

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 2605**  
**101ST GENERAL ASSEMBLY**

5417H.03C

DANA RADEMAN MILLER, Chief Clerk

---

**AN ACT**

To amend chapter 198, RSMo, by adding thereto five new sections relating to supplemental health care services agencies.

---

*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 198, RSMo, is amended by adding thereto five new sections, to be  
2 known as sections 198.640, 198.642, 198.644, 198.646, and 198.648, to read as follows:

**198.640. As used in sections 198.640 to 198.648, the following terms shall mean:**

- 2       **(1) "Controlling person", a business entity, officer, program administrator, or**  
3 **director whose responsibilities include the direction of the management or policies of a**  
4 **supplemental health care services agency. The term "controlling person" also means an**  
5 **individual who, directly or indirectly, beneficially owns an interest in a corporation,**  
6 **partnership, or other business association that is a controlling person;**  
7       **(2) "Department", the department of health and senior services;**  
8       **(3) "Health care facility", a licensed hospital defined under section 197.020 or a**  
9 **licensed entity defined under subdivision (6), (14), (22), or (23) of section 198.006;**  
10       **(4) "Health care personnel", any individual licensed, accredited, or certified by**  
11 **the state of Missouri to perform specified health services consistent with state law;**  
12       **(5) "Person", an individual, firm, corporation, partnership, or association;**  
13       **(6) "Supplemental health care services agency" or "agency", a person, firm,**  
14 **corporation, partnership, or association engaged for hire in the business of providing or**  
15 **procuring temporary employment in health care facilities for health care personnel,**  
16 **including a temporary nursing staffing agency as defined in section 383.130, or that**  
17 **operates a digital website or digital smartphone application that facilitates the provision**  
18 **of the engagement of health care personnel and accepts requests for health care**

EXPLANATION — Matter enclosed in bold-faced brackets ~~thus~~ in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

19 personnel through its digital website or digital smartphone application. The term  
20 "supplemental health care services agency" or "agency" shall not include an individual  
21 who engages, only on his or her own behalf, to provide the individual's services on a  
22 temporary basis to health care facilities or a home health agency licensed under section  
23 197.415.

198.642. 1. A person who operates a supplemental health care services agency  
2 shall register annually with the department. Each separate business location of the  
3 agency shall have a separate registration with the department. Fees collected under this  
4 section shall be deposited in the state treasury and credited to the state general revenue  
5 fund.

6 2. The department shall establish forms and procedures for processing each  
7 supplemental health care services agency registration application. An application for  
8 agency registration shall include at least the following:

9 (1) The names and addresses of each person having an ownership interest in the  
10 agency;

11 (2) If the owner is a corporation, copies of the articles of incorporation or  
12 articles of association and current bylaws, together with the names and addresses of  
13 officers and directors;

14 (3) Satisfactory proof of compliance with the provisions of sections 198.640 to  
15 198.648;

16 (4) Any other relevant information that the department determines is necessary  
17 to properly evaluate an application for registration;

18 (5) Policies and procedures that describe how the agency's records will be  
19 immediately available at all times to the department upon request; and

20 (6) A registration fee established in rule by the department as determined to be  
21 necessary to meet the expenses of the department for the administration of the  
22 provisions of sections 198.640 to 198.648, but in no case shall such fee be less than one  
23 thousand dollars.

24

25 If an agency fails to provide the items required in this subsection to the department, the  
26 department shall immediately suspend or refuse to issue the supplemental health care  
27 services agency registration. An agency may appeal the department's decision to the  
28 administrative hearing commission under chapter 621.

29 3. A registration issued by the department according to this section shall be  
30 effective for a period of one year from the date of its issuance, unless the registration has  
31 been revoked or suspended under the provisions of this section or unless the agency is  
32 sold or ownership or management is transferred. If an agency is sold or ownership or

33 management is transferred, the registration of the agency shall be void, and the new  
34 owner or operator may apply for a new registration.

35 4. The department shall be responsible for the oversight of supplemental health  
36 care services agencies through annual unannounced surveys, complaint investigations,  
37 and other actions necessary to ensure compliance with sections 198.640 to 198.648.

