Interested Party Testimony on SB 423-Healthcare Worker Platforms
Senate Health Committee May 20, 2026

Chairman Huffman, Vice Chair Johnson, Ranking Member Liston, and members of the committee:

Thank you for the opportunity to provide Interested Party testimony on Senate Bill 423. My name is Kelli Hykes, and I serve as Director of Government Relations and Advocacy for the Ohio Nurses Association, the professional association and labor union representing thousands of registered nurses and health professionals across Ohio.

SB 423 represents the next iteration of House Bill 277, which was introduced earlier this year. During consideration of HB 277, the sponsors, Rep. Deeter and Rep. Craig, held an Interested Party meeting where ONA was able to directly share concerns regarding worker protection, patient safety, labor standards, and workforce stability. We appreciate that engagement process and the willingness of stakeholders, particularly the platform company Clipboard Health, to work collaboratively with labor organizations and healthcare stakeholders to significantly revise and narrow the language that is now before this committee as SB 423.

As a labor union, ONA remains appropriately cautious regarding legislation that alters employment classifications or limits workers' collective bargaining rights. Healthcare is not "gig work," and nurses and health professionals cannot simply drop into a facility like an Uber driver and safely provide care without the institutional knowledge, training, coordination, and familiarity with systems, policies, equipment, patient populations, and care teams that are essential to protecting patient safety. Continuity, experience within a specific clinical environment, and investment in a stable workforce are critical components of safe patient care.

Any exception allowing independent contractor or gig-style arrangements must be interpreted extremely narrowly and applied only to individuals who are knowingly and voluntarily engaging in legitimate independent work relationships outside of traditional employment structures. Such models must never become a loophole for employers to evade responsibility for providing fair wages, benefits, workplace protections, or collective bargaining rights.

Every worker deserves the dignity of a living wage, meaningful benefits, safe working conditions, and economic security. Healthcare systems should be investing in stable, experienced caregivers and long-term workforce retention—not shifting toward precarious employment models that weaken accountability, erode professional standards, and contribute to the patient care crisis.

SB 423 makes clear that even if a hospital employee books an extra shift using one of these platforms, they maintain their status as a hospital employee during that shift. This means that their employer liability, opportunity to earn overtime, and other employee protections remain in place. Of course, hospitals and other healthcare employers can and should offer overtime directly to their employees first to save on booking fees, but if they do not, this safeguard will protect the employment status of those nurses.

Importantly, the bill also establishes guardrails that distinguish contract workers from traditional employees. The legislation requires platforms maintain flexibility and independence in scheduling, prohibits noncompete restrictions, preserves the ability to work across multiple platforms, and prevents mandatory shift minimums. Those provisions matter because they help ensure the bill is indeed limited to workers who are intentionally participating in an independent contractor model, rather than workers being involuntarily reclassified.

ONA does remain concerned about the bill's fourteen-day "look back" provision regarding workers transitioning from employee status to contractor status. In healthcare, many nurses and health professionals work alternative schedules, including seasonal arrangements, rotational staffing models, PRN structures, educational leave, or extended scheduling cycles that could routinely place them outside a fourteen-day work period without truly severing their employment relationship. While the bill acknowledges a number of exceptions to this fourteen-day "look back," such as scheduled vacation, ONA believes a longer period would reduce the risk and confusion. The proponents of this bill have indicated that 21 days would meet their needs. That compromise would undoubtedly be closer to the 30+ days ONA has requested than the current look back period of 14 days and better reflects the realities of healthcare scheduling and protects against inappropriate employee misclassification.

As you know, ONA's central legislative priority remains safe patient care through enforceable minimum staffing standards and stronger workforce retention policies. Ohio

hospitals must appropriately staff and support full-time bedside caregivers. However, we also recognize the operational reality that healthcare facilities frequently experience staffing fluctuations that can place patients and nurses at risk.

When used appropriately and responsibly, supplemental contract staffing platforms can provide hospitals with an additional staffing tool to help improve compliance with safe staffing standards, reduce mandatory overtime, decrease burnout among permanent staff, and improve patient outcomes. In that sense, these platforms may serve as one component of a broader workforce stabilization strategy. Though they should never replace investment in permanent bedside staffing, they can serve as a way to meet safe staffing standards and tap into the huge market of nurses who are not willing to work at the bedside full-time due to current conditions.

ONA also acknowledges that SB 423 significantly improves upon current law by requiring occupational accident insurance and liability insurance coverage for workers operating through these platforms. Today, these platforms operate without any such legal requirements for their contractors. From a patient safety and workforce protection perspective, this is a meaningful improvement. Hospitals and patients deserve assurance that individuals practicing in clinical settings have appropriate professional coverage in place.

That said, we believe the legislation should establish a minimum liability insurance threshold rather than leaving coverage amounts undefined. ONA recommends tying minimum coverage requirements to existing Bureau of Workers' Compensation minimums or comparable state insurance standards to ensure consistency and adequate protection for both patients and healthcare workers. Most of the proponent companies build this into their terms of use, but ONA fears that if this legislation passes, Ohio will see copycat apps developed that will try to undercut costs and safety if the law permits it.

Finally, while ONA appreciates the narrowing of this proposal, we remain mindful, and you should as well, that independent contractors are generally excluded from traditional collective bargaining protections under federal labor law. Preserving frontline nurses' ability to advocate collectively for safe staffing, workplace safety, and patient care standards remains critically important to our organization, to the nurses and health professionals working in Ohio hospitals, and to the patients we serve.

In closing, ONA appreciates the proponents' willingness to engage with labor and nursing stakeholders to substantially improve and narrow this legislation from its original form as

HB 277. While we continue to have concerns and recommendations for refinement regarding liability coverage minimums and the look-back period, we recognize that SB 423 as proposed here today represents an improvement over prior options and contains worker protections that do not currently exist in law.

Thank you for your consideration, and I would be happy to answer any questions.