



**House
Legislative
Analysis
Section**

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REGULATE NURSING POOLS

House Bill 6099
Sponsor: Rep. David M. Gubow
Committee: Public Health

Complete to 11-7-90

A SUMMARY OF HOUSE BILL 6099 AS INTRODUCED 9-25-90

The bill would amend the Public Health Code, adding a new section to regulate "nursing pools," that is, businesses that provide temporary nurses (both registered professional nurses and licensed practical nurses) and nurses aides to health facilities or agencies.

More specifically, the bill would prohibit people from establishing or maintaining nursing pools without being registered under the bill, and would establish criminal penalties for those who violated the bill's provisions.

Application for registration. Application for registration would have to be on a form provided by the Department of Public Health, and would have to give any information considered necessary by the department. At the very least, an application would have to give the name and address of each owner and operator of the nursing pool and, if the applicant were a corporation, a copy of the corporation's articles of incorporation, its current bylaws, and the names and addresses of each officer and member of the board and of each shareholder owning more than five percent of the corporation's stock. In addition, applications would have to give the professional qualification of the people responsible for operating the pool and describe the services, facilities, and personnel of the pool.

The department would have up to 30 days after receiving an application to grant or refuse an application for registration. Each business location would have to be registered, including those outside of Michigan which provided services within the state.

Requirements. The department would have to promulgate and enforce rules establishing standards for the employment of competent and qualified nurses by nursing pools, along with procedures regarding the registration (including registration renewal) and operation of nursing pools.

Nursing pools would have to comply with the bill's requirements and the department's rules regarding the qualifications of nurses employed in health facilities or agencies. In addition, nursing pools would have to have written policies and procedures concerning the handling of complaints against employee nurses and requiring personal interviews, reference checks, and annual evaluations of employee nurses and would have to make sure that the nurses and aides that they employed met certain requirements. (For example, employees would have to have valid licenses or registrations and meet the minimum licensing, registration, training, and continuing education standards for the position in which they would be working. In addition, the pool would have to make sure that each employee tested negative for tuberculosis, had an orientation to the facility at which they were to work, and gave each temporary employer proof of the employee's valid license or registration.)

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Nursing pools would not be able to restrict employment opportunities for their employees in any way nor could pools require their employee nurses (a) to recruit new nurse employees from nurses working at facilities where the employee is temporarily assigned, or (b) to pay the pool employment fees should the employee be hired by a facility as a permanent employee.

Every two years, nursing pools also would have to tell the department the average, minimum, and maximum hourly charges to nursing homes and hospital long-term care units for the services of the pool's employees. (The department would then make this information publicly available.)

Exemptions. "Nursing pool" would not include the following:

- * Individuals not connected with a nursing pool or other kind of employment agency who independently contracted to provide temporary services to health facilities;
- * Someone permanently employed by a health facility who was responsible for personnel decisions;
- * consultants who were paid by the health facility for management or consulting services and who employed nursing personnel in the course of providing the management or consulting services; and
- * pools established by health facilities to provide temporary services to that facility.

Certificates of registration. Certificates of registration would be valid for up to a year after they were issued (unless suspended or revoked), and would not be transferable. If ownership or management of a registered nursing pool was sold or transferred, the registration would be voided and the new owner would have to apply for registration anew.

Liability insurance. Nursing pools would have to carry medical malpractice insurance or (in the case of referral services that do not provide their own employees for hire but merely refer self-employed, independent nurses) professional and general liability insurance. Referral services would have to require that the nurses they refer for temporary employment also carried professional and general liability insurance.

Fees. The application fee for registration would be \$100.

Penalties. Failure to register, or any other violation of the bill's provisions (including rules promulgated under the bill or orders issued under the bill), would be a misdemeanor, punishable by a fine of up to \$5,000 for each day of the violation.

Other provisions. The bill also would amend other sections of the health code to add nursing pools to existing provisions regarding license actions (suspensions, revocations, denial, limitations) by the department, including grounds for such action, notification, and hearing requirements.

MCL 333.0165 et al.