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REPORT TO THE LEGISLATURE

TO: Joint Standing Committee on Health and Human Services
FROM: Division of Licensing and Certification, Maine DHHS
DATE: January 15, 2025
RE: Annual report pursuant to 22 MRSA §2131 (PL 2023, Ch. 434)

Impact Summary: As of November 27, 2024, the Division of Licensing and Certification (DLC) has 282 active temporary nurse agencies compared to 287 when the initial report was presented to the Joint Standing Committee on Health and Human Services on January 9, 2024 – a 1.76% decrease. Of the 282 active registrations, 125 are set to expire during the 2024-25 fiscal year and 157 will expire during the 2025-26 fiscal year. During the previous 2023-24 fiscal year, DLC issued a total of 211 registrations, of which, 109 were initial registrations, and during that same period, 88 agencies cancelled their registrations. Thus far during the 2024-25 fiscal year, DLC has issued 194 total registrations, of which 41 are initial registrations. So far, 34 agencies have opted out of renewing their registrations. This shows a significant amount of churn in the active agencies staffing providers in Maine.

Introduction: On October 25, 2023, the Department of Health and Human Services (DHHS or the Department), through the Division of Licensing and Certification (DLC or the Division), began to regulate Temporary Nurse Agencies (Agencies or TNAs) in the State of Maine. Public Law 2023, Chapter 434, An Act to Ensure Transparent and Accountable Temporary Nurse Agencies, enacted 22 MRSA §2131 which enhanced DLC's oversight of TNAs. This included promoting employee quality assurance, prohibiting predatory recruitment practices by TNAs, and requiring agencies to submit an annual report to the Department of Health and Human Services.

To draft the present Report for the Joint Standing Committee on Health and Human Services, the Department used Section V. A. 1-4. of the Temporary Nurse Agency Registration Rule (10-144 Code of Maine Rules, Chapter 111), which became effective on March 31, 2024, as a guideline. The relevant section of the rule is provided below for reference:

By July 31st of each year, a TNA must provide an annual report to the Department covering the preceding reporting period, in a format determined by the Department. The report must include the following: 1. The number of total employees placed, the health care settings and facilities into which they were placed, the average duration of the placements, and the state of licensure for those employees; 2. The total and average amounts charged during each quarter of the reporting period to a health care facility or setting for each category

of health care employee providing services to the health care facility or setting; 3. The total and average amounts of wages paid during each quarter of the reporting period to health care employees for each category of health care employee; 4. The total and average amounts of stipends paid during each quarter of the reporting period to health care employees for each category of health care employee...

Survey Method: The Division of Licensing and Certification developed a temporary portal for Temporary Nurse Agencies to submit their annual report information. A total of 273 active agencies were notified to submit their annual report via email. Of those agencies, 269 responded between July 1, 2024, and October 31, 2024 – a 98.5% response rate, though this rate would not have been possible without extending the reporting deadline by 90 days beyond the original July 31, 2024, deadline.

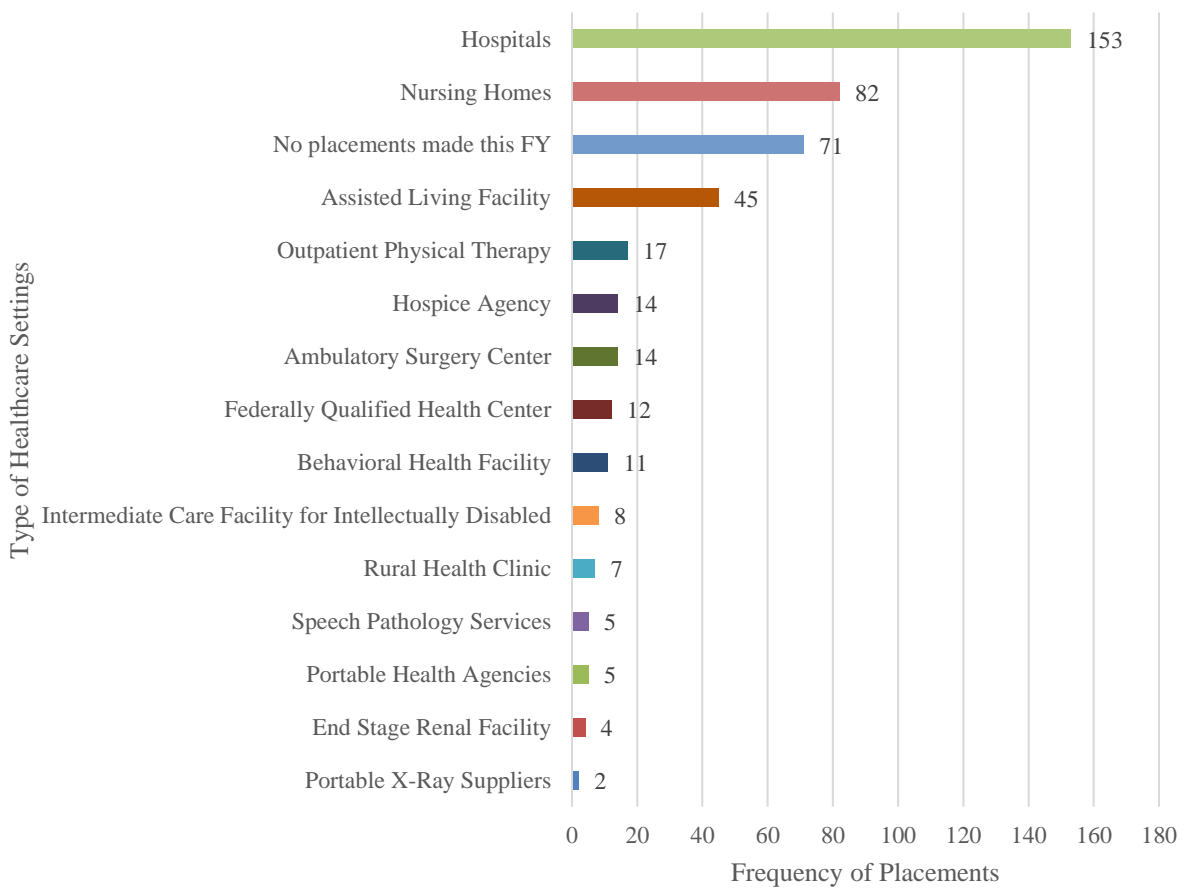
During the extension period, there were four agencies that did not respond to any attempts made by the Division to contact them during the 120-day period. Toward the end of the extension, two of the four agencies submitted their reports. While these late submissions were noted, the automated calculations had already been completed based on the initial 269 responses. Reintegrating the two additional reports into the automated system would have required significant time and resources due to technical limitations, and it was determined that including these responses would not significantly alter the overall findings. Therefore, those two reports were omitted, and this report only reflects the results from the 269 initial responses.

For each category of data collection, “Not Applicable” was created as a field after the survey was launched. This was due to feedback from TNA administrators because they reported having temporary employees who did not fit into the defined categories of employee types in the Rule. This feedback was also shared regarding healthcare settings, as administrators reported placing employees into settings that were unaccounted for or undefined by the Rule.

