Senator Susan Manchester

12th District

Ohio Senate Health Committee

May 13th, 2026

Senate Bill 423 – Sponsor Testimony

Chairman Huffman, Vice Chair Johnson, Ranking Member Liston and other members of the Health Committee, thank you for the opportunity to provide Sponsor Testimony on Senate Bill 423. Senate Bill 423 addresses ongoing workforce shortages and staffing challenges facing healthcare facilities across Ohio.

This legislation recognizes the growing role that technology-based workforce platforms play in helping to connect healthcare professionals with nursing homes and other healthcare facilities in need of coverage. When using the types of platforms contemplated by Senate Bill 423, healthcare professionals can choose when, where and how often they want to work, choosing shifts that leverage their experience and expertise, to the benefit of the facilities, professionals and the patient. This type of marketplace empowers healthcare professionals to continue working on terms that best fit their circumstances, while simultaneously increasing the facility's access to qualified independent healthcare professionals who can fulfill their workforce staffing needs.

Many of the platforms operating in Ohio and the professionals using them consider their relationship to be as payors and independent contractors. Senate Bill 423 establishes a clear framework to ensure that any platforms and professionals seeking to operate as payor and independent contractor do so under a clear, consistent, and protective framework. Specifically, the bill establishes a list of criteria that platforms and professionals must satisfy for the professionals using these platforms to be considered 1099 independent contractors, and not employees, for purposes of Ohio law. Moreover, the bill does not affect the professionals' classification under any other circumstance. Its

application is limited to instances where the professional is using a platform to book shifts and meets all safeguards included in this bill.

The healthcare professional is a 1099 independent contractor and not an employee if the healthcare platform meets the following requirements:

- Healthcare professionals have complete control over whether to choose to provide services for any shift and can choose when and where to do so.
- The professional is not required to accept any shift and cannot be penalized for declining shifts.
- The platform does not restrict professionals from working with other platforms or facilities.
- The platform does not require the professional to use non-competes.

Senate Bill 423 also includes safeguards to ensure these arrangements are independent in nature. The legislation requires written acknowledgement of independent contractor status, ensures workers are responsible for their own taxes, and requires occupational accident and liability insurance coverage to be maintained.

Technology-based workforce platforms have emerged as a tool to help connect qualified healthcare professionals with open shifts in real time and Senate Bill 423 modernizes Ohio law to reflect the growing use of these platforms in the health care industry. This legislation provides clarity, consistency, and flexibility while providing support to both healthcare professionals and facilities during a time when they continue to face mounting pressure.

Thank you again for the opportunity to testify today. I am happy to answer any questions you may have.