

I\_134\_2083-2

134th General Assembly  
Regular Session  
2021-2022

. B. No.

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**A BILL**

To amend section 3701.83 and to enact sections  
3724.01, 3724.02, 3724.03, 3724.04, 3724.05,  
3724.06, 3724.07, 3724.08, 3724.09, 3724.10,  
3724.11, 3724.12, 3724.13, and 3724.99 of the  
Revised Code to establish licensing and  
operating requirements for supplemental health  
care services agencies, and to amend the version  
of section 3701.83 of the Revised Code that  
takes effect September 30, 2024, to continue the  
provisions on and after that date.

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That section 3701.83 be amended and sections  
3724.01, 3724.02, 3724.03, 3724.04, 3724.05, 3724.06, 3724.07,  
3724.08, 3724.09, 3724.10, 3724.11, 3724.12, 3724.13, and  
3724.99 of the Revised Code be enacted to read as follows:

**Sec. 3701.83.** There is hereby created in the state  
treasury the general operations fund. Moneys in the fund shall  
be used for the purposes specified in sections 3701.04,  
3701.344, 3702.20, 3711.16, 3717.45, 3718.06, 3721.02, 3721.022,



3724.12, 3729.07, 3733.43, 3748.04, 3748.05, 3748.07, 3748.12, 19  
3748.13, 3749.04, 3749.07, 4736.06, and 4769.09 of the Revised 20  
Code. 21

Sec. 3724.01. As used in this chapter: 22

(A) "Controlling person" means either of the following: 23

(1) A business entity, officer, program administrator, or 24  
director whose responsibilities include directing the management 25  
or policies of a supplemental health care services agency; 26

(2) An individual who, directly or indirectly, owns an 27  
interest in a business entity described in division (A) (1) of 28  
this section. 29

(B) "Health care provider" means any of the following: 30

(1) A hospital, as defined in section 3722.01 of the 31  
Revised Code; 32

(2) A home, as defined in section 3721.10 of the Revised 33  
Code; 34

(3) A home health agency, as defined in section 3740.01 of 35  
the Revised Code; 36

(4) A hospice care program, as defined in section 3712.01 37  
of the Revised Code; 38

(5) A residential facility, as defined in section 5123.19 39  
of the Revised Code; 40

(6) A residential facility, as defined in section 5119.34 41  
of the Revised Code; 42

(7) A community addiction services provider, as defined in 43  
section 5119.01 of the Revised Code; 44

(8) A community mental health services provider, as 45  
defined in section 5119.01 of the Revised Code; 46

(9) A medicaid provider who provides medicaid waiver 47  
component services, as defined in section 5166.01 of the Revised 48  
Code. 49

(C) "Supplemental health care services agency" means a 50  
person engaged in the business of providing or procuring, for 51  
temporary employment or contracting by health care providers, 52  
health care professionals, and other health care personnel that 53  
provide care, support, or services directly to patients. 54  
"Supplemental health care services agency" does not include an 55  
individual who is engaged only in providing or offering that 56  
individual's services to health care providers as a temporary 57  
employee. 58

**Sec. 3724.02.** (A) Except as provided in division (B) of 59  
this section, no person shall knowingly operate a supplemental 60  
health care services agency unless the person holds a current, 61  
valid license issued under this chapter. 62

(B) In the case of a supplemental health care services 63  
agency that is operating on the effective date of this section, 64  
an application for a license shall be submitted under section 65  
3724.03 of the Revised Code not later than thirty days after the 66  
effective date of this section. If the application is submitted 67  
accordingly, the agency may continue to operate without a 68  
license until the earlier of the following: 69

(1) The date a final decision is made by the director of 70  
health to deny issuance of the license; 71

(2) The date that is one hundred twenty days after the 72  
effective date of this section. 73

Sec. 3724.03. (A) Each person seeking to operate a 74  
supplemental health care services agency shall apply to the 75  
director of health for a license issued under this chapter. A 76  
separate application and license is required for each separate 77  
location of the business of a supplemental health care services 78  
agency. 79