Findings:

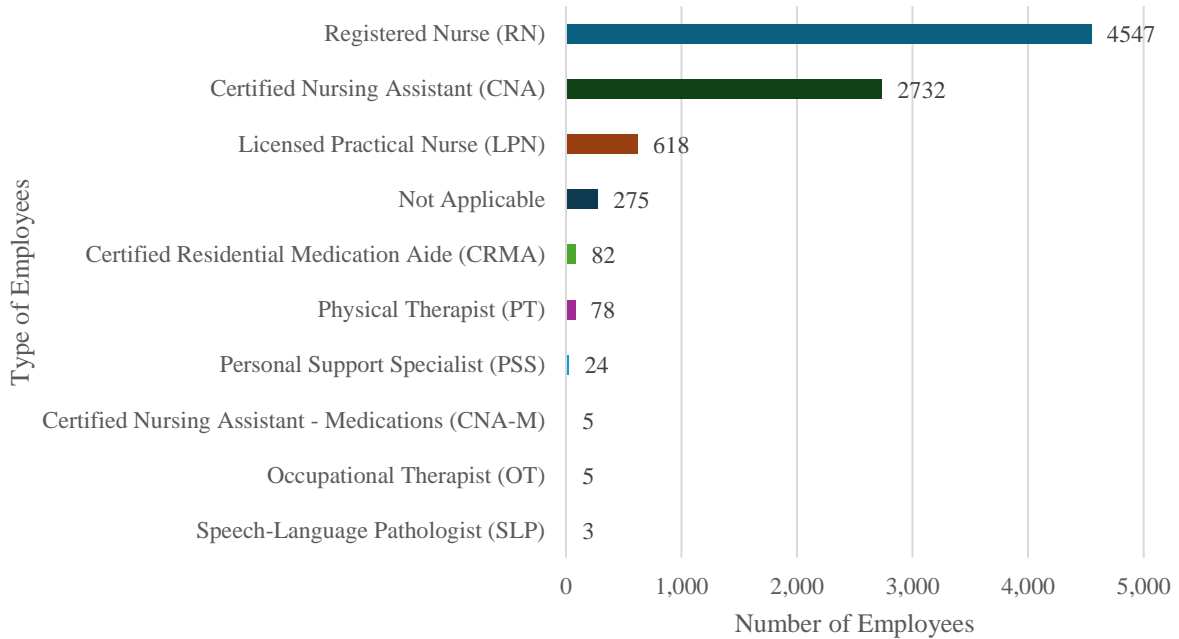
The data in Figure 1 shows that employee placements across healthcare settings reveals significant variations in allocation. Hospitals received the highest number of temporary employees (153), followed by nursing homes (82), and assisted living facilities (45). Moderate placement levels were observed in outpatient physical therapy services (17), hospice agencies (14), ambulatory surgery centers (14), federally qualified health centers (12), and behavioral health facilities (11). Lower placement levels occurred in intermediate care facilities for the intellectually disabled (8), rural health centers (7), speech pathology services (5), portable health agencies (5), end stage renal facilities (4), and portable X-ray suppliers (2). Notably, 71 settings received no placements this fiscal year (See Figure 1).

Figure 1: Frequency of placements at a Healthcare Setting



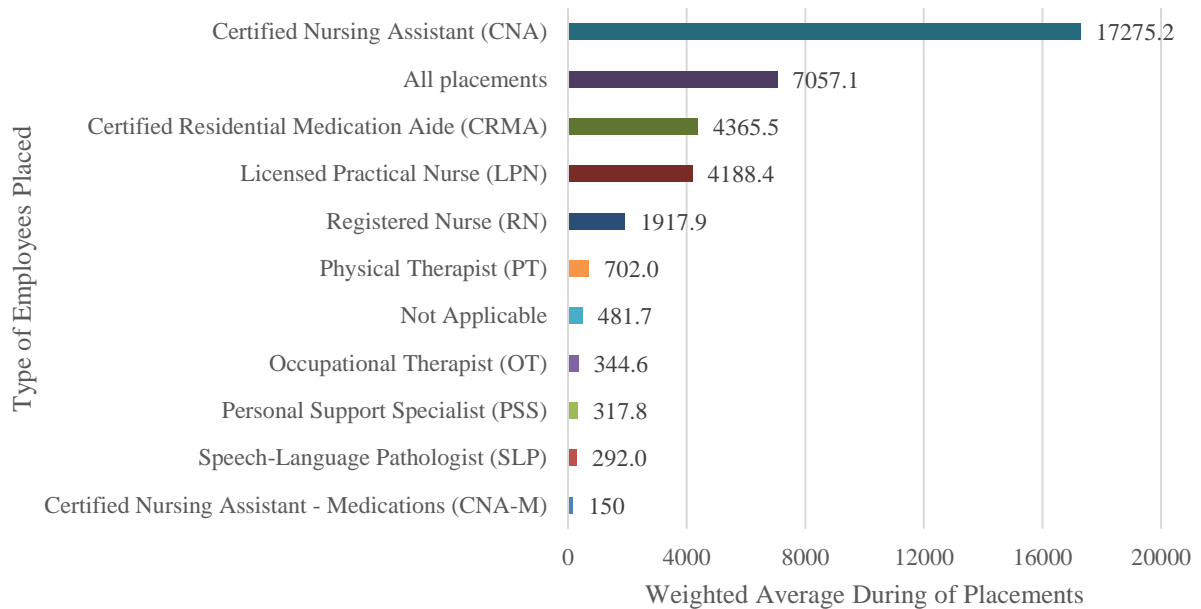
The data in Figure 2 outlines the placement distribution of healthcare professionals across various roles. Registered Nurses (RNs) accounted for the highest placements at 4,547, followed by Certified Nursing Assistants (CNAs) with 2,732 and Licensed Practical Nurses (LPNs) with 618 placements each. Certified Residential Medication AIDs (CRMAs) and Physical Therapists (PTs) had 82 and 78 placements, respectively. Personal Support Specialists (PSS) accounted for 24 placements, while smaller numbers were observed for Certified Nursing Assistants-Medications (CNA-Ms) and Occupational Therapists (OTs), each with 5, and Speech-Language Pathologists (SLPs) with 3. Additionally, 275 roles were unspecified as “Not Applicable” (see Figure 2).

