



# NALTO® LEGISLATIVE COMMITTEE & MCGUIREWOODS UPDATE



# H.R. 1160 – HEALTH CARE PROVIDER SHORTAGE MINIMIZATION ACT



I

118TH CONGRESS  
1ST SESSION

## **H. R. 5208**

To amend the Internal Revenue Code of 1986 to clarify the treatment of locum tenens physicians and advanced care practitioners as independent contractors to help alleviate physician shortages, including in underserved areas.

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IN THE HOUSE OF REPRESENTATIVES

AUGUST 15, 2023

Mr. CARTER of Georgia (for himself and Mr. DUNN of Florida) introduced the following bill; which was referred to the Committee on Ways and Means

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### **A BILL**

To amend the Internal Revenue Code of 1986 to clarify the treatment of locum tenens physicians and advanced care practitioners as independent contractors to help alleviate physician shortages, including in underserved areas.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Health Care Provider  
5 Shortage Minimization Act of 2023”.

# H.R. 1160 SPONSORS

- Rep. Carter, “Buddy” [R-GA-1] Original 02/10/2025
- Rep. Dunn, Neal [R-FL-2] Original 02/10/2025
- Rep. Crenshaw, Dan [R-TX-2] Original 02/10/2025
- Rep. Weber, Randy [R-TX-14] Original 02/10/2025
- Rep. Tenney, Claudia [R-NY-24] Original 02/10/2025
- Rep. Grothman, Glenn [R-WI-6] 02/11/2025

# PATH FORWARD

- Ideally this is a bi-partisan bill
- Option #1
- Most direct avenue to pass the bill is through the reconciliation process
  - Can be Republican Only
- Option #2
  - Health Care Package
    - This would require the bill to go through Ways and Means & Finance
    - Would need to be bi-partisan

# HOUSE WAYS AND MEANS COMMITTEE

- Rep. Jason Smith (R-MO)
- Rep. Vern Buchanan (R-FL)
- Rep. Adrian Smith (R-NE)
- Rep. Mike Kelly (R-PA)
- Rep. David Schweikert (R-AZ)
- Rep. Darin LaHood (R-IL)
- Rep. Jody Arrington (R-TX)
- Rep. Ron Estes (R-KS)
- Rep. Lloyd Smucker (R-PA)
- Rep. Kevin Hern (R-OK)
- Rep. Carol Miller (R-WV)
- Rep. Greg Murphy (R-NC)
- Rep. David Kustoff (R-TN)
- Rep. Brian Fitzpatrick (R-PA)
- Rep. Greg Steube (R-FL)
- Rep. Claudia Tenney (R-NY)
- Rep. Michelle Fischbach (R-MN)
- Rep. Blake Moore (R-UT)
- Rep. Beth Van Duyne (R-TX)
- Rep. Randy Feenstra (R-IA)
- Rep. Nicole Malliotakis (R-NY)
- Rep. Mike Carey (R-OH)
- Rep. Rudy Yakym (R-IN)
- Rep. Max Miller (R-OH)
- Rep. Aaron Bean (R-FL)
- Rep. Nathaniel Moran (R-TX)
- Rep. Richie Neal (D-MA)
- Rep. Lloyd Doggett (D-TX)
- Rep. Mike Thompson (D-CA)
- Rep. John Larson (D-CT)
- Rep. Danny Davis (D-IL)
- Rep. Linda Sanchez (D-CA)
- Rep. Terri Sewell (D-AL)
- Rep. Suzan DelBene (D-WA)
- Rep. Judy Chu (D-CA)
- Rep. Gwen Moore (D-WI)
- Rep. Brendan Boyle (D-PA)
- Rep. Don Beyer (D-VA)
- Rep. Dwight Evans (D-PA)
- Rep. Brad Schneider (D-IL)
- Rep. Jimmy Panetta (D-CA)
- Rep. Jimmy Gomez (D-CA)
- Rep. Steven Horsford (D-NV)
- Rep. Stacey Plaskett (Del.-VI)
- Rep. Thomas Suozzi (D-NV)

# POTENTIAL DEMOCRATIC CHAMPIONS/INITIAL COSPONSORS

- Rep. Suzanne Bonamici (OR)
- Rep. Angie Craig (MN)
- Rep. Suzan DelBene (WA)
- Rep. Jimmy Panetta (CA)
- Rep. Terri Sewell (AL)

# SENATE

- Republican Lead: Sen. Steve Daines (R-MT)
- Potential Democrat Leads/Initial Cosponsors:
  - Sen. Michael Bennet (CO)
  - Sen. Catherine Cortez Masto (NV)
  - Sen. Peter Welch (VT)
  - Sen. Mark Kelly (AZ)
  - Sen. Raphael Warnock (GA)

