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Via Federal Register

September 23, 2022

The Honorable Rohit Chopra, Director
Consumer Financial Protection Bureau
1700 G Street NW
Washington, DC 20552

RE: Request for Information Regarding Employer Driven Debt (Docket No. CFPB-2022-0038)

Dear Director Chopra:

On behalf of more than 175,000 registered nurses (RNs) across the country, National Nurses United (NNU) appreciates the opportunity to submit these comments in response to the Consumer Financial Protection Bureau (CFPB) Request for Information Regarding Employer-Driven Debt (Docket No. CFBP-2022-0038), 87 Fed. Reg. 36,469 (hereinafter "RFI"). NNU applauds the CFPB's initiative to investigate employment-related financial issues of workers across the country.

As described in more detail below, NNU calls the CFPB's attention to hospital employers' use of coercive job-based financial agreements as conditions of employment to unduly gain financial power over health care workers. These kinds of contracts include training repayment agreement provisions (TRAPs) that create financial obligations of nurses to their employers, requiring nurses to work minimum periods of time as a form of repayment towards the alleged debt. If nurses quit or are otherwise terminated for any reason prior to the end of the labor contract period, they are required to repay the costs of the alleged debt or pay a high financial penalty.

In other words, the kind of employer-driven debt that many nurses face today is a modern-day form of indentured servitude. Often, the only difference between a worker in an employer-mandated debt trap today and one from past centuries is that they may be paid a wage, although that is not always the case. Even worse, as discussed below, employer-originated debt is often mandated as a condition of employment for nurses or virtually required to enter the nursing profession. As market consolidation in the health care industry grows, hospital employers leverage their monopsony power to coerce nurses into debt through "take it or leave it" contracts, or contracts of adhesion.

For decades, NNU nurses have seen health care employers use various tools to exploit their labor and to lock nurses into low wages and unsafe working conditions, shift costs of mandatory on-the-job training onto workers, and prevent union membership and collective

workplace action. In particular, hospital employers prey on the most vulnerable among health care workers, including newly graduated nurses, immigrant nurses, nonunion nurses, and nurses in areas where only one or a few health care corporations dominate the labor market. These hospital employers use the threat of financial ruin to keep nurses out of unions, silence whistleblowers, lock nurses into low-wage positions, and prevent nurses from acting collectively to improve hospital working conditions for themselves, their coworkers, and their patients. Importantly, when employers hold nurses hostage as debtors, it makes it difficult for nurses to speak out about unsafe working conditions and to advocate for their patients to ensure they receive safe and effective nursing care. Ultimately, patients suffer as a result of employer-driven debt in the health care industry.

In these comments, NNU describes the preliminary results of our recent survey of nurses, both union and nonunion, on employer-driven debt, which garnered nearly 1,700 responses. NNU also interviewed dozens of nurses who responded to NNU's survey on employer-driven debt. Seventeen of these nurses' stories are included below in Section VII.

Employers' use of TRAPs is increasingly ubiquitous in the health care sector. TRAPs require nurses, as a condition of employment, to agree to repay the employer's estimated valuation of the new nurse's "training" if the nurse does not work for the employer for a minimum period of time. The TRAPs are often targeted at newly licensed nurses who are just starting their careers as RNs or at nurses in areas where one or a few health care corporations dominate the labor market. Hospital employers promote these employer-mandated debt contracts as enhanced education and training programs, new graduate contracts, or so-called "residency" programs for RNs. Some TRAPs are treated as loans or promissory notes while others use liquidated damages or contract penalty provisions. Taking advantage of newly licensed nurses' desires to be mentored and to receive hands-on training, these so-called training programs often do not improve nurses' skills as advertised and promoted by employers. New nurse training programs are unregulated and almost always unaccredited by any educational institution or nursing practice organization. Other common types of employer-driven debt for nurses discussed in these comments include international recruitment contracts, tuition assistance programs, and mandated hiring bonus repayment contracts. Employers frequently require debts like these as a condition of employment and mandate a minimum period of work the nurse must complete to avoid financial penalties.

As the CFPB investigates employer-driven debt, NNU urges the Bureau to consider employment contracts that create financial obligations on nurses or other workers as a condition of employment or that require a minimum period of labor as repayment to be unfair, deceptive, or abusive acts or practices (UDAAPs) under federal consumer protection law. By regulating and investigating employers that use debt or the threat of debt as part of employment contracts, the CFPB can play a critical role in ensuring that nurses have safe and fair workplaces where they can meet their professional duties of patient care and advocacy.