Figure 2: *Type of Employees Placed*



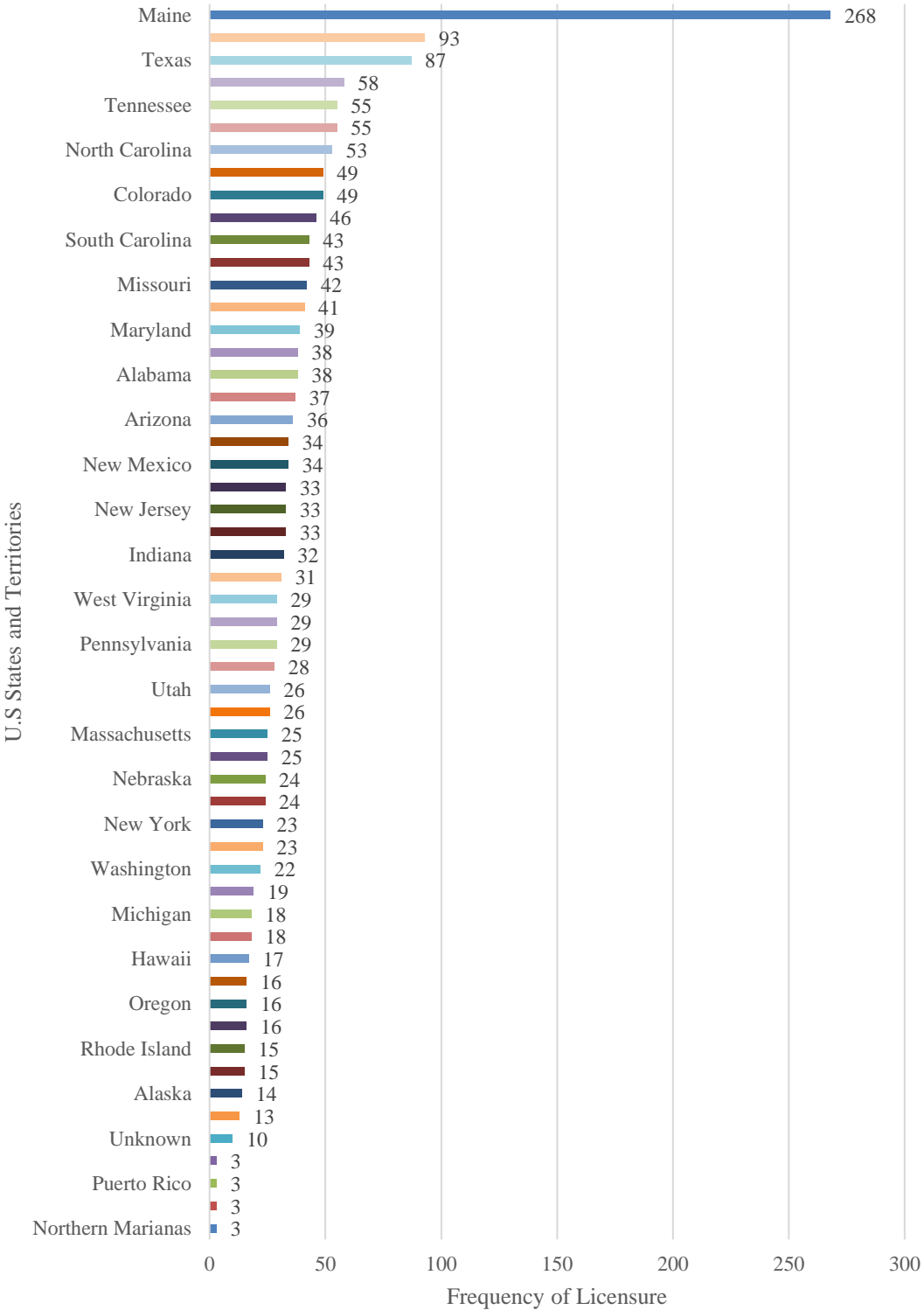
The data shown in Figure 3 highlights the weighted average duration of placements across healthcare roles. Certified Nursing Assistants (CNAs) have the longest average placement duration at 17,275.2 hours, followed by Certified Residential Medication Aides (CRMAs) with 4,365.5 hours, and Licensed Practical Nurses (LPNs) with 4,188.4 hours. Registered Nurses (RNs) have an average duration of placement of 1,917.9 hours, while Physical Therapists (PTs) average 702.0 hours. Other roles have shorter durations: Occupational Therapists (OTs) at 344.6 hours, Personal Support Specialists (PSS) at 317.8 hours, Speech-Language Pathologists (SLPs) at 292.0 hours, and Certified Nursing Assistants-Medications (CNA-Ms) at 150 hours. The unspecified “Not Applicable” category averages 481.7 hours.

Figure 3: (Weighted) Average Duration of Placements per Employee Type



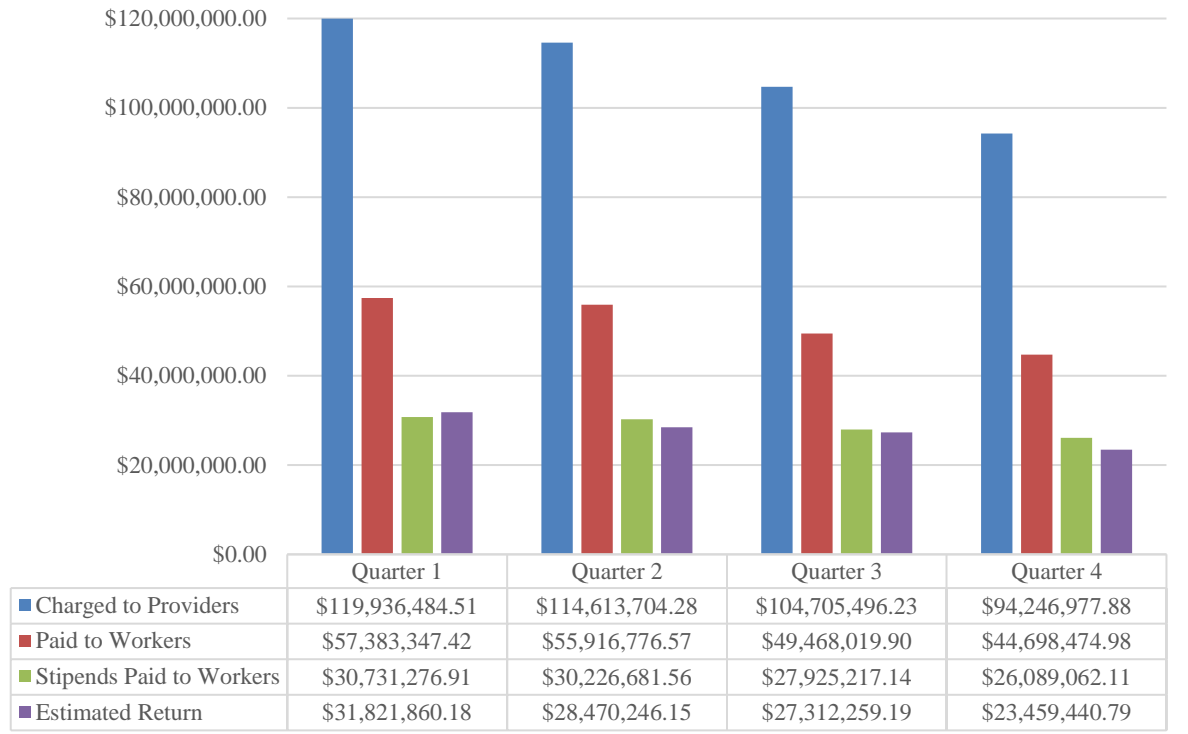
The data shown in Figure 4 showcases the frequency of identified licensure origins by U.S. states and territories. It highlights the geographical distribution of professional licensing, with Maine being the most common origin (268 occurrences), followed by Florida (93), and Texas (87). Other states like Georgia (58), Tennessee (55), and New Hampshire (55) also have significant accounts, while U.S. territories like the Northern Marianas and Virgin Islands are minimally represented, with just three instances each. The data provides a snapshot of licensing patterns across the United States and U.S. territories (See Figure 4).

Figure 4: Number of Times Origin of Licensure was Identified per State or US Territory.



