WRITTEN TESTIMONY

In Support of Senate Bill 423

136th Ohio General Assembly

Senate Health Committee

Submitted by ShiftKey

Introduction

Chairman Huffman, Vice Chair Johnson, Ranking Member Liston, and distinguished members of the Senate Health Committee, thank you for the opportunity to submit written testimony in support of Senate Bill 423. My name is Regan Parker, and I am submitting this testimony on behalf of ShiftKey, a technology company headquartered in Dallas, Texas, that operates the nation's leading marketplace connecting independent licensed healthcare professionals with facilities across the country — including nearly 10,000 professionals and more than 372 facilities in Ohio.

We appear before this Committee with a straightforward but urgent message: the workforce crisis in healthcare cannot be solved without the kind of flexible, technology-focused workforce model that S.B. 423 seeks to support. What ShiftKey offers to professionals, facilities, the healthcare system, and the communities and patients they serve must be a legal and protected option in Ohio. We would like to express our gratitude to Senator Manchester for sponsoring this important and timely legislation, and we respectfully urge the Committee to move it forward to the Senate floor.

Ohio's Healthcare Workforce Crisis Demands Legislative Action

Ohio's healthcare system is under serious strain. The data is unambiguous:

- 87% of nursing homes across the country are experiencing moderate-to-high staffing shortages
- 61% of long-term care facilities have been forced to limit patient admissions due to insufficient staff
- 71% of long-term care facilities report they cannot find qualified or interested candidates to fill open positions
- Nursing shortages have been directly linked in clinical literature to higher patient morbidity and mortality rates

These are not abstract statistics. They represent Ohio seniors who cannot get a bed in a long-term care facility. They represent rural communities where the nearest healthcare provider is already stretched beyond capacity. They represent a healthcare infrastructure that is quietly deteriorating at precisely the moment demographic trends are driving demand to record levels.

The root cause of this crisis is not a lack of people willing to work in healthcare. It is a structural mismatch between the rigid, inflexible employment models that dominate the industry and the working conditions that modern healthcare professionals need to sustain their careers. S.B. 423 directly addresses that mismatch.

Burnout Is Driving Experienced Professionals Out of the Field

In February 2024, ShiftKey released findings from our "Solutions to Healthcare Burnout Report," a survey of 1,000 nurses and healthcare workers across the United States. The findings are striking and directly relevant to the case for S.B. 423:

- 81% of healthcare professionals say they have experienced burnout
- 62% say they are at risk of burnout right now
- 49% have considered leaving the field altogether
- 96% have missed at least one major life event — a holiday, a birthday, a wedding, a funeral — due to work commitments
- 95% feel that the public does not understand the demands of their profession

What makes these figures particularly troubling is that they are not produced by disengagement. Healthcare is a calling. 79% of respondents told us they would not trade their career for another. These are committed, experienced professionals who are being driven out of a profession they love by an employment structure that gives them no control over their own time.

The personal cost compounds the professional one. 81% of survey respondents carry caregiving responsibilities outside of work — 52% are caring for children, 39% for aging parents, 34% managing their own chronic health conditions, and 21% supporting extended family members. 64% say balancing those responsibilities with their professional duties is difficult. For many, it is not a balance that rigid shift-based employment can sustain.

Freedom, Flexibility, and Choice Are the Inevitable Solution

Our research does not just document the problem — it points clearly to the solution. Scheduling flexibility is not a perk. It is an imperative. When healthcare workers can control when and where they work, they stay in the profession longer, deliver better care, and sustain their own wellbeing. When we asked healthcare workers what they need to stay in the profession, the answer was consistent and overwhelming:

- 97% agree that nurses and healthcare workers need more scheduling flexibility to combat burnout

- 93% say that independent contractor work specifically provides the kind of flexibility they need
- 82% say quality time with family is their single most effective stress management tool
- 43% say that better schedule flexibility is what they need most to get more of that time

Healthcare technology platforms provide exactly this. Through the ShiftKey marketplace, a licensed nurse can log in, see available shifts at facilities in her area, choose the ones that fit her schedule, set her own rates, and work entirely on her own terms. She does not answer to a scheduler. She is not penalized for declining a shift. She is not obligated to work any minimum number of hours. She is a licensed professional exercising her clinical skills on her own schedule — and she is staying in healthcare because of it.

The benefit extends beyond the independent professionals themselves. Every platform-enabled nurse who picks up a shift is a nurse that an overworked full-time staff member does not have to cover. More licensed professionals available and active in the workforce means full-time staff can get the relief they need — reducing the cascading burnout that occurs when short-staffed facilities push their permanent employees past their limits.

We have enabled nearly 10,000 such professionals in Ohio alone. Together, they have worked more than 1.45 million hours through our platform. These are hours of care that, under the old model, would simply not have been provided — because the workers who delivered them would have already left the field.

