

Key Messages

Staffing Agency Transparency Needed to Ensure Access to Care

SB 1212 would require payment documentation from staffing agencies, prohibit price gouging during emergencies

During the COVID-19 pandemic, hospitals cared for their workers in extraordinary ways, including increased wages for both contract and permanent employees.

- To support health care heroes and combat burnout, hospitals increased wages for both temporary and permanent employees — in some cases by more than 200%.
- Additionally, to assist their permanent employees and ensure appropriate staffing levels during the pandemic, hospitals dramatically increased the number of temporary nurses and health care professionals — and paid more to ensure their availability.

Despite the increased rates hospitals paid to staffing agencies, temporary health care workers did not always receive higher payments.

- In some cases, temporary nurses and other health care professionals reported seeing no or minimal increases in their wages, despite hospitals paying dramatically higher contracted rates to temporary staffing agencies.
- Additionally, hospitals saw significant swings in pricing and availability of temporary nurses and health care professionals, many of which seemed to be due to temporary agency profit seeking, rather than market demands.

Senate Bill (SB) 1212 (Caballero-D, Salinas) would require billing transparency from temporary staffing agencies and prohibit price gouging during a state of emergency.

- CHA-sponsored SB 1212 would require temporary staffing agencies to document which aspects of a contracted rate go directly to a temporary worker, and what goes to the operations of a temporary agency.
- SB 1212 would also clarify that, during a state of emergency, temporary staffing agencies cannot increase *non-labor costs* by more than 10% unless directly attributable to additional expenses.
- By prohibiting price gouging, California can ensure that patients have access to care when they need it and protect nurses' labor rights, as well as avoid market dysfunction.