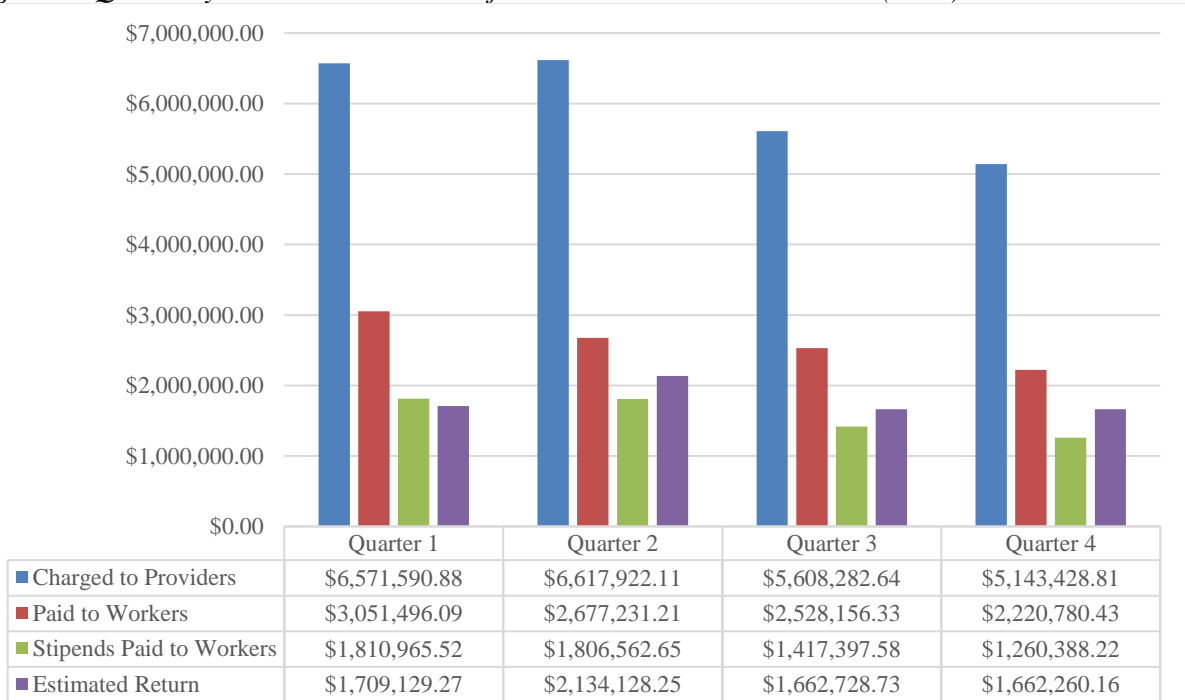
The data shown in Figure 5 for the "All Placements" category reflects an overarching view of financial activity across all temporary healthcare worker types. Charges to providers decreased steadily from \$119 million in Quarter 1 to \$94 million in Quarter 4. Similarly, payments to workers and stipends followed a downward trend. Despite these reductions, the estimated returns show consistent positive cash flow, ranging from \$31.8 million in Quarter 1 to \$23.4 million in Quarter 4; however, the data does not include agency operational costs so a determination of profit is unable to be made.

Figure 5: Quarterly Financial Overview for All Placements



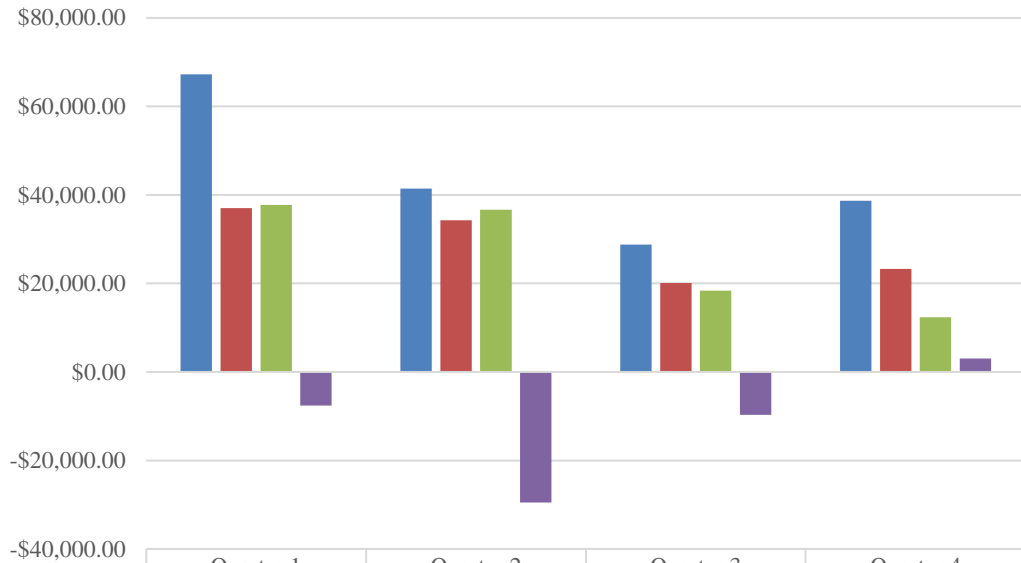
As shown in Figure 6 for Licensed Practical Nurses, the charges to providers declined across the quarters, from \$6.3 million in Quarter 1 to \$5.5 million in Quarter 4. Payments and stipends to workers also dropped proportionally. Estimated returns for LPN placements remain steady but modest, averaging around \$1.6 million per quarter.

Figure 6: *Quarterly Financial Overview for Licensed Practical Nurses (LPN)*



In Figure 7, the Certified Nursing Assistant - Medications (CNA-M) category shows negative returns in three of the four quarters, with losses peaking at \$29,490.02 in Quarter 2. Charges to providers ranged between \$262,000 and \$248,000 per quarter, with payments to workers and stipends exceeding these amounts in most cases.

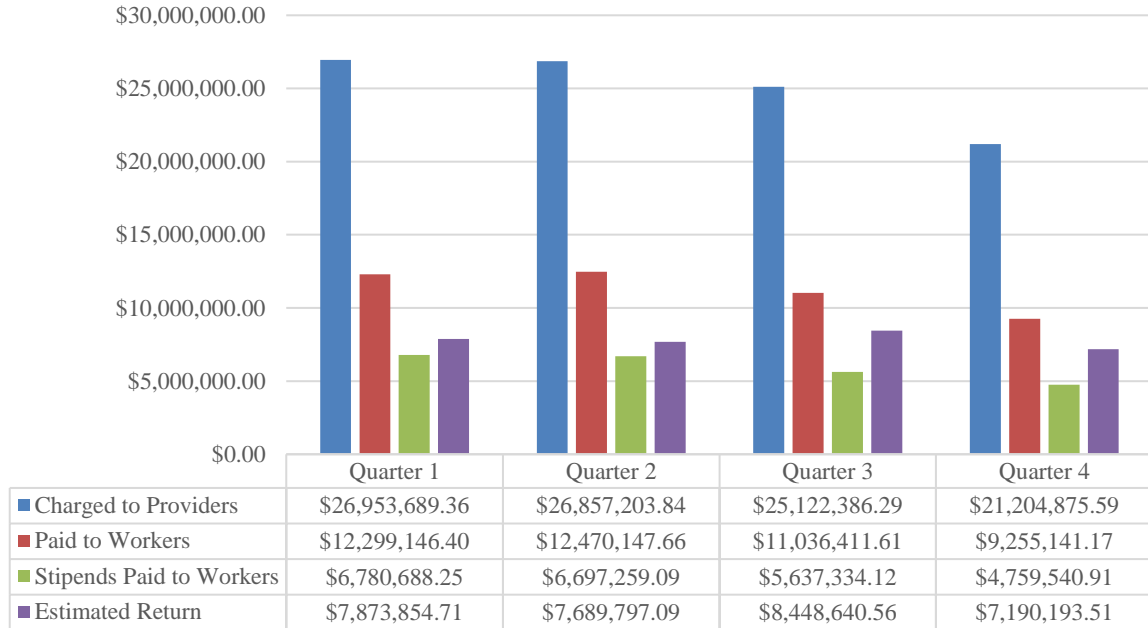
Figure 7: *Quarterly Financial Overview for Certified Nursing Assistant - Medications (CNA-M)*



