# **Nursing Service Agency Guidance Document**



This guidance document is to provide further clarity of the statutory and regulatory requirements for Nursing Service Agencies ("NSAs").

### **Central Office Requirement**

Section 10.3(A)(2) of the regulations for Licensing of Nursing Service Agencies (<u>216-RICR-40-10-10</u>) ("regulations") require that NSAs maintain a "licensed central office within the geographical boundaries of the state."

Although the Department, as a matter of policy, accepted a Rhode Island registered agent to satisfy the requirement of §10.3(A)(2), this waiver will not be extended next year. Beginning January 1, 2026, a registered agent will not be accepted as a substitute for a "central office." NSAs will be required to maintain a physical office in Rhode Island that can be inspected.

Currently licensed NSAs can provide updated location information at the time of renewal which begins in November 2025.

NSA offices in Rhode Island will need to ensure that the location will be able to meet the additional requirements of the regulations regarding their office. Those requirements, include, but are not limited to, the following:

- 1. Ensuring that the NSA license is posted in a conspicuous place on the premises in accordance with § 10.5(D) of the regulations.
- 2. Permit the Department to conduct inspections and investigations of the NSA in accordance with § 10.7(A) of the regulations.
- 3. Maintain personnel files and records of each employee that are available at all times for inspection by the Department in accordance with § 10.9.3(B) of the regulations.

There are no exceptions to this policy, and it is expected that all NSAs maintain and office in Rhode Island by January 1, 2026.

The maintained office must be in a commercial space (no residential properties are permitted) with regular business hours that are conspicuously posted. The office space must be appropriately staffed to the meet the needs of the NSA. Should the Department arrive at the NSA office, and it is closed, the NSA must have someone available to meet the surveyor at the office within two (2) hours. The NSA must also have sufficient space to store policies, procedures, and records such as background checks, training – including Inservice training, and schedules.

NSAs can change their location by completing a change of address application, available on the Department's website here: <a href="https://health.ri.gov/licensing/nursing-service-agency">https://health.ri.gov/licensing/nursing-service-agency</a>. Additionally, an NSA will be able to update the address on the renewal applications which we be available starting November 2025.

Any NSA who elects to surrender their license must provide formal notice in writing (either via email to <a href="mailto:doh.ofr@health.ri.gov">doh.ofr@health.ri.gov</a> or by mail (3 Capitol Hill, room 306, Providence RI, 02908). The notice must include the official date of closure.

## **Licensure Exemption**

Pursuant to R.I. Gen. Laws §  $\underline{23-17.7.1-15}$ , NSAs can be exempted from needing a license, and thus the requirement of regulations, provided that they:

- 1. Limit the provision of temporary staff, including registered nurses, licensed practical nurses, and/or nursing assistants to one or more hospitals; and
- 2. Achieve and maintain certification from the Joint Commission.

The exemption still requires agencies to register with the Department and provide the names of each hospital the NSA will be providing staff to. NSAs will be provided with a formal letter acknowledging their exemption. Such exemption will remain active so long as the facts in the letter do not change.

The exemption does not permit NSAs to staff any other facility type (e.g., nursing homes, assisted livings, surgery centers). The exemption only allows NSAs to staff hospitals, and more specifically, the hospitals that are included in the exemption letter.

Should an exempt NSA be found to staffing non-hospital facilities, penalties in accordance with R.I. Gen Laws § <u>23-17-17</u> will be pursued.

Facilities interested in this exemption can apply by contacting the Center for Health Facilities Regulation at 401-222-4525 or <a href="mailto:doh.ofr@health.ri.gov">doh.ofr@health.ri.gov</a> and asking to speak to the licensing program manager.

#### **Staffing Platforms**

The Department is aware of a new modality of NSAs that are platform based. These platforms (i.e., web-based sites) work by posting available shifts at healthcare facilities and allowing provider to select which shifts they want to work. In most cases, the platform will verify the provider has the correct licensure, run a background check, and confirm competencies and training.

The statutory definition of an NSA (R.I. Gen. Laws §  $\underline{23-17.7.1-2}$ ) states, "For all purposes a nursing service agency shall be considered an employer and those persons that it supplies on a temporary basis shall be considered employees and not independent

contractors, and the nursing service agency shall be subject to all state and federal laws which govern employer-employee relations." While many platforms would argue that they are therefore not an NSA as they do not have employees but rather contractors, the Department disagrees.

Platforms are performing nearly all of the requirements of an NSA but instead of having W-2 employees, they are 1099 employees. As all of the functions of an NSA are being performed, regardless of how the staff is employed by an agency (i.e., contractor or employee) platforms are required to be licensed as an NSA in order to operate within Rhode Island.

Platforms found operating in Rhode Island without a license will be subject to penalties in accordance with R.I. Gen. Laws § <u>23-17-17</u> and may also receive a compliance order in accordance with R.I. Gen. Laws §§ <u>23-1-20</u>, <u>23-1-23</u>, and <u>23-1-25</u>.

Facilities using unlicensed NSAs to staff, are also subject to enforcement action.

# Home Care Providers, Home Nursing Care Providers, Hospice, Hospitals

The statutory definition of an NSA, per R.I. Gen. Laws §23-17.7.1-2 states, "any person, firm, partnership, or corporation doing business within the state that supplies, on a temporary basis, registered nurses, licensed practical nurses, or nursing assistants to a hospital, nursing home, or other facility requiring the services of those persons, with the exception of hospitals, home nursing care providers, home care providers, and hospices licensed in this state [emphasis added]."

The Department interprets this to mean that NSAs are prohibited from providing any staff to home nursing care providers, home care providers, and hospices in this state. NSAs are prohibited from providing staff to hospitals unless the NSA has the exemption mentioned above and pursuant to R.I. Gen. Laws § 23-17.7.1-15.

NSAs found staffing home nursing care providers, home care providers, and/or hospices will be subject to penalties in accordance with R.I. Gen. Laws § <u>23-17-17</u>.

Should an NSA have any questions regarding licensure or operations, please contact the Center for Health Facilities Regulation at 401-222-2566 or at <a href="mailto:doh.ofr@health.ri.gov">doh.ofr@health.ri.gov</a> and ask to speak to either the licensing program manager or the NSA program manager.