198.644. 1. Each registered supplemental health care services agency shall be  
2 required, as a condition of registration, to meet the following minimum criteria, which  
3 may be supplemented by rules promulgated by the department:

4 (1) Provide to the health care facility to which any temporary health care  
5 personnel are supplied documentation that each temporary employee meets all licensing  
6 or certification, training, and continuing education standards for the position in which  
7 the employee will be working;

8 (2) Comply with all pertinent requirements relating to the health and other  
9 qualifications of personnel employed in health care facilities, including requirements  
10 related to background checks in sections 192.2490 and 192.2495;

11 (3) Not restrict in any manner the employment opportunities of its employees;

12 (4) Carry medical malpractice insurance to insure against loss, damages, or  
13 expenses incident to a claim arising out of the death or injury of any person as the result  
14 of negligence or malpractice in the provision of health care services by the agency or by  
15 any employee of the agency;

16 (5) Carry for each employee a dishonesty bond in the amount of ten thousand  
17 dollars;

18 (6) Maintain insurance coverage for workers' compensation for all health care  
19 personnel provided or procured by the agency;

20 (7) File with the department of revenue:

21 (a) The name and address of the bank, savings bank, or savings association in  
22 which the agency deposits all employee income tax withholdings; and

23 (b) The name and address of any health care personnel whose income is derived  
24 from placement by the agency, if the agency purports the income is not subject to  
25 withholding;

26 (8) Refrain in any contract with any employee or health care facility from  
27 requiring the payment of liquidated damages, employment fees, or other compensation  
28 should the employee be hired as a permanent employee of a health care facility;

29 (9) Ensure that the agency:

30 (a) Provides notice to each temporary employee who is an independent  
31 contractor provided to health care facilities of the status of the temporary employee as  
32 an independent contractor; that the temporary employee will be responsible for filing

33 quarterly a form with the Internal Revenue Service disclosing his or her estimated taxes  
34 owed for that quarter and submitting with the form payment of the taxes identified in  
35 the form; that the temporary employee, if requested, is required to produce evidence  
36 that he or she is authorized to work in the United States; that the temporary employee,  
37 by accepting an assignment to a health care facility, certifies that the temporary  
38 employee is not on any list prohibiting him or her from working for an entity that  
39 receives government reimbursement; and that the temporary employee may be  
40 required, at his or her own expense, to obtain liability insurance for malpractice,  
41 general liability insurance, health insurance, or other coverage for work-related  
42 injuries; and

43 (b) Documents the notice provided to each temporary employee under  
44 paragraph (a) of this subdivision;

45 (10) Retain all records for ten calendar years in a manner to allow them to be  
46 immediately available to the department;

47 (11) Provide services to a health care facility during the year preceding the  
48 agency's registration renewal date; and

49 (12) Indemnify and hold harmless a health care facility for any loss the health  
50 care facility incurs, whether in the form of sanctions or civil monetary penalties imposed  
51 by any governmental body or damages, as a result of the action or failure to act of any  
52 temporary employee the agency provides to the health care facility.

53 2. Failure to comply with the provisions of this section shall subject the  
54 supplemental health care services agency to revocation or nonrenewal of its registration.

55 3. The registration of a supplemental health care services agency that knowingly  
56 supplies to a health care facility a person with an illegally or fraudulently obtained or  
57 issued diploma, registration, license, certificate, or background study shall be revoked  
58 by the department upon fifteen days' advance written notice.

59 4. (1) Any supplemental health care services agency whose registration has been  
60 suspended or revoked may appeal the department's decision to the administrative  
61 hearing commission under the provisions of chapter 621.

62 (2) If a controlling person has been notified by the department that the  
63 supplemental health care services agency will not receive an initial registration or that a  
64 renewal of the registration has been denied, the controlling person or a legal  
65 representative on behalf of the agency may request and receive a hearing on the  
66 denial before the administrative hearing commission under the provisions of chapter  
67 621.

68 5. (1) The controlling person of a supplemental health care services agency  
69 whose registration has not been renewed or has been revoked because of noncompliance

70 with the provisions of sections 198.640 to 198.648 shall not be eligible to apply for or  
71 receive a registration for five years following the effective date of the nonrenewal or  
72 revocation.

73 (2) The department shall not issue or renew a registration to a supplemental  
74 health care services agency if a controlling person includes any individual or entity that  
75 was a controlling person of an agency whose registration was not renewed or was  
76 revoked as described in subdivision (1) of this subsection for five years following the  
77 effective date of nonrenewal or revocation.

198.646. The department shall establish a system for reporting complaints  
2 against a supplemental health care services agency or its employees. Complaints may be  
3 made by any member of the public.

198.648. The department shall promulgate rules to implement the provisions of  
2 sections 198.640 to 198.648. Any rule or portion of a rule, as that term is defined in  
3 section 536.010, that is created under the authority delegated in this section shall  
4 become effective only if it complies with and is subject to all of the provisions of chapter  
5 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable,  
6 and if any of the powers vested with the general assembly pursuant to chapter 536 to  
7 review, to delay the effective date, or to disapprove and annul a rule are subsequently  
8 held unconstitutional, then the grant of rulemaking authority and any rule proposed or  
9 adopted after August 28, 2022, shall be invalid and void.

✓