	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Charged to Providers	\$67,230.25	\$41,396.42	\$28,764.16	\$38,702.70
Paid to Workers	\$37,045.45	\$34,243.89	\$20,088.59	\$23,314.50
Stipends Paid to Workers	\$37,770.17	\$36,642.55	\$18,374.00	\$12,350.00
Estimated Return	(\$7,585.37)	(\$29,490.02)	(\$9,698.43)	\$3,038.20

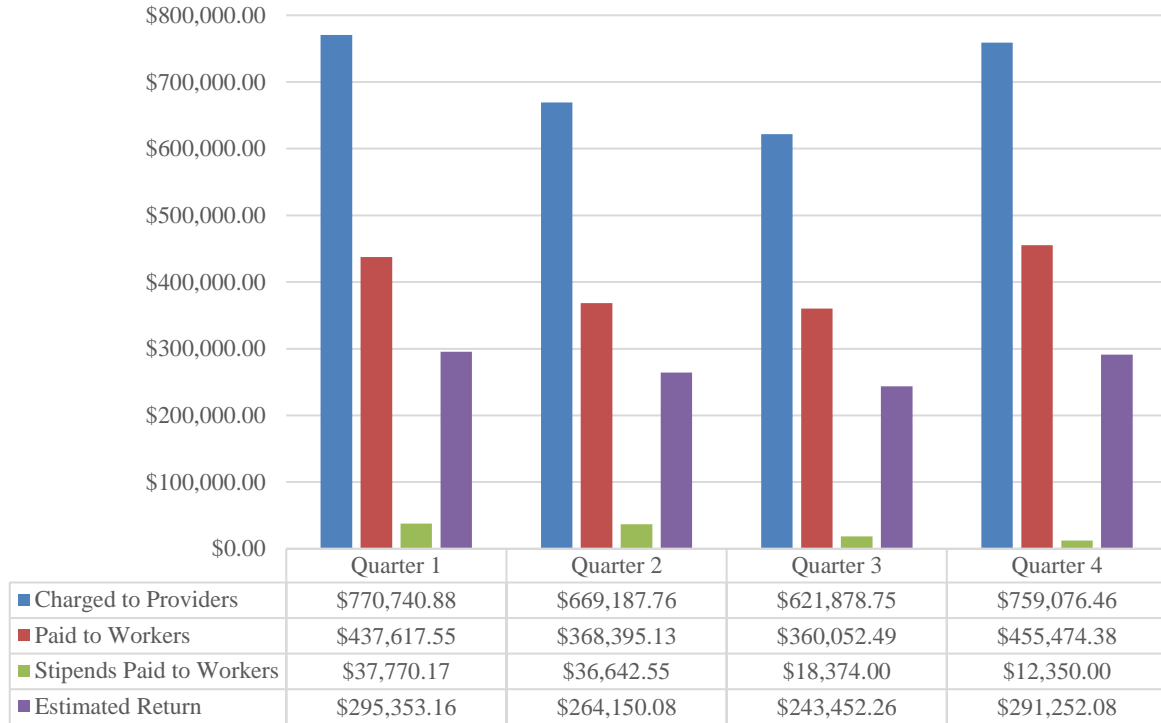
As shown in Figure 8, Certified Nursing Assistants had estimated returns ranging from \$7.6 million to \$8.4 million across quarters. Charges to providers hovered between \$12.2 million and \$10.4 million, with proportional payments and stipends to workers.

Figure 8: *Quarterly Financial Overview for Certified Nursing Assistant (CNA)*



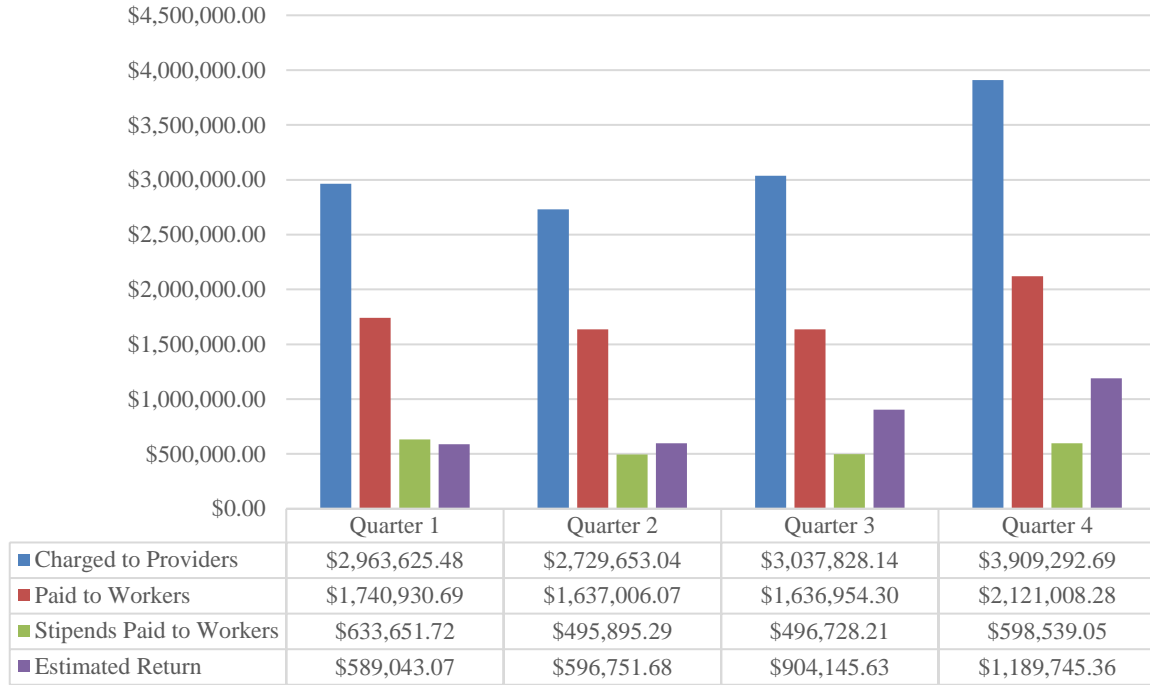
As shown in Figure 9, Certified Residential Medication Aides show consistent returns between \$264,000 and \$295,000 per quarter. Charges to providers remained consistent, around \$2.3 million quarterly, while payments and stipends aligned proportionally.

