

**Testimony on Contract Nursing Agency Standards**  
**Senate Workforce Development Committee**  
**January 9, 2025**  
**Senate Bill 2031**

Good afternoon, Chairman Wobbema and members of the Senate Workforce Development Committee. My name is Nikki Wegner, President of the North Dakota Long Term Care Association. We represent 182 assisted living, basic care, and skilled nursing facilities in North Dakota. I am grateful for the opportunity to testify today in support of Senate Bill 2031, which addresses the vital issue of contract nursing agency standards.

Over the past year, the North Dakota Long Term Care Association has worked collaboratively with various stakeholders to address the challenges posed by the growing reliance on contract nursing agencies. This issue has been highlighted in interim committee hearings with the Healthcare Committee, where we shared data showing that contract nursing hours have more than doubled from 2021 to 2023, and nearly \$73.5 million was spent on these services in 2023 alone. Without these agencies, many facilities would be forced to reduce services or close their doors altogether, jeopardizing care for residents across the state.

The dramatic increase in the number of contract agencies operating in North Dakota, from 8 to over 60 in just a few years, has brought new challenges to the forefront. While these agencies are indispensable for meeting staffing needs, there is currently no framework for ensuring their quality and accountability. Senate Bill 2031 seeks to remedy this by establishing essential standards for contract nursing agencies, including:

- **Licensing Requirement**

- The bill requires nursing services agencies to be licensed by the Department of Health and Human Services to ensure quality standards.

- **Operational Standards**  
Agencies must follow guidelines for training, evaluations, and maintaining accurate personnel records.
- **Background Checks**  
Agencies are responsible for verifying staff qualifications and conducting criminal background checks.
- **Complaint System**  
A process for reporting and resolving concerns about agency staff ensures accountability and resident safety.
- **Enforcement and Penalties**  
Non-compliance may lead to fines or license revocation to uphold care standards.

These measures are critical for protecting resident safety and maintaining trust in the care provided by our facilities. As we shared in our previous testimonies, the lack of accountability for contract staff has led to significant concerns, including instances where facilities have had to invest excessive time training staff who were expected to be ready to provide care immediately.

Importantly, we do not believe that implementing these standards will pose an undue administrative burden on agencies. Many other states already have similar requirements in place, and contract agencies working with us on this legislation, such as Interim Healthcare and DTN Staffing, have expressed their support for these changes. This alignment underscores the shared understanding of the need for quality and accountability in this critical sector.

The urgency of these reforms is further amplified by the Centers for Medicare & Medicaid Services' (CMS) federal staffing mandate. With the requirement for 24/7 RN coverage taking effect in the near future, our facilities, especially those in rural areas face unprecedented challenges. Senate Bill 2031 complements the efforts of long term care providers to meet these federal

standards by ensuring that contract nursing agencies uphold the quality and accountability needed to fill workforce gaps responsibly.

This bill reflects input from a wide range of stakeholders, including the ND Hospital Association, Interim Healthcare, DTN Staffing, and the ND Nurses Association. Together, we have identified a consensus on the importance of licensing contract nursing agencies to ensure consistency, safety, and quality in their operations.

In closing, I urge the committee to support Senate Bill 2031. By establishing essential standards for contract nursing agencies, this legislation will protect the well-being of our most vulnerable citizens while ensuring that facilities have access to the staffing solutions they desperately need.

Thank you for your consideration. I am happy to answer any questions you may have.

Nikki Wegner MS, OTR/L, President  
North Dakota Long Term Care Association  
1900 North 11<sup>th</sup> Street  
Bismarck, ND 58501  
(701) 222-0660  
[nikki@ndltca.org](mailto:nikki@ndltca.org)