Medix

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To whom it may concern:

Thank you for the opportunity to submit testimony on the proposal to cap rates or profits for temporary nurse staffing services in New York. I have worked with Medix Staffing Solutions for 12 years, and have found that we are able to make a real impact within the NY community. Partnering with Health Systems, Medical Groups, Health Plans, Community Based Organizations, Social Care Networks and many other healthcare organizations to assist them with identifying high quality talent to continue providing high quality care.

Our organization is a healthcare-focused staffing employer with a branch office in New York City. We specialize in placing nurses and other healthcare professionals into hospitals and healthcare facilities across New York State, including VillageCare of New York, Public Health Solutions, Kaledia Health, Columbia Doctors, Ryan Health and Healthfirst, among many others. The clinicians we place are our employees during the contract period—often serving in temporary or project-based roles, and in many cases transitioning into permanent positions with the facilities they support.

We strongly oppose proposals to cap temporary nurse staffing rates or margins because they misunderstand how healthcare staffing works and would ultimately reduce staffing availability, limit hospital flexibility, and restrict patient access to care—particularly during periods of acute need.

Temporary nurse staffing is not the cause of New York's workforce challenges. It is a direct response to a long-standing and well-documented shortage of qualified nurses that predates COVID and has only worsened since.

Hospitals rely on temporary staffing when patient demand is immediate but permanent hiring timelines are not. Recruiting, onboarding, and credentialing permanent nurses can take months. Patient care cannot wait that long. Temporary staffing exists to bridge that gap—not to replace permanent staff, but to ensure safe staffing levels when vacancies, leaves, or surges occur.

Burnout, early retirements, and departures from the profession—especially among younger nurses—have permanently reduced supply. These pressures did not originate with staffing agencies, and they cannot be legislated away by capping rates.

Even at its peak, New York hospitals relied far less on contract nurses than hospitals nationally. This is not evidence of overuse or abuse. It is evidence of a system responding rationally to extraordinary conditions—and then normalizing as those conditions ease.

Temporary nurses and permanent nurses serve different workforce functions.

Permanent staff provide continuity and long-term coverage. Temporary nurses fill unpredictable, short-term gaps caused by medical leave, seasonal demand, patient surges, or unexpected departures. Without this flexibility, hospitals would be forced to rely on mandatory overtime, staff closures, or service reductions—all of which accelerate burnout and drive permanent nurses out of the profession.

Many per diem and contract nurses already hold permanent jobs elsewhere and choose temporary assignments to supplement income or gain scheduling flexibility. Restricting temporary staffing options would limit their earning opportunities and reduce the overall availability of nurses in the system.

There is a widespread misconception that temporary staffing bill rates represent excessive agency profit.

The majority of every bill rate dollar flows directly to the nurse, including wages, stipends, payroll taxes, housing, insurance, and benefits. What remains must cover substantial non-wage costs borne by the staffing employer, including:

- Recruitment and credentialing
- Compliance with state and federal healthcare regulations
- Background checks, licensure verification, and onboarding
- Workers' compensation, professional liability insurance, and payroll taxes
- Benefits administration
- Technology systems and operational infrastructure
- Office leases, utilities, and internal staff salaries

These costs are real, fixed, and unavoidable. A margin cap that ignores them does not reduce waste—it forces providers out of the market, particularly those serving high-acuity, rural, or safety-net facilities where placements are already difficult.

Temporary nurse staffing is not crowding out permanent jobs or driving instability in New York's healthcare system. It is keeping that system functional during periods of real and ongoing workforce shortage.

If the concern is price gouging during emergencies, New York already has the tools to address it. Existing consumer protection laws prohibit excessive pricing during abnormal market disruptions and allow for targeted enforcement when warranted.

Capping rates or profits would reduce staffing flexibility, deter nurses from high-need assignments, and ultimately limit patient access to care. The better solution is to invest in nurse retention, education, and workforce resilience—while allowing healthcare providers the flexibility they need to respond when demand exceeds supply.

Thank you for your time and consideration.

Sincerely,

Michael Santos
Regional Director of Business Operations