Figure 9: Quarterly Financial Overview for Certified Residential Medication Aide (CRMA)



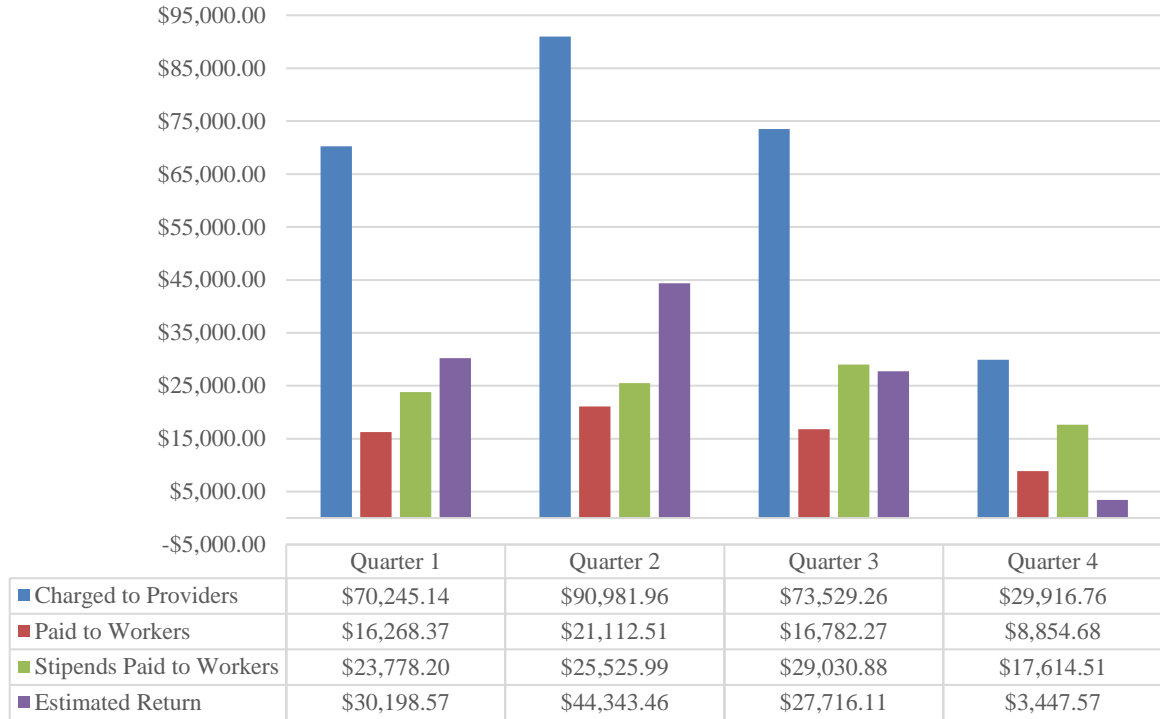
As shown in Figure 10, the "Not Applicable" category demonstrates estimated returns increasing from \$589,000 in Quarter 1 to nearly \$1.2 million in Quarter 4. Charges to providers rose correspondingly, while payments and stipends to workers stayed proportional.

Figure 10: Quarterly Financial Overview for Not Applicable



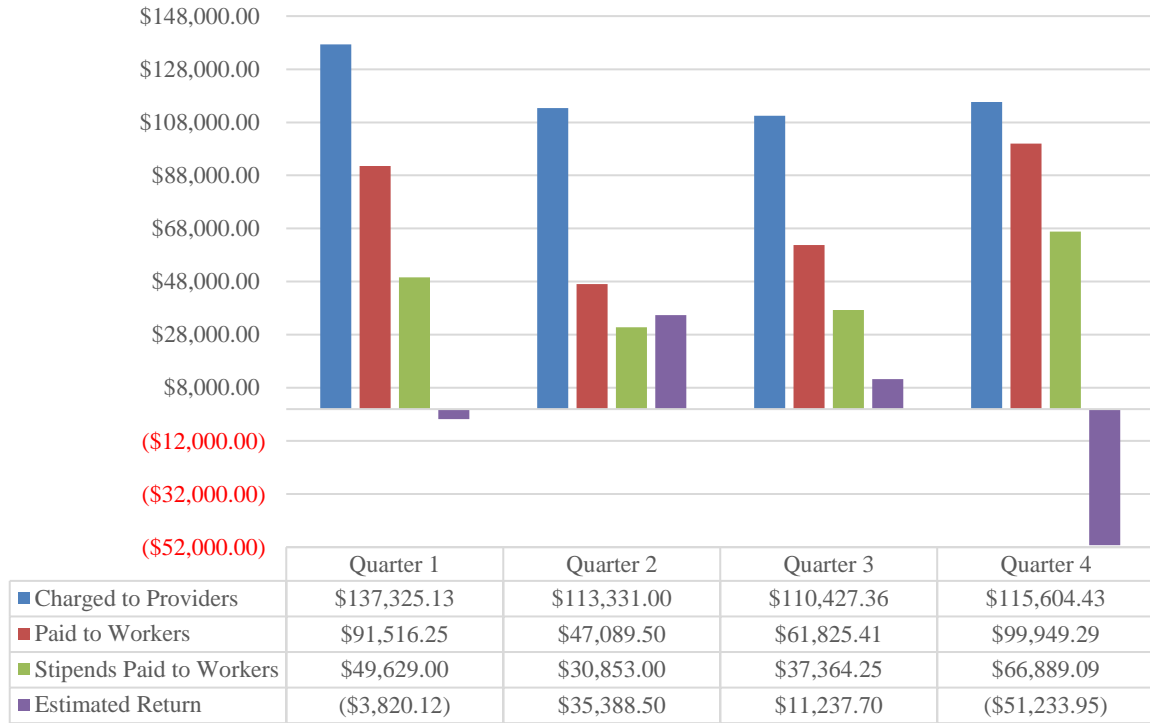
As shown in Figure 11, Occupational Therapist placements peaked at \$44,345.46 in Quarter 2 before declining to \$3,447.57 in Quarter 4. While charges to providers remained relatively stable, payments to workers and stipends increased in the later quarters.

Figure 11: Quarterly Financial Overview for Occupational Therapist (OT)



