



Support House Bill 2665

REDUCE UNSUSTAINABLE COSTS FROM TEMPORARY HEALTH CARE STAFFING AGENCIES AND IMPROVE CARE OUTCOMES.

Oregon's health care systems have become over-reliant on contracted staff to provide care due to the pandemic and workforce crisis.

Too much reliance on temporary staff:

- Destabilizes the workforce and is inequitable to permanent staff employed by hospitals and long term care facilities.
- Threatens quality care as temporary staff lack familiarity and knowledge of patients and residents they serve.
- Is financially unsustainable because staffing agencies price their services at high, nontransparent rates that providers cannot afford, especially for those who serve Medicaid beneficiaries supported by public funds.

HB 2665 takes policy recommendations from an interim work group led by the Oregon Health Authority to establish maximum annual rates a temporary staffing agency may charge a health care provider utilizing their services. Maximum rates would be based on publicly available average wage data and various factors including licensed setting, job position, and geographic region. Multiple waiver provisions are built into HB 2665 to ensure providers can be agile in staffing needs and can attract the necessary workers to provide care in an emergency. Rate-setting models have been successfully implemented in Minnesota and Massachusetts for many years.

SB 1549 (2022) required temporary staffing agencies to become licensed by July 2023. But there is more work to do. We must ensure better quality and business practices from temporary staffing agencies as well as address out-of-control costs to the health care system that have resulted from many of these contracts.

HB 2665 will help make the temporary health care staffing industry more transparent and affordable, allowing for better care overall for residents.

200%

**TOTAL TEMPORARY STAFFING
AGENCY COSTS IN NURSING
FACILITIES INCREASED BY MORE
THAN 200% BETWEEN 2017 AND
2021.**

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