(B) The director shall establish forms and procedures for 80  
submitting and processing license applications. For each 81  
application, the director shall charge a fee of two thousand 82  
dollars. The fee is nonrefundable. 83

(C) An application for a license shall include all of the 84  
following information: 85

(1) The name and address of each owner of the supplemental 86  
health care services agency; 87

(2) If the owner is a partnership, association, 88  
corporation, or other type of business entity, copies of its 89  
articles of incorporation and current bylaws or other organizing 90  
documents, together with the names and addresses of its 91  
officers, directors, and each person with five per cent or more 92  
ownership or other controlling interest in the partnership, 93  
association, corporation, or other type of business entity; 94

(3) The geographical service area where the supplemental 95  
health care services agency will supply personnel to health care 96  
providers; 97

(4) Satisfactory proof that the license eligibility 98  
requirements of section 3724.04 of the Revised Code have been 99  
met; 100

(5) Any other information that the director considers 101  
necessary to properly evaluate an application for a license. 102

(D) The director shall review all applications received. 103  
If an application is complete, the fee has been paid, and the 104  
director determines that the applicant meets all other 105  
eligibility requirements, the director shall issue to the 106  
applicant a license to operate a supplemental health care 107  
services agency. 108

Sec. 3724.04. To be eligible to receive a license to 109  
operate a supplemental health care services agency, an applicant 110  
shall do either of the following: 111

(A) Obtain and maintain a health care staffing services 112  
certification from the joint commission; 113

(B) Meet all of the following conditions: 114

(1) Have evidence of financial solvency and suitability; 115

(2) Carry professional liability insurance that covers at 116  
least one million dollars per occurrence and three million 117  
dollars aggregate to protect against loss, damage, or expense 118  
incident to a claim arising out of the death or injury of any 119  
person as the result of negligence or malpractice in the 120  
provision of health care services by the supplemental health 121  
care services agency or by any employee of the agency; 122

(3) Carry a surety bond for employee dishonesty that 123  
provides coverage in an amount specified in rules adopted under 124  
section 3724.13 of the Revised Code; 125

(4) Secure and maintain workers' compensation coverage in 126  
accordance with Chapters 4121., 4123., 4127., and 4131. of the 127  
Revised Code; 128

(5) Have a policy describing the procedures by which the 129  
supplemental health care services agency's records will be 130

immediately available at all times to the director of health, as 131  
required by division (E) of section 3724.06 of the Revised Code. 132

**Sec. 3724.05.** (A) Subject to the annual license renewal 133  
procedures of this section, a license issued under this chapter 134  
to operate a supplemental health care services agency remains in 135  
effect until one of the following occurs: 136

(1) The license is revoked under section 3724.08 of the 137  
Revised Code. 138

(2) The license is terminated at the request of the 139  
license holder. 140

(3) The agency is sold or its ownership or management is 141  
transferred, at which time the license is void and any new owner 142  
or operator shall apply for a new license. 143

(B) The director of health shall establish forms and 144  
procedures for processing applications for the annual renewal of 145  
licenses issued under this chapter. The director shall charge a 146  
fee of two thousand dollars for renewal. The fee is 147  
nonrefundable. 148

(C) An application for renewal shall include all of the 149  
following information: 150

(1) A description of any changes to the items described in 151  
division (C) of section 3724.03 of the Revised Code or in 152  
section 3724.04 of the Revised Code; 153

(2) Documentation demonstrating that the agency provided 154  
services to health care providers during the calendar year 155  
immediately preceding the license renewal date. 156

(D) An applicant for license renewal shall pay the renewal 157  
fee during the month of January. If the applicant fails to pay 158

in January, the applicant shall pay, beginning the first day of 159  
February, a late fee of two hundred dollars for each week or 160  
part thereof that the renewal fee is not paid. If either the 161  
renewal fee or the late fee is not paid by the fifteenth day of 162  
February, the director may, in accordance with Chapter 119. of 163  
the Revised Code, revoke the agency's license. 164