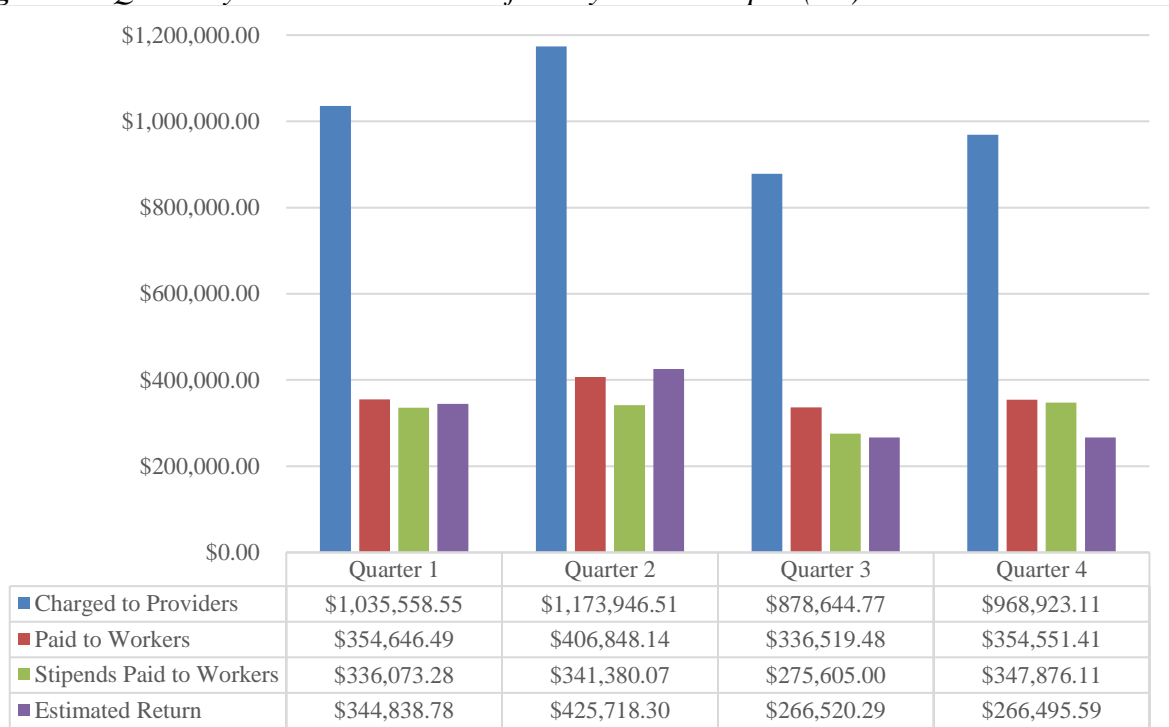
As shown in Figure 12, Personal Support Specialist placements experienced a significant loss of \$51,233.95 in Quarter 4. Charges to providers decreased from \$1.05 million in Quarter 1 to \$836,000 in Quarter 4, while payments and stipends consistently exceeded revenues in some quarters.

Figure 12: Quarterly Financial Overview for Personal Support Specialist (PSS)



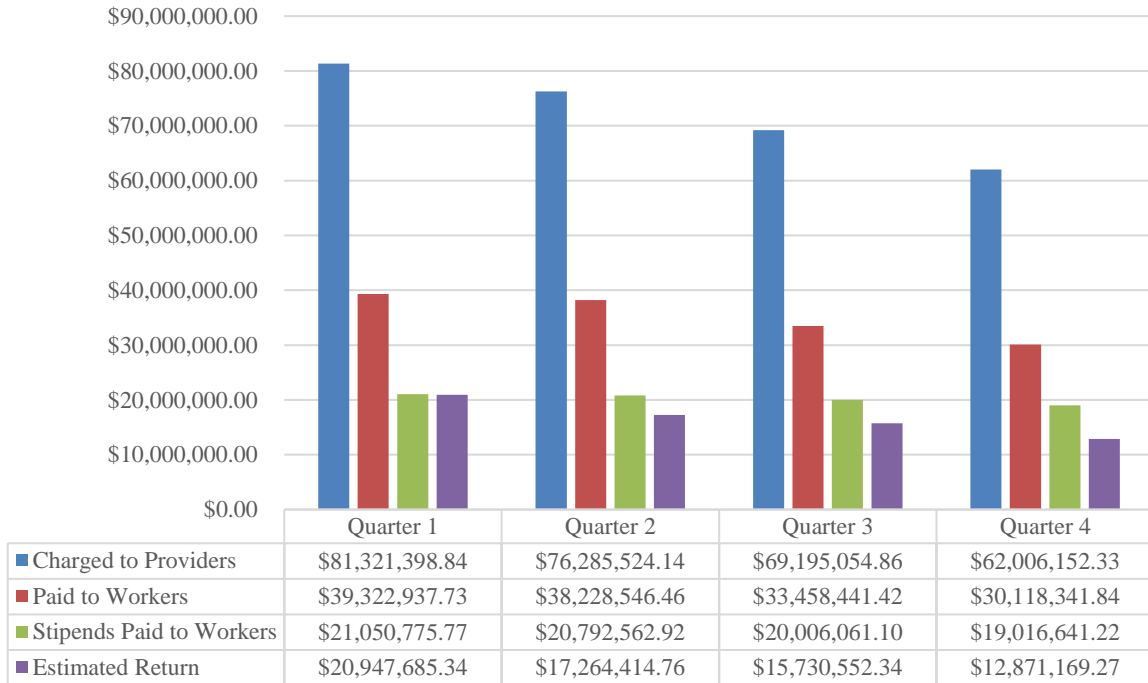
As shown in Figure 13, Physical Therapist placements ranged from \$334,000 in Quarter 1 to \$290,000 in Quarter 4. Charges to providers remained stable, around \$1.3 million per quarter, with proportional payments and stipends.

Figure 13: *Quarterly Financial Overview for Physical Therapist (PT)*



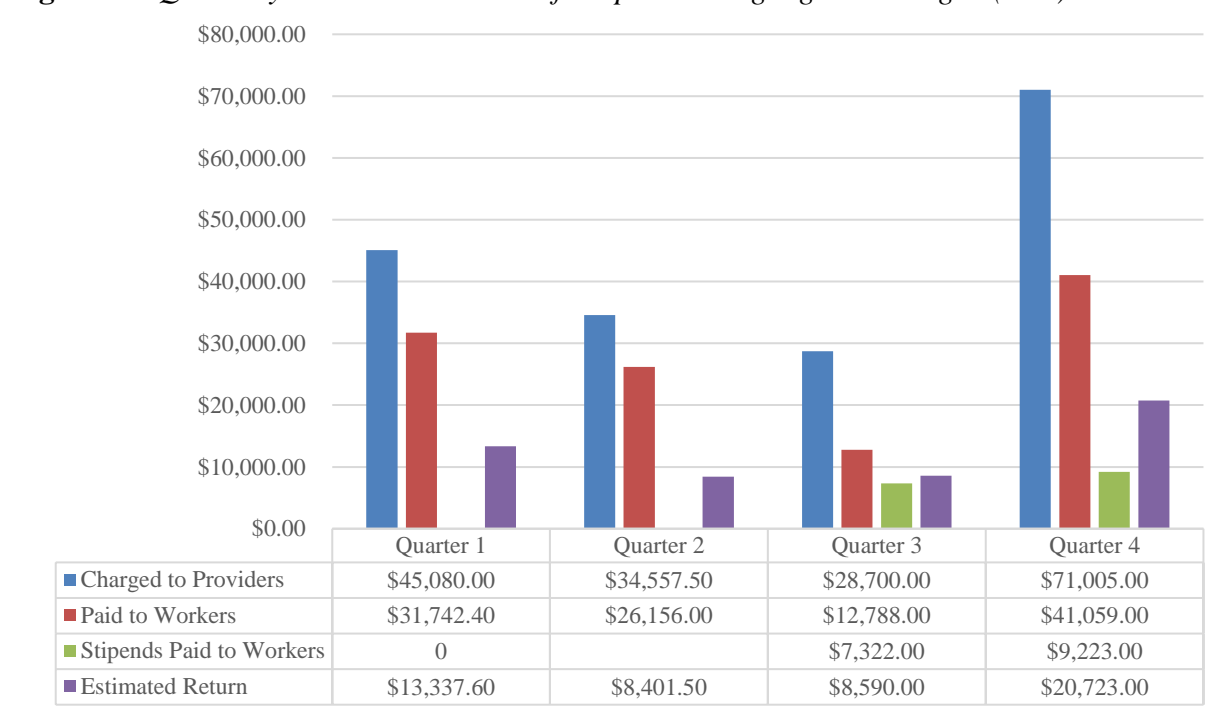
The data in Figure 14 displays Registered Nurse data, which has the highest positive cash flow among all the other placements, peaking at \$20.9 million in Quarter 1 and declining slightly to \$12.8 million in Quarter 4. Charges to providers decreased over time, but RN placements appear to remain the most in-demand category.

