Session of 2025

HOUSE BILL No. 2184

By Committee on Social Services Budget

Requested by Representative King on behalf of LeadingAge Kansas

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AN ACT concerning health and healthcare; relating to the Kansas department for aging and disability services; providing for the regulation of supplemental nursing services agencies and healthcare worker platforms thereby; creating the supplemental nursing services agency and healthcare worker platforms regulation fund.

Be it enacted by the Legislature of the State of Kansas:

Section 1. As used in sections 1 through 4, and amendments thereto:

(a) "Controlling person" means:

(1) A business entity, officer, program administrator or director whose responsibilities include the direction of the management or policies of a supplemental nursing services agency; or

(2) a person who, directly or indirectly, beneficially owns an interest in a corporation, partnership or other business association described in paragraph (1).

(b) "Healthcare facility" includes any:

(1) Medical care facility, as defined in K.S.A. 65-425, and amendments thereto; or

(2) adult care home, as defined in K.S.A. 39-923, and amendments thereto.

(c) "Hospital long-term care unit" means a nursing facility, as defined in K.S.A. 39-923, and amendments thereto, that is owned and operated by and a part of a hospital, as defined in K.S.A. 65-425, and amendments thereto.

(d) "Healthcare personnel" means any individual licensed, registered, certified or credentialed by the state of Kansas to perform specified health services acting within the scope of practice as required by law.

(e) "Person" means any natural or artificial person, including, but not limited to, individuals, corporations, partnerships or other business associations.

(f) "Secretary" means the secretary for aging and disability services.

(g) (1) "Supplemental nursing services agency" means a person engaged for hire in the business of providing or procuring temporary employment of healthcare personnel in healthcare facilities.

(2) "Supplemental nursing services agency" does not include any

individual who only engages in providing such individual's services on a temporary basis to healthcare facilities.

(h) "Healthcare worker platform" means an individual, corporation, partnership or other business association that operates an electronic platform, system or application on which healthcare personnel who are independent contractors may be listed as available to serve as a temporary healthcare personnel in healthcare facilities.

Sec. 2. (a) The secretary shall adopt rules and regulations as necessary to implement the provisions of sections 1 through 4, and amendments thereto.

(b) The secretary shall be responsible for the oversight of supplemental nursing services agencies and healthcare worker platforms through unannounced surveys, complaint investigations and other actions necessary to ensure compliance with sections 1 through 4, and amendments thereto.

(c) The secretary shall establish a system for the reporting of complaints against supplemental nursing services agencies, healthcare personnel employed by supplemental nursing services agencies, healthcare worker platforms and independent contractors serving as temporary healthcare personnel. Complaints may be made by any member of the public.

Sec. 3. (a) A person who operates a supplemental nursing services agency or healthcare worker platform shall register annually with the secretary. If such supplemental nursing services agency has more than one business location in Kansas, each such location shall be individually registered with the secretary.

(b) (1) The secretary shall establish forms and procedures for processing each supplemental nursing services agency and healthcare worker platform registration application. An application for a supplemental nursing services agency and healthcare worker platform registration shall include, but not be limited to:

(A) The names and addresses of the owner or owners of the supplemental nursing services agency or healthcare worker platform;

(B) if the owner is a corporation, copies of the corporation's articles of incorporation and current bylaws, together with the names and addresses of the corporation's officers and directors;

(C) satisfactory proof of compliance with section 4(a)(1)(E) through (G), and amendments thereto;

(D) any other relevant information that the secretary determines is necessary to properly evaluate an application for registration;

(E) a policy and procedure that describes how the supplemental nursing services agency's or healthcare worker platform's records will be immediately available at all times to the secretary; and

(F) a registration fee of $2,035.

(c) If a supplemental nursing services agency or healthcare worker platform fails to provide the information required by this section to the secretary, the secretary shall immediately deny the supplemental nursing services agency's or healthcare worker platform's registration. The supplemental nursing services agency or healthcare worker platform may appeal the secretary's findings in accordance with the provisions of the Kansas administrative procedure act, K.S.A. 77-501 et seq., and amendments thereto, except that the hearing shall be conducted by an administrative law judge within 60 calendar days after the secretary receives any such request for a hearing.

(d) A registration issued by the secretary according to this section is effective for a period of one year from the date of issuance unless the registration is revoked under section 4, and amendments thereto, or unless the supplemental nursing services agency or healthcare worker platform is sold, or ownership or management of the agency or platform is transferred. If a supplemental nursing services agency or healthcare worker platform is sold, or ownership or management of the agency or platform is transferred, the registration of the agency or platform shall be voided and the new owner or operator may apply for a new registration.