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I. NNU's Survey Results Demonstrate the Growing Prevalence of Training Repayment Agreement Provisions (TRAPs) and other Employer-Driven Debt for Registered Nurses. (Responding to Market-Level Inquiries # 1, 2, 3, 4, 7, 9)

In response to the CFPB's RFI, NNU conducted a survey of registered nurses on their experiences with employer-driven debt and training repayment agreement programs. NNU also conducted in depth interviews with over two dozen nurses.

The preliminary survey results presented here include responses submitted between July 21, 2022, and August 9, 2022. NNU's survey of RNs was available online only and open to both NNU members and nonmembers. NNU promoted the survey by email and texting, using contact lists that included RN members only and contact lists that included both member and nonmember nurses, as well as through promotion of the survey in social media postings and social media advertisements that ran throughout the survey period.

To focus survey participation among nurses who may have recently graduated, one of the survey contact lists was filtered to include approximately 10,000 nurses represented by NNU. Based on our filtering, we had a high level of confidence that this list would contain a large sample of nurses who recently began their careers as RNs. The survey was also distributed through the NNU Nurse Advocacy Network's nurse contact list, texting and emailing 21,881 nonmember nurses about the survey.

Many nurses who communicated with NNU through our survey and interview process did not want to share their name or their story with the CFPB in public comments because of the potential for employer retaliation. Many workers did not want to share their story in public

comments, even anonymously, because they feared being identified by their employer or former employer.

Some employer-driven debt contracts include nondisclosure clauses forbidding workers from discussing the terms and conditions of the contract. These provisions potentially expose workers to legal risk for sharing their experiences and contract text with CFPB. Even if the term of a nondisclosure clause expires or even if the clause may potentially be unlawful, the very inclusion of a nondisclosure clause, valid or not, may intimidate a worker from speaking to the CFPB and from exercising other legal rights or from seeking legal counsel.

Given these workers' legitimate fears of retaliation by their employers or former employers, NNU strongly urges the CFPB and other federal agencies to consider cross-agency guidelines to establish procedures to protect workers who share information with, report concerns, or file complaints to the CFPB about employer-driven debt from retaliation by their employers, former employers, or collection agencies. Anti-retaliation protections for workers who have employer-driven debt is critical for the CFPB to consider as it moves forward with its inquiry on workplace-related experiences with financial products and services. Many workers may be willing to share information or complaints about employer-driven debt only if the CFPB provides stronger assurances against worker retaliation and stronger assurances that federal agencies will take steps to support and protect workers who may be retaliated against after they share or report their concerns to the CFPB. NNU also urges the CFPB to create a confidential complaint process to receive information specifically on employer-driven debt.

a. NNU Summary Findings on Employer-Driven Debt Survey

In this section, NNU describes key findings from our survey of RNs on employer-driven debt. Additional summary data from NNU's survey is included in Appendices A and B. The summary data in Appendix A includes only responses from RNs, including advanced practice registered nurses (APRNs) and critical care registered nurses (CCRNs), who also reported in the survey that they were currently working in a hospital setting and have been in training repayment agreement programs. Due to the large number of respondents who were employed by HCA Healthcare during their training repayment agreement program, Appendix B includes data only from RNs in TRAPs at HCA Healthcare facilities. Over 13% of hospital RN respondents in a TRAP (79 respondents) reported that the TRAP was at an HCA Healthcare facility.

Summary Statistics

There were 1,698 total responses to NNU's survey (both complete and partial responses) (Table 1). Of all respondents, 867 identified themselves as currently being in or having been in a training, residency, or apprenticeship program as a requirement of employment (Table 1). Of those 867 respondents, 589 respondents identified themselves as RNs or APRNs/CCRNs working in hospitals (Table 1). When these 589 respondents were asked if their employer expected them to pay back the cost of training, 326 reported affirmatively (Table 2). In other

words, 326 hospital RNs reported that they are or were required to enter into a contract that included a training repayment agreement provision in order to get or keep a job, representing over half of all hospital RNs who reported having to enter a training program as a condition of employment.