Figure 14: *Quarterly Financial Overview for Registered Nurse (RN)*



The data shown in Figure 15 show positive returns for Speech-Language Pathologist placements ranging from \$8,400 in Quarter 2 to \$20,723 in Quarter 4. Charges to providers remained modest, around \$45,000 quarterly, with proportional payments and stipends.

Figure 15: Quarterly Financial Overview for Speech-Language Pathologist (SLP)



Data Collection Limitations: The survey’s data collection method has several limitations that should be noted. First, while the Department asked for the total number of employees placed, the healthcare settings and facilities where they were placed, the average duration of the placements, and the state of licensure for those employees, the data structure did not allow the Division to quantify the location of placements or the duration within each placement by employee type (e.g. it is impossible to tell from the current data structure if a certain type of employee was placed at a certain location for a certain amount of hours). As a result, the specifics about the placement of employees across healthcare settings and facilities and average duration of placement within a quarter remain unavailable.

Second, the calculation of total and average amounts charged during each quarter of the reporting period was determined by adding the averages submitted and dividing by the number of submissions. This approach effectively resulted in an “average of averages” and may not accurately represent the actual averages, as it does not account for outliers or individual category trends (see Appendix B for an example). Additionally, the Division was not able to calculate average amounts per quarter directly from the total amounts charged due to a lack of information on the total number or types of employees placed per quarter per setting, as discussed in the previous paragraph.

Third, the calculations of total and average wages paid during each quarter of the reporting period also faced similar limitations. Specifically, they relied on the same “average of averages” methodology, which, as described previously, may not provide a precise representation of the data. Lastly, the same aforementioned limitations apply to the calculation of total and average stipends paid during the reporting period.

Given these crucial limitations, it may be recommended to re-operationalize and standardize the data collection method for future reports.

Implications and Suggestions: Over the past several months, the Division has encountered significant challenges in administering and interpreting the statutes governing Temporary Nurse Agencies (TNAs). Administrators frequently seek clarification on the statutory framework, but the current language lacks clarity, leading to inconsistent interpretations and compliance issues. In response, the Division conducted a comprehensive review of statutory frameworks in other states to develop proposed changes that address these challenges while standardizing and improving oversight.

The Division of Licensing is considering Rules revisions related to employee verification, quality measures, fees, and to address the identified need for clarification in terminology and applicability as well as to implement a quarterly reporting process to reduce administrative burden.

Appendix A: Average Amounts per Quarter

Placement Types	Transaction Type	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Licensed Practical Nurse (LPN)	Charged to Providers	\$19,006.36	\$23,617.21	\$21,115.23	\$16,451.34
	Paid to Workers	\$7,709.82	\$10,242.09	\$9,639.79	\$7,008.89
	Stipends Paid to Workers	\$5,648.84	\$7,206.67	\$7,028.54	\$5,406.66
	Estimated Return	\$5,647.70	\$6,168.45	\$4,446.90	\$4,035.79
Certified Nursing Assistant - Medications (CNA-M)	Charged to Providers	\$13,995.42	\$13,214.71	\$5,097.99	\$13,047.30
	Paid to Workers	\$8,163.48	\$12,332.45	\$3,837.63	\$7,721.25
	Stipends Paid to Workers	\$3,972.00			
	Estimated Return	\$1,859.94	\$882.26	\$1,260.36	\$5,326.05
Certified Nursing Assistant (CNA)	Charged to Providers	\$38,021.93	\$29,679.60	\$28,378.13	\$34,079.99
	Paid to Workers	\$24,273.66	\$27,612.55	\$17,142.39	\$14,526.35
	Stipends Paid to Workers	\$13,698.01	\$20,089.77	\$9,898.49	\$8,862.68
	Estimated Return	\$50.26	(\$18,022.72)	\$1,337.25	\$10,690.96
Certified Residential Medication Aide (CRMA)	Charged to Providers	\$23,358.35	\$25,867.16	\$15,166.48	\$23,974.09
	Paid to Workers	\$14,116.47	\$10,956.52	\$7,823.45	\$13,589.08
	Stipends Paid to Workers	\$4,451.47	\$4,326.41	\$3,400.32	\$12,350.00
	Estimated Return	\$4,790.41	\$10,584.23	\$3,942.71	(\$1,964.99)
Not Applicable	Charged to Providers	\$16,280.74	\$16,360.46	\$15,423.78	\$18,148.61
	Paid to Workers	\$8,475.24	\$7,617.28	\$6,526.36	\$8,227.68
	Stipends Paid to Workers	\$5,927.45	\$6,116.60	\$6,010.11	\$7,281.17
	Estimated Return	\$1,878.05	\$2,626.58	\$2,887.31	\$2,639.76
Occupational Therapist (OT)	Charged to Providers	\$3,671.83	\$7,945.08	\$88.50	\$73.96
	Paid to Workers	\$1,542.04	\$1,945.52	\$20.79	\$20.79
	Stipends Paid to Workers	\$2,328.20	\$589.47	\$666.52	\$683.91
	Estimated Return	(\$198.41)	\$5,410.09	(\$598.81)	(\$630.74)
Personal Support Specialist (PSS)	Charged to Providers	\$25,452.00	\$24,437.50	\$14,545.50	\$11,219.73

	Paid to Workers	\$14,742.81	\$9,652.88	\$8,082.52	\$10,745.55
	Stipends Paid to Workers	\$17,241.50	\$15,426.50	\$11,748.92	\$15,825.43
	Estimated Return	(\$6,532.31)	(\$641.88)	(\$5,285.94)	(\$15,351.25)
Physical Therapist (PT)	Charged to Providers	\$15,646.78	\$19,224.92	\$19,953.74	\$19,872.54
	Paid to Workers	\$6,156.28	\$6,937.68	\$7,287.30	\$7,078.38
	Stipends Paid to Workers	\$6,424.40	\$7,385.88	\$6,686.81	\$8,986.94
	Estimated Return	\$3,066.10	\$4,901.36	\$5,979.63	\$3,807.22
Registered Nurse (RN)	Charged to Providers	\$31,029.51	\$28,451.34	\$23,874.25	\$27,815.59
	Paid to Workers	\$34,611.79	\$36,208.06	\$48,450.23	\$36,004.24
	Stipends Paid to Workers	\$23,542.33	\$28,453.25	\$38,625.92	\$27,522.00
	Estimated Return	(\$27,124.61)	(\$36,209.97)	(\$63,201.90)	(\$35,710.65)
Speech-Language Pathologist (SLP)	Charged to Providers	\$45,080.00	\$34,557.50	\$28,700.00	\$35,502.50
	Paid to Workers	\$31,742.40	\$26,156.00	\$12,788.00	\$20,529.50
	Stipends Paid to Workers			\$7,322.00	\$9,223.00
	Estimated Return	\$13,337.60	\$8,401.50	\$8,590.00	\$5,750.00