# LETTER OF SUPPORT

- We, the undersigned healthcare organizations, providers, and recruiting agencies, urge Congress to support and advance The Healthcare Provider Shortage Minimization Act.
  - National Association of Locum Tenens Organizations
  - Association for Advancing Physician and Provider Recruitment
  - National Rural Health Association – Thanks CHG!
  - North Dakota Hospital Association
  - Idaho Hospital Association
  - All Star HealthCare Solutions
  - Fusion Healthcare Staffing
  - CHG Healthcare
  - Quest Healthcare Solutions
  - + ~ 60 Providers



# H.R. 1160 FACT SHEET

## HEALTH CARE PROVIDER SHORTAGE MINIMIZATION ACT



### WHAT ARE "LOCUM TENENS"?

Locum tenens is a Latin phrase that translated means "to hold a place." Locum Tenens are physicians and advanced practitioners (i.e., Certified Registered Nurse Anesthetists (CRNAs), Physician Assistants (PAs), Nurse Practitioners (NPs)) who supplement healthcare facility staffing needs nationwide. Locum tenens fill gaps in hospital staffing that range from permanent staff on vacation or on maternity leave, to short-term commitments or continuous revolving support.

### WHERE DO LOCUM TENENS PRACTITIONERS SERVE?

Locum Tenens are essential to hospitals, outpatient medical centers, government and military facilities, veteran health hospitals, Indian Health Services, group practices, community health centers and correctional facilities.

### WHO IS NALTO AND WHO DO THEY REPRESENT?

NALTO represents recruiting agencies that help healthcare facilities across the U.S. fill temporary staffing needs by finding suitable physician and advanced practitioner locum tenens candidates. NALTO does not represent or advocate for temporary nurse staffing issues or companies that provide exclusive temporary nurse staffing.

### WHAT DOES THE HEALTH CARE PROVIDER SHORTAGE MINIMIZATION ACT DO?

The Act clarifies and codifies the treatment of locum tenens physicians and advanced practitioners as independent contractors. This includes: a doctor of medicine, osteopathy, dental surgery, or dental medicine legally authorized to practice medicine, surgery or dentistry; a doctor of podiatric medicine or doctor of optometry legally authorized to perform podiatric or optometry functions; a physician; and a nurse practitioner, physician's assistant or certified registered nurse anesthetist.

### WHY IS THE HEALTH CARE PROVIDER SHORTAGE MINIMIZATION ACT NEEDED?

There have been efforts federally and in the states that would make it more difficult for locum tenens to practice in locations that have healthcare shortages. The Association of American Medical Colleges (AAMC) estimates that the U.S. will face a shortage of up to 139,000 physicians and advanced practitioners by 2033. We need to make sure physicians and advanced practitioners have the ability to go to where healthcare services are needed. Efforts to classify locum tenens physicians and advanced practitioners as "employees" is misguided and will have severe unintended consequences. Simply put, locum tenens physicians and advanced practitioners are sophisticated, highly educated and well-paid independent contractors that neither want to be employed by recruiting agencies (which are not equipped to oversee them in any manner) or the healthcare facilities nor do they require the protections that those who favor employee classification deem appropriate. Indeed, a supermajority of locum tenens providers are fully employed elsewhere or are self-employed and do the nation a service by performing additional locum tenens work for their own reasons which are critical to healthcare facilities nationwide.

### DOES THE ACT IMPACT TAXES SOMEONE PAYS?

No. The Act does not change the current tax obligation of a hospital or practitioner. The Act codifies current practice and retains the status quo of how an independent contractor is treated under Chapter 25 of the Internal Revenue Code.