Table 1: Requirements to Enroll in Training, Residency or Apprenticeship Programs as a Condition of Employment (All Respondents)

Response	**Frequency**	Percent
Yes	867	51.1
No	715	42.1
I don't know	56	3.3
Not applicable	60	3.5
Total	1698	100.0
Yes (RNs or APRNs/CCRNs at hospitals only)	**589**	**--**

Table 2: RNs in Programs with Training Repayment Agreement Provisions (Only Hospital RNs or APRNs/CCRNs; Training, Residency or Apprenticeship Required as a Condition of Employment)

Response	**Frequency**	**Percent**
Yes, they expect me to pay the costs	326	55.3
No, they don't expect me to pay the costs	184	31.2
I don't know	79	13.4
Total	589	100.0

Among RN and APRN/CCRN survey respondents who are or were in a TRAP and who stated their location, 25 states plus the District of Columbia and Puerto Rico were represented. Hospital location was not a mandatory response (Table 3).

Table 3: Geographic Distribution of Survey Respondents (Only Hospital RNs or APRNs/CCRNs; Training, Residency or Apprenticeship Required; Repayment Required)

State of Employer	**Frequency**
Arizona	8
California	69
Colorado	5
District of Columbia	9
Florida	43
Georgia	2

Illinois	6
Indiana	2
Kansas	5
Louisiana	1
Maine	2
Maryland	1
Minnesota	1
Missouri	13
Nevada	24
New York	1
North Carolina	16
Oregon	1
Pennsylvania	2
Puerto Rico	1
South Carolina	1
Tennessee	4
Texas	22
Utah	2
Virginia	4
Washington	3

When asked whether they knew they were taking on a debt before accepting or continuing employment with their employer, only half of the hospital RNs or APRNs/CCRNs who are or were in TRAPs responded "yes" (Table 4).

Table 4: Worker Knowledge of Repayment Obligation Before Accepting or Continuing Employment (Only Hospital RNs or APRNs/CCRNs; Training, Residency or Apprenticeship Required; Repayment Required)

Response	Frequency	Valid Percent
Yes	132	51.2
No	93	36.0
I don't know	33	12.8
Total	258	100.0

The survey data shows that employers are requiring an increasing percentage of newer hospital RNs to enroll into training or residency programs as well as to enter into training repayment agreement provisions. Among hospital RNs or APRNs/CCRNs who reported their length of current occupation as 5 years or less, more than 74% are in training programs as a requirement of employment (Table 5). This represents an increase of almost fourfold from

respondents with 21 years or more of experience (19.8%) (Table 5). Of hospital RNs or APRNs/CCRNS who reported their length of current occupation as between 1 and 5 years, 44.8% reported having been in a TRAP. In contrast, for those who reported their length of current occupation as between 11-20 years, only 24.3% reported having been in a TRAP (Table 6). These survey results indicate that, while hospital employers may have used TRAPs for more than a decade, their use of TRAPs has grown dramatically for nurses who entered the profession within the past decade.

Table 5: Length of Current Occupation and Training Program Requirements

Length of time as an RN	Frequency (All Hospital RNs or APRNs/CCRNs)	"Yes" Training, Residency or Apprenticeship Required (Only Hospital RNs or APRNs/CCRNs)	
		Frequency	Percent training required by time as an RN
Less than 1 year	315	237	75.2
1 – 5 years	326	243	74.5
6 – 10 years	86	45	52.3
11 – 20 years	115	38	33.0
21 or more years	106	21	19.8
Other	19	9	47.4
Total	927	593	64.0

Table 6: Length of Current Occupation and TRAPs

Length of time as an RN	Frequency (All Hospital RNs or APRNs/CCRNs)	"Yes" Training Repayment Agreement Required (Only Hospital RNs or APRNs/CCRNs)	
		Frequency	Percent in TRAP by time as an RN
Less than 1 year	315	101	32.1
1 – 5 years	326	146	44.8
6 – 10 years	86	39	45.3
11 – 20 years	115	28	24.3
21 or more years	106	10	9.4
Other	19	5	26.3
Total	927	329	35.5

When respondents were asked what the reason for the alleged debt or financial obligation to their employer is or was, the top three responses were a training or residency program (332 respondents), a hiring bonus (173 respondents), or relocation costs (50 responses) (Table 7). These remained the top three reasons even when looking only at hospital RNs or APRNs/CCRNs and only at hospital RNs or APRNs/CCRNs who are or were in a TRAP (Table 7).