(E) The director shall review all applications received 165  
for license renewal. If an application is complete, the renewal 166  
fee and any late fee have been paid, and the director determines 167  
that the applicant meets all other eligibility requirements, the 168  
director shall renew the applicant's license to operate a 169  
supplemental health care services agency. 170

Sec. 3724.06. A supplemental health care services agency 171  
is subject to all of the following as conditions of retaining 172  
its license issued under this chapter: 173

(A) The agency shall document that all health care 174  
personnel provided to health care providers meet the minimum 175  
licensing, training, and continuing education requirements for 176  
the positions in which the personnel will be working. 177

(B) The agency shall comply with all requirements relating 178  
to the health and other qualifications that are conditions of 179  
employment by the type of health care provider to which the 180  
agency supplies personnel, including requirements relating to 181  
any of the following: 182

(1) Conducting criminal records checks; 183

(2) Reviewing registries of persons with findings of abuse 184  
or neglect; 185

(3) Determining whether exclusions from medicare or 186  
medicaid exist; 187

(4) Testing for and vaccination against infectious 188  
disease. 189

(C) The agency shall not recruit employees of any health 190  
care provider to which the agency is currently supplying 191  
personnel. Each contract the agency enters into with a health 192  
care provider shall include terms that prohibit recruiting by 193  
either party. 194

(D) The agency shall document that the health care 195  
personnel provided to health care providers as temporary 196  
employees, other than a locum tenens physician, are employees of 197  
the agency and are not independent contractors. 198

(E) The agency shall retain all records for five calendar 199  
years. All records of the agency shall be made immediately 200  
available to the director on request. 201

(F) The agency shall not interfere with a survey or other 202  
inspection conducted by the director under section 3724.11 of 203  
the Revised Code. 204

(G) The agency shall not attempt to require a health care 205  
provider, by contract or otherwise, to waive any of the 206  
requirements of this chapter or the rules adopted under it as a 207  
condition of supplying personnel to the provider. Any waiver of 208  
the requirements that may result from such an attempt is void 209  
and unenforceable. 210

**Sec. 3724.07.** (A) A supplemental health care services 211  
agency shall specify in the contract with a health care provider 212  
a schedule of fees that it charges for supplying health care 213  
personnel to the provider. The fee schedule must specify the 214  
hourly rates to be charged for the personnel and all amounts to 215  
be charged as administrative fees, contract fees, shift bonuses, 216



and any other costs that are in addition to the hourly rates. 217

A supplemental health care services agency shall not 218  
charge a health care provider or receive payments from the 219  
provider for an hourly rate for personnel that is higher than 220  
the rate specified in the contract, for another cost in an 221  
amount that is higher than the applicable amount specified in 222  
the contract, or for any cost that is not specified in the 223  
contract, except that the agency may propose a change in the 224  
hourly rate, a change in the amount of another cost, or the 225  
addition of a cost that is not specified in the contract. The 226  
agency's contract with the provider shall specify a period of 227  
notice, which shall be not less than forty-eight hours, for any 228  
proposed change or addition. The proposed change or addition 229  
must be specifically approved by the health care provider before 230  
the change or addition may be implemented. 231

(B) This section does not apply to personnel who travel 232  
from another state to provide health care services in this state 233  
or physicians providing health care services on a locum tenens 234  
basis. 235

**Sec. 3724.08.** (A) An applicant for or holder of a license 236  
issued under this chapter to operate a supplemental health care 237  
services agency is subject to disciplinary actions by the 238  
director of health as specified in divisions (B) and (C) of this 239  
section. All actions of the director shall be taken in 240  
accordance with Chapter 119. of the Revised Code. 241

(B) The director may deny, refuse to renew, revoke, or 242  
suspend a supplemental health care services agency license for 243  
any of the following reasons: 244

(1) Lack of financial solvency or suitability; 245

(2) Inadequate treatment and care or criminal activity by 246  
personnel supplied by the agency or by any person managing the 247  
agency; 248

(3) Interference with a survey or other inspection 249  
conducted under section 3724.11 of the Revised Code; 250

(4) Failure to comply with the conditions or requirements 251  
that must be met to obtain and retain a license; 252