What Senate Bill 423 Does — and What It Does Not Do

S.B. 423 creates a clear, consistent legal standard for classifying healthcare workers who choose to work through technology platforms as independent contractors. Specifically, new O.R.C. § 4113.87 establishes that a healthcare worker is not the employee of a healthcare worker platform or healthcare facility for purposes of Ohio's wage, workers' compensation, unemployment, and income tax withholding laws, provided that all of the following conditions are satisfied:

- The platform and worker agree in writing or electronically that the worker is an independent contractor
- The platform imposes no minimum shift requirements — workers are never required to accept a certain number of shifts
- Workers can review and agree to rates before accepting any shift
- Workers may accept or decline any assignment at any facility without penalty

These are not loopholes. They are substantive protections embedded directly in the qualifying standard. A platform that controls its workers, mandates minimum hours, or imposes penalties for declining shifts does not qualify for the classification. The bill is precisely calibrated to

protect genuine independent contractors while excluding arrangements that function, in practice, as traditional employment.

It is also important to be clear about what this bill does not do. S.B. 423 does not eliminate traditional employment for any healthcare worker. Workers who prefer employer-sponsored benefits, predictable schedules, and the statutory protections of employee status retain every right to seek and maintain that kind of work. The bill creates an additional choice — it does not remove an existing one. What it does is ensure that freedom, flexibility, and choice are a legally protected option for Ohio's healthcare workforce. This legislation seeks to clarify this model and provide a clear structure to ensure that this option is available for nurses, facilities and the communities who rely on them.

The Ohio Policy Case Is Compelling

Beyond the individual worker, S.B. 423 serves several critical Ohio policy goals simultaneously.

First, it directly relieves the workforce shortage. With 372 Ohio facilities already on the ShiftKey platform, the infrastructure to deploy flexible workforce solutions is in place. Legal clarity under S.B. 423 will allow more facilities — particularly in rural and underserved areas — to engage platform workers with confidence, expanding access to care in communities that need it most.

Second, it builds surge capacity into Ohio's healthcare system. A healthcare technology platform can scale rapidly when demand spikes — during a pandemic, a natural disaster, or a seasonal surge. Traditional staffing models cannot respond at the same speed. Ohio learned this lesson during COVID-19. S.B. 423 ensures the state has a more resilient workforce architecture going forward.

Third, it reduces the long-term cost of workforce attrition. Every experienced nurse who leaves healthcare because of burnout represents a significant economic loss — in institutional knowledge, in recruitment and retraining costs, and in the downstream impact on patient care quality. Flexible work models that keep experienced professionals in the field are fiscally sound policy, not just compassionate policy.

Fourth, it brings Ohio in line with the modern economy. The workforce has changed. Professionals across every sector increasingly expect autonomy, flexibility, and technology-enabled tools to manage their careers. Healthcare cannot afford to be the last industry to adapt. S.B. 423 positions Ohio as a state that understands this reality and legislates accordingly.

Addressing Anticipated Concerns

We anticipate that some will argue this legislation exposes workers to exploitation or strips them of meaningful protections. We respectfully disagree, and we want to address that concern directly.

The workers who use platforms like ShiftKey are not unskilled gig workers accepting whatever terms are offered to them. They are licensed professionals — Registered Nurses, Licensed Practical Nurses, Certified Nursing Assistants, and other credentialed clinicians — who bring training, expertise, and professional standing to every shift they accept. They are not choosing independent contractor status because they have no alternative. They are choosing it because it gives them back something traditional employment took away: control over their own time.

The bill's qualifying conditions ensure that the classification cannot be abused. And critically, the choice remains entirely with the worker. No one is forced onto a platform. No one is forced to work as an independent contractor. S.B. 423 expands the menu of options available to Ohio's healthcare workforce. That is not exploitation — it is respect for professional autonomy. We believe that nurses and healthcare professionals are capable of choosing the working relationship that works best for them. We are here to empower that choice.

Conclusion

Ohio's healthcare workers are facing a genuine crisis. They are burned out, stretched thin, and leaving a profession they love because the system is not designed to sustain them. S.B.423 offers a targeted, well-constructed solution: legal clarity that empowers workers to choose a working model that keeps them in healthcare, and that gives Ohio's facilities the workforce flexibility they need to serve their communities.

ShiftKey has already demonstrated in Ohio — with nearly 10,000 professionals and over 1.45 million hours of care delivered — that this model works. Freedom, flexibility, and choice are not just appealing ideas. They are the inevitable solution to the healthcare workforce crisis. We are asking the General Assembly to give that solution the legal foundation it needs to grow.

We urge the Committee to advance S.B. 423 and respectfully request the opportunity to provide additional information, data, or testimony as the legislative process continues. Thank you for your consideration of this important legislation.

Respectfully submitted,

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