Table 7: Top Three Reason for Alleged Debt or Financial Obligation to Employer

Reason (Select all that apply)	Frequency (All Respondents)	Frequency (Hospital RNs or APRNs/CCRNs)	Frequency (Hospital RNs or APRNs/CCRNs; Training Program Required; Repayment Required)
A training or residency program	332	264	233
Hiring bonus	173	126	87
Relocation costs	50	39	27

For hospital RNs or APRNs/CCRNs who had or have employer-driven debt, the amount of debt varied widely. For hospital RNs or APRNs/CCRNs who are or were in a TRAP, just under 27% had debt between $1,000 and $4,999, but more than 19% had debt of over $15,000 (Table 8). Notably, over 20% of hospital RNs or APRNs/CCRNs in TRAPs did not know the amount of their financial obligation to their employer (Table 8).

Table 8: Amount of Debt (Only Hospital RNs or APRNs/CCRNs)

	All Hospital RNs or APRNs/CCRNs		Hospital RNs or APRNs/CCRNs; Training Program Required; Repayment Required	
Amount of debt	Frequency	Valid Percent	Frequency	Valid Percent
Less than $1,000	19	3.9	7	2.7
$1,000 to $4,999	120	24.8	71	26.9
$5,000 to $9,999	65	13.5	31	11.7
$10,000 to $14,999	95	19.7	49	18.6
$15,000 or more	96	19.9	51	19.3
I don't know	88	18.2	55	20.8
Total	483	100.0	264	100.0

Respondents were also asked whether they know if their coworkers are or were obligated to repay work-related expenses, fees, penalties, or other financial obligations during the course of or after leaving their job as a health care worker. Of all respondents, 225 said that their current employer asserts their coworkers owe or owed money, 265 said their coworkers' past employer said their coworkers owe or owed money, and 48 said their coworkers owe or owed money to an entity other than their employer for employment-driven debt (Table 9).

Table 9: Coworkers' Experiences with Employer Driven-Debt (All Respondents)

Response	Frequency
Yes, I know my current employer has asserted my coworkers owe or owed them money	225
Yes, I know my coworker's previous employer has asserted that my coworker owes or owed them money	265
Yes, but an entity other than their employer asserted that my coworker owes or owed them money	48
No	932

b. Observed Trends in Employer-Driven Debt for Nurses (Responding to Market-Level Questions on Pre-Origination, Origination, Servicing and Collections Disputes, and Credit Report)

As part of our survey of RNs with employer-driven debt, NNU asked a number of questions in which respondents could provide open-ended comments. Appendix C and Appendix D include some responses, respectively, to the questions "Is there anything else you would like to share with us?" and "What have the effects of this debt been on your employment experience, professional mobility, workplace health and safety, and compensation?".

NNU also interviewed over two dozen nurses about their experiences with employer-driven debt and TRAPs. Seventeen nurses' stories are detailed in Section VII below.

These comments and interviews with nurses reveal trends in RN experiences with employer-driven debt related to TRAPs and other requirements to repay alleged debts to an employer if they do not complete minimum periods of labor. Some of these trends are also described in additional detail in Section III and throughout these comments.

i. Pre-origination and Origination

Several themes emerged in the survey comments and our interviews with nurses related to the period leading up to and the signing of the TRAP or other repayment contract. Nurses often did not expect or understand the TRAPs but felt pressured to sign quickly to be able to access employment.

Nurses mentioned in survey comments and interviews that they had limited employment options that did not require TRAPs. Some of the nurses who were purposefully avoiding TRAPs struggled to find the few non-TRAP positions available. Of those hospital nurses in TRAPs who responded, only 43% (111 nurses of 258) said their employer explained the terms of the debt before they signed the contract (See, e.g., Appendix A at Comment 9).

Several nurses reported that they accepted job offers and arrived to begin work before discovering that they would be subject to TRAPs. One nurse was explicitly told they were not required to be part of a nurse residency program and then two months after starting the job was told they were required to participate in a program with a repayment agreement for $4,000 for a program the nurse described as "busy work" (Appendix C - Comment 40). Some employers required nurses to sign a TRAP or offered a sign-on bonus with a repayment provision while other nurses with the same employer were not, with no apparent logic as to who was in each category (See, e.g., Section VII - Nurse D).

