

**INSPECTIONS AND APPEALS DEPARTMENT[481]**

**Notice of Intended Action**

**Proposing rulemaking related to health care employment agencies  
and providing an opportunity for public comment**

The Department of Inspections, Appeals, and Licensing hereby proposes to amend Chapter 55, “Health Care Employment Agencies,” Iowa Administrative Code.

*Legal Authority for Rulemaking*

This rulemaking is proposed under the authority provided in Iowa Code section 10A.104.

*State or Federal Law Implemented*

This rulemaking implements, in whole or in part, Iowa Code chapter 135Q as amended by 2023 Iowa Acts, House File 357; 2023 Iowa Acts, Senate File 75; and Executive Order 10 (January 10, 2023).

*Purpose and Summary*

This proposed rulemaking amends Chapter 55 and implements Iowa Code chapter 135Q as amended by 2023 Iowa Acts, House File 357, in accordance with the goals and directives of Executive Order 10 (January 10, 2023). This rulemaking removes the definition of “direct services” and amends the definition of “health care employment agency” in accordance with 2023 Iowa Acts, House File 357. The rulemaking also revises references to ambulatory surgical centers in the definition of “health care entity” to account for new state licensing standards established by 2023 Iowa Acts, Senate File 75. Finally, the revisions update the Department’s contact information and references to now-codified legislation.

*Fiscal Impact*

This rulemaking has no fiscal impact to the State of Iowa.

*Jobs Impact*

After analysis and review of this rulemaking, no impact on jobs has been found.

*Waivers*

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 481—Chapter 6.

*Public Comment*

Any interested person may submit written comments concerning this proposed rulemaking. Written comments in response to this rulemaking must be received by the Department no later than 4:30 p.m. on May 7, 2024. Comments should be directed to:

Ashleigh Hackel  
Department of Inspections, Appeals, and Licensing  
6200 Park Avenue, Suite 100  
Des Moines, Iowa 50321  
Email: [ashleigh.hackel@dia.iowa.gov](mailto:ashleigh.hackel@dia.iowa.gov)

*Public Hearing*

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rulemaking may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

*Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Amend rule 481—55.1(89GA, HF2521) as follows:

**481—55.1(89GA, HF2521 135Q) Definitions.** The definitions set forth in Iowa Code section 135Q.1 as enacted by 2022 Iowa Acts, House File 2521, are incorporated herein by reference. As used in this chapter, unless the context otherwise requires, the following terms also apply:

*“Direct services”* includes services performed by registered nurses, licensed practical nurses, certified nurse aides, certified medication aides, and medication managers. “Direct services” does not include the practice of medicine and surgery or osteopathic medicine and surgery by an individual licensed under Iowa Code chapter 148 or 148C or the practice of nursing by an advanced registered nurse practitioner or an advanced practice registered nurse licensed under Iowa Code chapter 152 or 152E. For purposes of this chapter, janitorial, housekeeping, laundry, and meal preparation services are not considered direct services.

*“Health care employment agency”* does not include a recruitment firm that contracts with a health care entity to identify and screen potential candidates for hire and does not provide agency workers for temporary, or temporary-to-hire, direct hire, or other contract or employee placements in this state. “Health care employment agency” does not include a group of physical therapists licensed under Iowa Code chapter 148A, occupational therapists licensed under Iowa Code chapter 148B, or speech pathologists or audiologists licensed under Iowa Code chapter 154F providing services to a health care entity.

*“Health care entity”* includes, but is not limited to, any entities licensed or certified pursuant to Iowa Code chapters chapter 135B (hospitals), 135C (health care facilities), 135G (subacute mental health care facilities), 135H (psychiatric medical institutions for children), 135J (licensed hospice programs), 231C (assisted living programs), and 231D (adult day services), or any ambulatory surgical center 135R (ambulatory surgical centers), or any home health agency, hospice, end-stage renal disease center, rural health clinic, or federally qualified health care center certified by the Centers for Medicare and Medicaid Services.

ITEM 2. Amend rule 481—55.2(89GA, HF2521) as follows:

**481—55.2(89GA, HF2521 135Q) Health care employment agency registration.**

**55.2(1)** A health care employment agency operating in the state shall file a statement of registration and pay a registration fee in accordance with Iowa Code section 135Q.2(1) ~~as enacted by 2022 Iowa Acts, House File 2521.~~ A health care employment agency with multiple locations may complete one registration containing the information required in subrule 55.2(3) for each location and may remit one payment for the total registration fee required. A health care employment agency shall register with the department 30 days prior to operation.

~~a.—A health care employment agency in operation prior to July 1, 2022, shall register with the department no later than January 4, 2023.~~

~~b. A health care employment agency in operation on or after July 1, 2022, shall register with the department 30 days prior to operation.~~

**55.2(2)** The statement of registration may be submitted electronically via an Internet-based system provided by the department for such purpose; by mail to the Department of Inspections, ~~and Appeals, and Licensing, Health Facilities and Safety Division, Lucas State Office Building, Third Floor, 321 E. 12th Street~~ 6200 Park Avenue, Suite 100, Des Moines, Iowa 50319-0083 50321; or by fax to ~~(515)242-5022~~ 515.242.5022.