(5) Failure to comply with any other requirement of this 253  
chapter or the rules adopted under it. 254

(C) The director shall revoke the license of a 255  
supplemental health care services agency that knowingly supplies 256  
to a health care provider a person with an illegally or 257  
fraudulently obtained or issued diploma, registration, license, 258  
certificate, criminal records check, or other item required for 259  
employment by a health care provider. 260

**Sec. 3724.09.** The controlling person of a supplemental 261  
health care services agency whose license has not been renewed 262  
or has been revoked is not eligible to apply for or to be 263  
granted a license for five years following the date that the 264  
license is terminated for failure to renew or the date of the 265  
final order of revocation. 266

The director of health shall not issue or renew a license 267  
to operate a supplemental health care services agency if a 268  
controlling person of the agency includes any individual or 269  
entity that was a controlling person of a supplemental health 270  
care services agency whose license was not renewed or was 271  
revoked during the five-year period immediately preceding the 272  
date the application for licensure or renewal under 273  
consideration was submitted. 274

Sec. 3724.10. The director of health shall establish a 275  
system for accepting complaints against a supplemental health 276  
care services agency or its employees. Complaints may be made by 277  
any member of the public. The director shall investigate all 278  
complaints received. 279

Sec. 3724.11. In addition to administering the licensing 280  
requirements of this chapter and investigating complaints under 281  
section 3724.10 of the Revised Code, the director of health 282  
shall oversee the operation of supplemental health care services 283  
agencies by doing both of the following: 284

(A) Conducting surveys or other inspections on an annual 285  
or unannounced basis; 286

(B) Taking any other actions the director considers 287  
necessary to ensure that the agencies comply with this chapter 288  
and the rules adopted under it. 289

Sec. 3724.12. All license application and renewal fees and 290  
any other amounts collected under this chapter, other than any 291  
financial sanctions imposed under section 3724.99 of the Revised 292  
Code, shall be deposited into the state treasury to the credit 293  
of the general operations fund created under section 3701.83 of 294  
the Revised Code. The amounts credited to the fund under this 295  
section shall be used solely for purposes of administering and 296  
enforcing this chapter. 297

Sec. 3724.13. The director of health may adopt any rules 298  
the director considers necessary to implement this chapter. The 299  
rules shall be adopted in accordance with Chapter 119. of the 300  
Revised Code. 301

Sec. 3724.99. Whoever violates section 3724.02 of the 302  
Revised Code is guilty of a misdemeanor of the second degree on 303

a first offense; for each subsequent offense, the person is 304  
guilty of a misdemeanor of the first degree. 305

**Section 2.** That existing section 3701.83 of the Revised 306  
Code is hereby repealed. 307

**Section 3.** That the version of section 3701.83 of the 308  
Revised Code that takes effect September 30, 2024, be amended to 309  
read as follows: 310

**Sec. 3701.83.** There is hereby created in the state 311  
treasury the general operations fund. Moneys in the fund shall 312  
be used for the purposes specified in sections 3701.04, 313  
3701.344, 3711.16, 3717.45, 3718.06, 3721.02, 3721.022, 3724.12, 314  
3729.07, 3733.43, 3748.04, 3748.05, 3748.07, 3748.12, 3748.13, 315  
3749.04, 3749.07, 4736.06, and 4769.09 of the Revised Code. 316

**Section 4.** That the existing version of section 3701.83 of 317  
the Revised Code that takes effect September 30, 2024, is hereby 318  
repealed. 319

**Section 5.** Sections 3 and 4 of this act take effect 320  
September 30, 2024. 321

**Section 6.** The Director of Health may begin implementing 322  
Chapter 3724. of the Revised Code, including issuing licenses, 323  
prior to adopting rules under section 3724.13 of the Revised 324  
Code. If the Director begins issuing licenses prior to adopting 325  
the rules, the amount of the surety bond required by division 326  
(B) (3) of section 3724.04 of the Revised Code, notwithstanding 327  
the requirement to adopt rules specifying that amount, shall be 328  
an amount that the Director determines is sufficient. 329