Other nurses only discovered the TRAP among many pages of hiring documents or after declining other options and accepting a job offer without knowledge of the TRAP requirement (See, e.g., Appendix C - Comments 9, 66; Section VII Nurse A, Nurse E). Nurses found the contracts unclear and reported receiving limited explanation from their employer (See, e.g., Section VII - Nurse A, Nurse C, Nurse E, RN Jacobs, and RN Gaffney). Some nurses reported that they were pressured to sign the contract on the spot after learning of the terms. Several nurses reported not being able to access or having trouble accessing a copy of the contract they were working under (See, e.g., Nurse A, Nurse B, Nurse H, RN Logan in Section VII; Appendix C - Comments 11, 23, 30).

Nurse A and Nurse E, whose stories are included below in Section VII, responded that they had never received a clear explanation of the terms and conditions of the TRAP and did not know how much they would be required to pay if they left their position or under what terms.

ii. Training Programs

Nurses frequently expressed that the training programs provided under TRAPs did not provide high-quality preparation for work in nursing (See, e.g., Section VII - RN Rudis, RN Young; Appendix C - Comments 4, 10, 37, 40, 49, 51, 53, 71, 75). Some nurses did not receive all the training promised in their contracts due to being pulled off of orientation early or other changes (See, e.g., Appendix C - Comment 37; Section VII - RN A, RN Briggle). One nurse described the training as "busy work" (Appendix C - Comment 40). Nurses generally found preceptorship to be useful, but in interviews some mentioned having inexperienced preceptors or preceptors who were inattentive because of a heavy patient load or other staffing issue that created safety concerns (See, e.g., Section VII - Nurse F, RN Van Briggle, RN Logan, RN Rudis, RN Young). Preceptorship is when a new graduate nurse, newly hired nurse, or nurse who is transferring into a new unit within a health care facility is paired with an experienced nurse to care for patients together for their first few weeks or months of nursing at a given facility. Some nurses reported having to complete online modules that they had to balance with patient care duties. Several nurses interviewed expressed that the classroom portions of the training programs were either duplicative of what they had already learned in nursing school or focused on information specific to the facility that would not be relevant to future jobs and would typically have been part of a job orientation program (See, e.g., Section VII - Nurse C, Nurse E, RN

Jacobs). Nurse G, as described in detail in Section VII, found the training program to be largely duplicative of experience they already had working for the unit before licensure and found it difficult to attend monthly meetings that took place during the day while they were working the night shift and which they felt did not include content useful to patient care.

iii. Effects on nurses' working conditions

Nurses commonly cited that the contracts binding them to their employers contributed to poor working conditions. Of the 326 hospital RNs or APRNs/CCRNs respondents who said they are or were in TRAPs, 110 (33.7%) said they felt restrained from complaining about unsafe staffing or other unsafe or unfair working conditions.

Nurses frequently cited receiving much lower wages under their contract at the TRAP facility than were available at other facilities in their region (See, e.g., Appendix at Comments 20, 25, 46, 60, 64, 70; Section VII - Nurse H, RN King, RN Rudis). Of the 326 hospital RNs or APRNs/CCRNs respondents who said they are or were in TRAPs, 129 (39.6%) said they had to accept low wages during the term of the contract. In their interview, Nurse H reported that they could make substantially more at other facilities for the same type of work they are performing at an HCA Healthcare facility under a repayment agreement. One respondent reported having been moved to a lower wage position after training was complete than the one they had originally accepted but being unable to leave without paying a financial penalty, something the nurse did not know was a possibility when they signed the contract (Appendix C - Comment 7).

Many nurses reported being required to work in units that had dangerously low nurse-to-patient ratios (See, e.g., Appendix C - Comments 1, 8, 15, 27, 37, 41, 44, 62, 78; Section VII - Nurse A, Nurse E, RN Van Briggle, RN Rudis, RN Logan, RN Young). They also reported getting stuck with the worst shifts and being mistreated but feeling locked into their jobs by the repayment provisions. In comments and interviews, nurses recognized danger to themselves and their patients but reported feeling constrained in their ability to complain or leave because of a TRAP. In some cases, nurses work on units that are staffed primarily by inexperienced nurses, endangering patients (See, e.g., Appendix C - Comment 67; Section VII - Nurse A, RN Young, RN Rudis).

Nurse respondents also mentioned in comments facing or fearing retaliation for union activity or engaging in concerted activity with coworkers (See, e.g., Appendix C - Comments 3, 6, 21, 72; Section VII - RN Van Briggle, RN Logan). In at least one facility, staff nurses were unionized but the contract nurses, who performed the same work, were not part of the union and had no access to union grievance procedures or other union protections (Section VII - RN Van Briggle).

iv. Servicing and Collections Disputes

Several nurses reported that after they or their employer terminated the employment relationship, their employer took harmful actions against them.

