



Testimony of Rhea Baker, Senior Legal Counsel, Staffing GC
Opposition to Proposed Caps on Temporary Health Care Staffing Rates in New York
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Thank you for the opportunity to provide testimony. My name is Rhea Baker, and I serve as Senior Legal Counsel at Staffing GC, LLC, where I advise multiple staffing and services organizations on labor and employment law, workforce strategy, compliance, and risk mitigation. I bring over a decade of experience guiding staffing executives and teams across highly regulated environments. I have worked directly with numerous staffing agencies that place temporary nurses and healthcare professionals across New York. My perspective is informed by hands-on experience assisting organizations in balancing compliance, retention, and operational flexibility in dynamic, patient-care environments.

Temporary Staffing Exists Because of a Workforce Shortage, Not Agency Behavior

Drawing on my experience advising staffing agencies, I can confirm that temporary staffing is a response to real-time, unavoidable gaps in hospital staffing. Staffing agencies operate within narrow margins and are subject to significant constraints imposed by wage, licensing, and compliance requirements. They do not create shortages; they enable hospitals to respond quickly when permanent staffing cannot meet patient demand. Staffing agencies provide hospitals with the flexibility to quickly place qualified nurses where they are needed most, ensuring patient care continues safely when permanent staff positions cannot be filled in a timely manner. Without this support, hospitals would face unfilled shifts, increased workloads for existing staff, and delays in patient care.

The chronic shortage of the healthcare workforce predates COVID-19 and has intensified since. According to the National Association of Travel Healthcare Organizations, the registered nurse workforce nationally declined by more than 100,000 between 2020 and 2021, the largest drop in four decades. Young nurses under 35 accounted for a troubling share of departures, posing a risk to long-term workforce stability. Federal projections indicate over 200,000 RN openings per year through at least 2031 due to retirements, burnout, and career exits. COVID accelerated burnout and attrition, with nurses reporting elevated stress, anxiety, depression, and PTSD, all factors that permanently reduce supply. Hospitals turned to temporary staffing because permanent hiring cycles cannot meet immediate patient needs.

Personal Experience Highlighting Staffing Challenges

I live in Central New York and have experienced firsthand the consequences of healthcare staffing shortages. My family and I moved to Onondaga County from South Carolina nearly two years ago, and during that time, I have struggled to obtain timely care for my family. Establishing consistent primary and specialty care has been incredibly difficult, and in some cases, we have been forced to rely on mini-

clinics or urgent care centers because local offices are closed due to staff shortages. This experience has made clear that staffing shortages directly impact access to and quality of care. Temporary staffing fills these gaps in real time; without it, New York families, like mine, face delayed or limited care. Temporary staffing solutions are often the only way to fill these gaps and ensure that patients can access care when they need it.

Temporary Staffing Complements Permanent Staff

Temporary staffing addresses acute, unpredictable gaps, including patient surges, medical leave, retirements, seasonal fluctuations, and emergencies. Permanent hiring cannot respond to these needs in real time. Travel nurses provide geographic and clinical flexibility, including deployment to ICUs and emergency departments, preventing burnout among permanent staff and maintaining safe staffing ratios. Many per diem nurses have permanent hospital roles and rely on temporary assignments to supplement their income. Capping rates or margins would restrict these opportunities, harming both nurses and patients.

Price or Margin Caps Would Undermine Safe Staffing

Based on my experience advising staffing agencies, capping rates or profits would directly compromise hospitals' ability to maintain safe staffing levels. Agencies rely on sustainable margins to pay competitive wages that attract nurses to high-acuity units, rural hospitals, safety-net facilities, and long-term care settings. If caps reduce agency revenue, fewer nurses will accept these critical assignments, leaving shifts unfilled or forcing permanent staff to work excessive hours. These gaps increase patient risk, reduce timely access to care, and impede hospitals' ability to respond quickly to sudden surges in demand. History confirms this risk: Massachusetts and Minnesota had to suspend or raise caps during COVID to maintain safe staffing, and Oregon's law explicitly allows emergency exceptions, recognizing that rigid limits prevent hospitals from ensuring adequate coverage when it matters most.

Rather than imposing blunt price or margin caps, New York should focus on targeted enforcement of existing laws against excessive pricing, investment in nurse education and retention programs, and support for temporary staffing as an essential component of New York's healthcare delivery system.

Thank you for the opportunity to testify.

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