administered by CGFNS, the situation with CGFNS would exacerbate leading to more than a six month delay for foreign educated nurse applicants to receive the necessary credentials to qualify for examination.

(ii) Added cost to foreign nurse applicants of a minimum of $70. Currently, Hawaii requires foreign educated nurse applicants to have a CGFNS Education Evaluation Report which costs $225. Additionally requiring the CGFNS exam and English proficiency exam would cost the nurse applicant $295.

(B) The positive impact of requiring the CGFNS examination and an English proficiency examination on foreign educated nurse applicants would be:

(i) Predict success for the National Council of State Boards of Nursing (“NCSBN”) Licensing Examination (NCLEX). An article entitled, “CGFNS Qualifying Exam Question Format Changes to Model the NCLEX-RN Exam” of the “CGFNS/ICHP Special Notices & Alerts” newsletter (July/August 2004, pg. 2) CGFNS states: “The United States nurse licensure exam (NCLEX-RN) has added different types of questions to their exam’s basic format. Because the CGFNS exam predicts success on the U.S. licensure examination, CGFNS also has added these types of questions to the qualifying exam.” (emphasis added)

(ii) A CGFNS validity study done with the support of the NCSBN states: “The April 1999 through March 2000 Validity Study revealed that the CGFNS Qualifying Exam has been and continues to be a strong predictor of performance on the NCLEX-RN examination. The findings of the current study include an overall pass rate on the NCLEX-RN examination for CGFNS Certificate Holders of 82.0% versus 35.86% for those who failed the CGFNS Exam. The failure rate on the NCLEX-RN examination for non-Certificate Holders was 3.6 times greater than the rate for Certificate Holders. In addition, the correlation analyses indicated that both the CGFNS Nursing Exam and the English Exam scores were both predictive of the NCLEX-RN examination performance, with the Nursing exam being the stronger predictor. These results provide CGFNS clients, as well as the general public, the assurance that the CGFNS Certification Program is a valid predictor of the NCLEX-RN examination performance.”

(iii) Requiring both examinations would place Hawaii with the majority of states. On February 1, 2002, Catherine Davis, Ph.D., CGFNS Director of Research and Evaluation, was invited to address the Board of Nursing on questions they had relating to both the CGFNS and TOEFL exams. Dr. Davis apprised the Board that 80-85% of the states require CGFNS certification which includes the CGFNS exam, TOEFL exam, and Education Evaluation Report.

5 “The CGFNS Validity Study: [CGFNS] as Predictors of Success on the United States Registered Nurse License Examination – April 1999 through March 2000” conducted by Carolyn J. Yocom, Ph.D., RN, FAAN, Associate Professor, College of Nursing at Rutgers and Catherine R. Davis, Ph.D., RN, Director of Research and Evaluation, CGFNS.

6 Minutes of the Hawaii State Board of Nursing, February 1, 2002 meeting.
(iv) Section 343 of the IIRIRA of 1996 has the effect of requiring both the CGFNS and TOEFL exams for all foreign nurse applicants. The initial implementation date of this law was July 26, 2004. The deadline has been extended a year for Trade NAFTA nurses. There is a possibility that the implementation of this law may continue to be extended. If implemented, and Hawaii’s nurse licensing law was changed to require both exams, Hawaii would be consistent with federal law.

(2) Whether there is data indicating a correlation between requiring either or both the CGFNS or English proficiency examinations and an increase in communication skills of such licensed nurses in the workplace.

There is no data that indicates a correlation between requiring either or both the CGFNS and TOEFL examinations and an increase in communication skills of nurses in the workplace. There has been no request to the Board of Nursing from Hawaii employers to reinstate them because of a decrease in communication skills of the licensed nurse in the workplace since Act 105, SLH 1990 repealed both examinations.

(3) The effect of these examination requirements on the nurse shortage and licensure.

Besides the impact stated in (1) above, the reasons given by Legislature for the repeal of both examinations through Act 105, SLH 1990, may need to be considered.