(e) There is hereby created in the state treasury the supplemental nursing services agency and healthcare worker platform regulation fund. The fund shall be administered by the secretary. All expenditures from the supplemental nursing services agency and healthcare worker platform regulation fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers signed by the secretary or the secretary's designee.

(f) The secretary shall remit all moneys received from fees collected under this section to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the supplemental nursing services agency and healthcare worker platform regulation fund.

Sec. 4. (a) (1) The secretary shall require, as a condition of registration, that the supplemental nursing services agency and healthcare worker platform shall:

(A) Document that each temporary healthcare personnel or independent contractor provided to healthcare facilities currently meets the minimum licensing, training and continuing education standards for the position in which the healthcare personnel or independent contractor will be working;

(B) comply with all applicable legal requirements relating to the qualifications of healthcare personnel or independent contractors who

work in the healthcare facility, including the performance of criminal history record checks in accordance with K.S.A. 39-970, and amendments thereto;

(C) not restrict, in any manner, the employment opportunities of its healthcare personnel or independent contractors;

(D) carry medical malpractice insurance coverage for the loss, damage or expense incident to a claim arising out of the death or injury of any person as the result of negligence or malpractice in the provision of healthcare services by the supplemental nursing services agency, any healthcare personnel employed by the agency, the healthcare worker platform or any independent contractor;

(E) carry a fidelity bond or fidelity insurance in the amount of at least $10,000;

(F) maintain insurance coverage for workers compensation for all healthcare personnel and independent contractors provided or procured by the agency or platform;

(G) for supplemental nursing services agencies, comply with the applicable requirements of the Kansas withholding and declaration of estimated tax act, K.S.A. 79-3294 et seq., and amendments thereto;

(H) for healthcare worker platforms, provide the name and addresses of each independent contractor for whom income taxes will not be withheld;

(I) in any contract with any healthcare personnel, independent contractor or healthcare facility, not require the payment of liquidated damages, employment fees or other compensation if any such healthcare personnel or independent contractor is hired as a permanent employee of a healthcare facility;

(J) document that personnel provided to healthcare facilities are healthcare personnel of the agency or independent contractors;

(K) retain all records for five calendar years and organize such records so that they can be made immediately available to the secretary upon request; and

(L) submit a report to the secretary on a quarterly basis for each healthcare facility that participates in medicare or medicaid with which the supplemental nursing services agency or healthcare worker platform contracts, and such report shall include a detailed list of the average amount:

(i) Charged to the healthcare facility for each individual agency healthcare personnel or independent contractor category; and

(ii) paid by the agency to healthcare personnel and healthcare worker platforms to independent contractors in each individual agency worker category.

(2) In order to retain registration, the supplemental nursing services

agency or healthcare worker platform shall provide services to a healthcare facility during the year preceding the supplemental nursing services agency's or healthcare worker platform's registration renewal date.

(b) Failure to comply with this section shall subject the supplemental nursing services agency or healthcare worker platform to revocation or nonrenewal of its registration. A supplemental nursing services agency's or healthcare worker platform's registration or renewal registration application shall not be revoked or denied without a hearing held in accordance with the provisions of the Kansas administrative procedure act, K.S.A. 77-501 et seq., and amendments thereto, except that any such hearing shall be conducted by an administrative law judge within 60 calendar days after the secretary receives a request for any such hearing.

(c) Notwithstanding subsection (b), the secretary shall revoke the registration of any supplemental nursing services agency or healthcare worker platform that knowingly supplies to a healthcare facility any healthcare personnel or independent contractor with an illegally or fraudulently obtained or issued diploma, registration, license, certificate or background study. The secretary shall not be required to provide the agency or platform with an opportunity for a hearing described in subsection (b) prior to revoking the registration under this subsection. The secretary shall notify the supplemental nursing services agency or healthcare worker platform at least 15 calendar days in advance of the date of revocation.

(d) (1) The controlling person of a supplemental nursing services agency or healthcare worker platform whose registration has not been renewed or has been revoked because of noncompliance with the provisions of sections 1 through 4, and amendments thereto, shall not be eligible to apply for or be granted a registration for five years following the effective date of such nonrenewal or revocation.

(2) The secretary shall not issue or renew a registration to a supplemental nursing services agency or healthcare worker platform if the controlling person of such agency or platform includes any person or entity who was a controlling person of a supplemental nursing services agency or healthcare worker platform whose registration was not renewed or was revoked under this subsection for five years following the effective date of such nonrenewal or revocation.

Sec. 5. This act shall take effect and be in force from and after its publication in the statute book.