

House Research Act Summary

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TOPIC: Supplemental Nursing Services Agencies

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Overview

This act makes changes in the regulation of supplemental nursing services agencies. The act modifies the definition of supplemental nursing services agency to include in-house agencies, modifies registration requirements and procedures for license revocation, and clarifies the definition of weighted average wage rate.

- 1 **Supplemental nursing services agency.** Amends § 144A.70, subd. 6. Includes in-house nursing service agencies (those providing personnel solely to facilities under common ownership) in the definition of "supplemental nursing services agency," by striking language that exempts these agencies. This has the effect of requiring in-house agencies to comply with registration and other requirements.
- 2 **Application information and fee.** Amends § 144A.71, subd. 2. Requires applications for supplemental nursing services agency registration to include satisfactory proof of compliance with requirements in subdivision 3 related to employee dishonesty bonds, workers' compensation insurance coverage, and filing of specified information.
- 3 **Minimum criteria.** Amends § 144A.72, subd. 1. Eliminates a registration requirement related to supplying temporary employees during night, holiday, or weekend shifts. Adds additional registration requirements for supplemental nursing services agencies. Requires an agency, as a condition of registration, to:
 - (1) carry an employee dishonesty bond in the amount of \$10,000;
 - (2) maintain insurance coverage for workers' compensation for all nurses, nursing assistants, nurse aides, and orderlies;
 - (3) file with the commissioner of revenue the name and address of the financial institution in which the agency deposits all employee income tax withholdings and provide the name and address of employees whose income is not subject to withholding; and

(4) document that each temporary employee provided is an employee of the agency.

- 4 **Revocation.** Amends § 144A.72, by adding subd. 3. Requires the commissioner to revoke the license of a supplemental nursing services agency that knowingly supplies to a health care facility a person with illegal or fraudulently obtained credentials.
- 5 **Hearing.** Amends § 144A.72, by adding subd. 4. Requires a contested case hearing to be held before the license of a supplemental nursing services agency may be revoked. Allows controlling persons or legal representatives to request a contested case hearing if an initial registration or renewal of registration is denied.
- 6 **Period of ineligibility.** Amends § 144A.72, by adding subd. 5. Provides that controlling persons whose registration has not been renewed or been revoked are ineligible for registration for five years. Prohibits the commissioner from issuing or renewing a registration, if a controlling person includes an individual or entity whose license had previously been revoked or not renewed.
- 7 **Maximum charges.** Amends § 144A.74. Modifies calculation of the weighted average wage rate, for purposes of the 150 percent limit, by incorporating payroll taxes and shift differentials. Provides an effective date of 14 days after final enactment.