### DO HEALTHCARE FACILITIES SUPPORT THIS BILL?

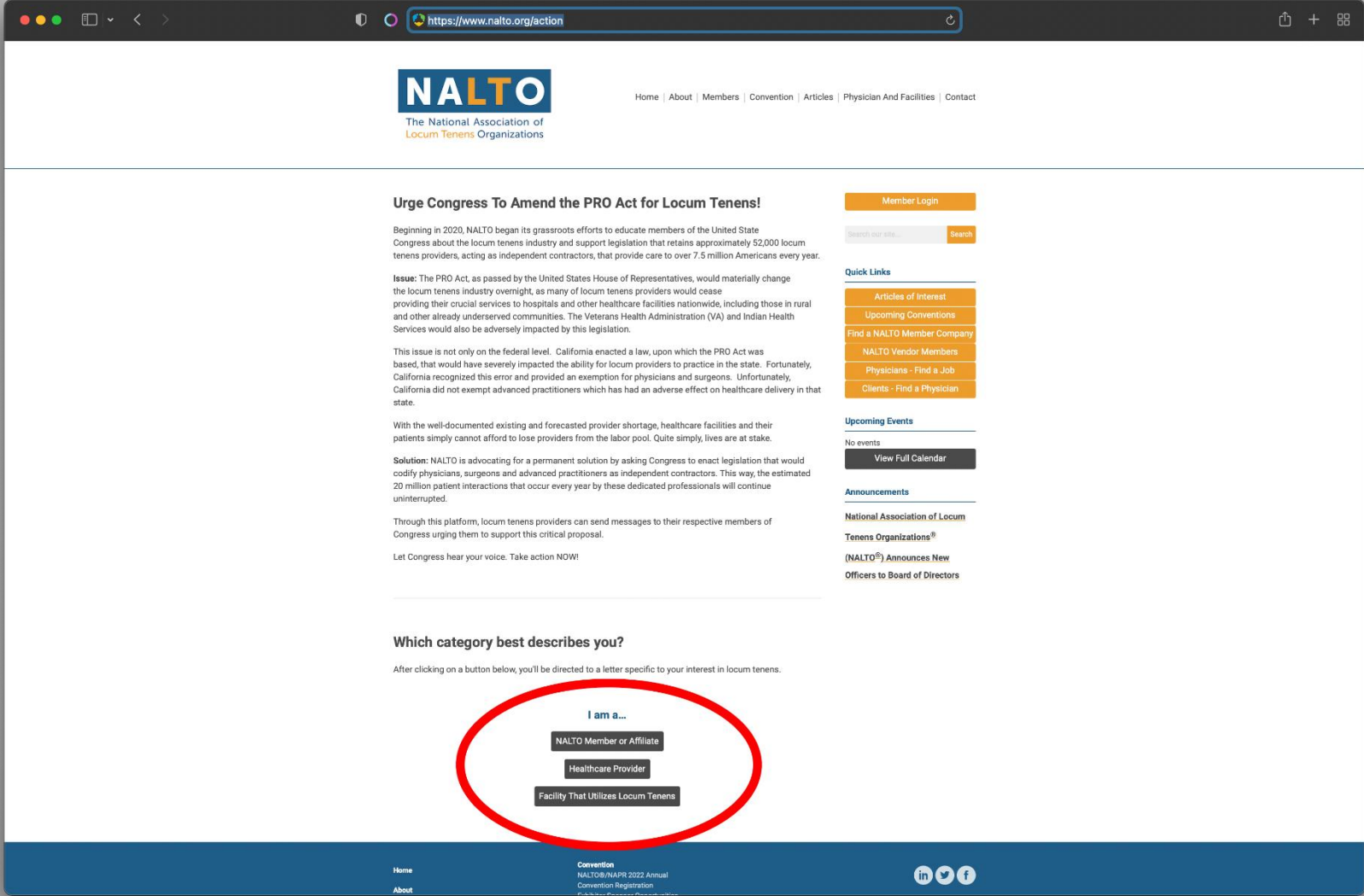
NALTO does not represent healthcare facilities and thus will not speak for them; however, NALTO believes that its members have strong relationships with healthcare facilities nationwide.

## OUTREACH TO DATE

- Waves of Grassroots Contact
- Over 2500 Advocates have contacted Members of Congress 6500 times
- Greatest number of contacts are from: Georgia, Florida, Texas, and Utah

# ADVOCACY PLATFORM

<https://www.nalto.org/action>



## HELP US HELP YOU

- Take Action
- Tell Your Story
- Engage Your Network
- Identify Real World Issues
- Identify Health Care Partner



# STATE LEGISLATIVE SESSION



# STATE OF NEW YORK

## Combatting Temporary Healthcare Staffing Regulations

# THE PROBLEM

## Mandatory Registration

Agencies must register annually with the New York State Department of Health, submitting required documentation and a \$1,000 fee.

## Quarterly Reporting

Quarterly reports to the Department of Health detailing staffing placements, wages, bill rates, and other financial data to ensure compliance

## Prohibits Conversion Fees

Prohibits staffing agencies from charging "liquidated damages," or other penalties when temporary staff transition to permanent employment.



# SOLUTION

3 - Tiered Government Relations Strategy in partnership with our consultants Constantinople & Vallone, LLC.

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# STRATEGIC APPROACH

## Regulatory Approach

### Engaged Department of Health

Lobbied the Department of Health, asking for clarifications in FAQ's to carve out physicians and other advanced practitioners.

## Executive Chamber

### Pressure Health Leads

Engaged the Governor's Deputy Secretary appealing to healthcare shortage needs throughout the State.

## Legislative Campaign

### Push Legislation

Fight attempts to expand Article 29K regulations, while also making the case for carve outs, cost-recoupment measures, and a sunset reporting requirements.

