



Guiding Principles for Healthcare Staffing Firms 2010

The Clinical Executives Council (CEC) of NATHO presents the essentials of the healthcare staffing industry's accepted quality standards in an effort to educate interested parties in the practice of the NATHO member staffing firms to provide well-qualified and credentialed clinical staff.

1) The Healthcare Staffing Industry has Matured

The healthcare staffing industry has grown to \$10 billion. Healthcare staffing firms are effective providers of supplemental staff in times of shortage and as strategic staffing partners. As such they have an important responsibility to carefully and accurately examine the background and credentials of any healthcare professionals they hire. Not only do the reputation and future business potential of the staffing firm depend on stringent quality standards, but so do the patients that are cared for by supplemental staff. By being a NATHO member, the staffing firms that make up our membership commit to rigorous standards for screening their healthcare professionals and only place those with valid credentials and verifiable backgrounds.

2) Staffing Firms Play a Strategic and Vital Role in Improving Quality and Patient Safety in Today's Healthcare Systems.

Since the downturn in the economy, hospitals have rationalized their use of staffing firms; ones that formerly used 40- 50 different firms to fill their temporary positions, have reduced the number of providers to single digits. Hospitals have developed in their abilities to utilize staffing firms in more strategic ways including assistance with obtaining Magnet status. Staffing firms provide healthcare professionals to approximately 80% of today's recognized Magnet facilities.

3) Supplemental Staff are Highly Skilled & Critical to Ensuring Effective Delivery of Healthcare

Supplemental staff, as a whole, are highly skilled professionals who play a vital role in helping health care facilities ensure the effective delivery of quality patient care. The quality of supplemental nurses was confirmed in a 2007 study conducted by Dr. Linda Aiken of the University of Pennsylvania. The study, which was published in the *Journal of Nursing Administration*, found that the quality of supplemental nursing staff was on par with that of hospitals' permanent staff, and that temporary nurses actually help improve patient outcomes in hospitals with inadequate resources and staffing deficiencies. Further, the study found that a higher percentage of temporary nurses held bachelors degrees than permanent nurses. As a whole, supplemental nurses were a more highly educated group. Industry research demonstrates that roughly 50% of travel nurses have bachelor's degrees and more than one-third are certified in their clinical specialty, with an average of more than 6 years of RN experience.

4) All Healthcare Employers Face the Same Candidate Screening Requirements and Limitations that Exist at State & Federal Levels

Even with the most stringent of screening practices, quality staffing firms face the same limitations as do hospitals and other healthcare employers when it comes to timely disclosure of reported misconduct to the State Boards of Nursing and other licensing agencies. It is only upon the conclusion of often lengthy investigations that the Board may make a decision to place a restriction on the status of a professional's license. Only then, is this suspension or restriction information is available to staffing firms and other healthcare employers via the same mechanism.

A potential solution is to create a central database of state disciplinary actions against nurses and other health professionals. Title IV of Public Law, 99-660, *The Healthcare Quality Improvement Act of 1986*, established the National Practitioner Data Bank (NPDB) as an information clearinghouse to collect and release information related to the professional competence and conduct of physicians, dentists, and other healthcare practitioners. In 1987, Congress passed Public Law 100-93, §V of the *Medicare and Medicaid Patient and Programs Protection Act of 1987* (Section 1921 of the *Social Security Act*) authorizing collection of information concerning sanctions taken by state licensing agencies against all healthcare practitioners and entities. Unfortunately, while the NPDB was successfully initiated for physicians and other direct care providers, Section 1921, which addresses a system for nurses and allied health professionals, has not yet been implemented. Section 1921 information is targeted to be released to eligible entities in first quarter of 2010. Of course, a significant concern with the NPDB is that access is only allowed to providers of healthcare services. As such many staffing firms are not able to gain access unless designated to do so by a hospital or other healthcare provider. Section 1921 currently carries a similar access restriction.

Another option is to support the continued adoption of the National Council on State Boards of Nursing's NURSYS system. Currently the system is only required to be updated for those states that have adopted the Compact legislation. NURSYS is intended to establish a centralized database of license statuses, investigations and actions.

5) Many Quality Firms for Hospitals to Choose From

Tips for Selecting a Quality Healthcare Staffing Firm

- i. **Joint Commission Certification.** In 2004 the Joint Commission established a certification program specific to health care staffing firms and is currently required by all NATHO members. This certification process evaluates effectiveness of a staffing firm in 4 critical areas: 1) leadership, 2) human resources management, 3) performance measurement and improvement and 4) information management. The staffing industry supported Joint Commission in the development and implementation of the standards for staffing because hospitals are monitored by the same organization. A staffing firm that has committed resources to achieving and maintaining Joint Commission certification is a strong indicator of a quality organization. Currently more than 300 staffing firms have achieved Joint Commission certification. Further improvement in standards is expected as more firms are certified and as Joint Commission continues to evolve and enhance the program.
- ii. **Experience:** Look carefully at the firm's track record and check references of other clients they have serviced regarding their quality standards and business practices.
- iii. **Financial Strength:** Start up costs for a healthcare staffing firm includes: professional liability insurance costs, workers' compensation costs, satisfying ongoing payroll and taxes. As in any industry, a company that has a demonstrated history of being financially sound is less likely to cut corners, more likely to adhere to the overall high standards of the industry. This is a more difficult area to assess given that many staffing firms remain privately held. Length of time in business is potentially an indicator of financial wellness. Thorough vetting of references may reveal signs of potential weakness.
- iv. **Comprehensive Screening & Hiring Practices:** Use a staffing firm that conducts primary source verification of licenses with attention to status and standing with the state professional licensing board at the time of placements and renewal; requires evidence of employees' satisfactory health; completes initial and periodic criminal background checks, and screens for drug use, as appropriate, through an independent laboratory. In addition, a quality firm should provide OSHA and Joint Commission training and instruction, thorough reference checks, and verification and tracking of licenses, credentials and skills. The healthcare professional's performance and experience portfolio should be evaluated at a minimum of annually.

- v. **Performance Improvement:** As with any healthcare provider, a good staffing firm is interested in continuous performance improvement. Select a firm that can provide a history of satisfactory customer service including quality performance and consistent service delivery. Request the firm to provide current customer referrals and a copy of their performance improvement plan. Request how they evaluate customer service including the frequency of which they will be soliciting feedback in the form of customer service surveys or other formal mechanisms of feedback.
- vi. **Cost:** While cost-effectiveness is of critical importance, beware of the lowest cost provider. Doing the job right requires a particular amount of resources and operating cost. Look for competitively priced firms. Be wary of the price if it seems too good to be true.

The Clinical Executive Council of NATHO is made up of top level clinical executive leadership of staffing firms of the founding members.

Marcia Faller, RN, PhD(c), AMN Healthcare
Frank Shaffer, RN, EdD, Cross country Healthcare
Susan Collier, CHG Healthcare
Melissa Knybel, RN, BSN, Clinical One
Sherry Deppermann, RN, Emerald Healthcare
Patricia Layton, RN, Medical Staffing Network
Joe Bryowski, RN, CCRN, On Assignment

Adopted by
NATHO Board of Directors
March 18, 2010