**55.2(3) to 55.2(5)** No change.

ITEM 3. Amend rule 481—55.3(89GA, HF2521) as follows:

**481—55.3(89GA, HF2521 135Q) General requirements.** A health care employment agency shall adhere to all requirements under Iowa Code section 135Q.2(2) ~~as enacted by 2022 Iowa Acts, House File 2521~~, and do all of the following:

**55.3(1) Verification of employment standards.** A health care employment agency shall ensure that its agency workers comply with all applicable state and federal requirements under Iowa Code sections 135Q.2(2) “a” through “c<sub>2</sub>” ~~as enacted by 2022 Iowa Acts, House File 2521~~, including but not limited to the following:

a. to c. No change.

**55.3(2)** No change.

ITEM 4. Amend rule 481—55.4(89GA, HF2521) as follows:

**481—55.4(89GA, HF2521 135Q) Prohibitions.**

**55.4(1)** A health care employment agency shall not restrict the employment opportunities of an agency worker in accordance with Iowa Code section 135Q.2(3) ~~as enacted by 2022 Iowa Acts, House File 2521~~.

**55.4(2)** Subrule 55.4(1) shall not apply to a contract between a health care employment agency and a health care entity or a health care employment agency worker that meets all of the following criteria: set forth in Iowa Code section 135Q.2(3) “b.”

~~a. The contract is for the purpose of placing an agency worker the health care employment agency assisted in obtaining authorization to work in the United States;~~

~~b. The contract contains an initial contract term of no less than 24 months and has a total duration, including any renewals or extensions, of no longer than 36 months; and~~

~~c. The contract requires the agency worker to work at a single health care entity for the duration of the contract.~~

ITEM 5. Amend rule 481—55.5(89GA, HF2521) as follows:

**481—55.5(89GA, HF2521 135Q) Record retention and reporting.**

**55.5(1)** No change.

**55.5(2) External reporting.** A health care employment agency shall report, file, or otherwise provide any required documentation pursuant to Iowa Code section 135Q.2(2) “c<sub>2</sub>” ~~as enacted by 2022 Iowa Acts, House File 2521~~, including, but not limited to:

a. and b. No change.

**55.5(3) Quarterly reporting to the department.**

a. The quarterly report required by Iowa Code section 135Q.2(4) ~~as enacted by 2022 Iowa Acts, House File 2521~~, shall provide the following:

(1) to (3) No change.

b. No change.

ITEM 6. Amend rule 481—55.6(89GA, HF2521), parenthetical implementation statute, as follows:

**481—55.6(89GA, HF2521 135Q) Complaints.**

ITEM 7. Amend subparagraph **55.6(1)“a”(1)** as follows:

(1) Any person with a concern regarding the operation of a health care employment agency may file a complaint at the department’s physical location, complaint hotline, or website, as follows:

Physical address: Department of Inspections, ~~and Appeals, and Licensing~~  
Health and Safety Division, Complaint/Incident Unit  
~~Lucas State Office Building, Third Floor~~ 6200 Park Avenue, Suite 100  
321 E. 12th Street  
Des Moines, Iowa ~~50319-0083~~ 50321

Complaint hotline: ~~1-877-686-0027~~ 1.877.686.0027

Website address: ~~dia.iowa.gov~~ dial.iowa.gov

ITEM 8. Amend rule 481—55.7(89GA, HF2521), parenthetical implementation statute, as follows:

**481—55.7(89GA, HF2521 135Q) Investigations.**

ITEM 9. Amend rule 481—55.8(89GA, HF2521) as follows:

**481—55.8(89GA, HF2521 135Q) Penalties.** A health care employment agency that violates Iowa Code sections 135Q.2(1) through 135Q.2(3) as ~~enacted by 2022 Iowa Acts, House File 2521,~~ or rule 481—55.3(89GA, HF2521 135Q) shall be subject to the associated penalties under Iowa Code section 135Q.2(5) ~~as enacted by 2022 Iowa Acts, House File 2521.~~

ITEM 10. Amend rule 481—55.9(89GA, HF2521), parenthetical implementation statute, as follows:

**481—55.9(89GA, HF2521 135Q) Public and confidential information.**

ITEM 11. Amend paragraph **55.9(1)“d”** as follows:

*d.* Any records required to be submitted to the department by the health care employment agency pursuant to Iowa Code section 135Q.2(4) ~~as enacted by 2022 Iowa Acts, House File 2521,~~ and subrule 55.5(3) (quarterly reporting to the department).

ITEM 12. Amend **481—Chapter 55**, implementation sentence, as follows:

These rules are intended to implement ~~2022 Iowa Acts, House File 2521~~ Iowa Code chapter 135Q.