Some nurses reported that their employer sent the debt to a collection agency or sued to collect on the debt. RN Colin King, whose story is detailed in Section VII, was sued by a debt collection service even after he set up a payment plan for debt related to sign-on and relocation bonuses. Another nurse left their job at HCA Healthcare's Overland Park Regional Medical Center in Overland Park, KS before her contract under the StaRN Training program ended. This nurse reported that after leaving Overland Park they received weekly letters from Benefit Recovery, a debt collector retained by HCA Healthcare, on repaying "the balance owed" on their "StaRN Training benefit" (See Attachment 13 for a copy of one of the Overland Park Regional Medical Center nurse's collections letters from Benefit Recovery). In the letter to the Overland Park nurse, Benefit Recovery did not explain how the amount owed was calculated or give a due date for payment but asserted that HCA Healthcare may file legal actions against the nurse for the debt plus interest, costs, and attorneys' fees incurred if the nurse does not repay the debt. Some nurses had their debt reported to credit reporting agencies and faced negative effects from having it listed on their credit report (See, e.g., Appendix C - Comments 19, 25; Section VII - Nurse F).

Some employers claimed RNs were obligated to repay the employer an amount that was not clearly related to the service the RNs had received or performed. As described in Section VII, RN Ebert Reyes was required to repay the entire $4,000 cost of a new graduate training program even though he left the program after one week. Similarly, some nurses reported being subject to debts that were not prorated if they left employment before the end of their minimum contract period, requiring them to pay the entire fee or penalty even if they worked most of their contract term (See., e.g., Appendix C - Comments 12, 24, 47, 49, 58, 59, 63; Section VII - Nurse C, RN King, RN Jacobs).

In addition, some nurses reported experiencing financial hardship after paying the amount the employer demanded and many nurses reported staying in positions where there were unsafe or unfair working conditions because repaying the debt to their employer would be a financial hardship. Nurse C, as explained in Section VII, left their job because they were frequently mistreated at work and paid their entire $6,000 TRAP debt to HCA Healthcare at one time after they left their job because they were frequently mistreated at work and a debt collector sent them a collections letter. Paying the entire TRAP off immediately after losing their job made it harder to pay bills and caused worry and anxiety about making rent. Similarly, after being sued, RN King took out a loan to pay the remainder of his debt.

Several nurses reported that they understood or heard they would be blacklisted by all facilities in the employer's health system if they left their employer before the end of the contract

term (See, e.g., Appendix C - Comments 42, 55; Section VII - Nurse B, Nurse C). HCA Healthcare, in particular, was mentioned multiple times. Nurse B recalls being told by a trainer during orientation that they would probably be blacklisted by HCA Healthcare if they left before the contract period ended. This is a serious threat since HCA Healthcare controls many of the hospitals in some regions. Nurse C's understanding is that HCA Healthcare facilities are not considering their applications because they left before the end of the contract term, even though they paid their debt. Another nurse commented that they paid off two-thirds of their debt and, although their health care system employer did not pursue the remainder, they know they cannot return to work there (Appendix C - Comment 15). This nurse commented further that, as this health care system is one of the largest health care systems in their region, their employment options are limited. Nurse B and Nurse C's stories are detailed in Section VII, and additional nurse comments are available in Appendix C and Appendix D.

II. The CFPB Should Scrutinize a Number of Ubiquitous Forms of Employer-Driven Debt for Nurses. (Responding to Market-Level Inquiries # 1, 2, 3, 4, 7, 9)

Hospitals and other health care employers use several types of job-based financial agreements to unduly gain financial power over health care workers, including agreements that serve as conditions of employment and/or that are contingent on mandated minimum periods of work. Employers have begun using these agreements more commonly as a way to prevent nurse turnover without improving the working or practice conditions for nurses at their facilities. Some employers use a combination of different types of contracts to ensure that few or none of their staff members are free to leave their jobs without suffering a significant financial penalty. Thus, at the same facility, some nurses may be under contracts to repay hiring bonuses or relocation fees while others have contracts that link the required repayment to the employer's valuation of tuition assistance, new graduate training programs, or immigration recruitment and sponsorship. Among the different types of contract, at least some employers require the employee to pay the debt even after being fired or laid off by the employer. Using such contracts, employers hold the threat of financial ruin over workers to bust unions, silence whistleblowers, and prevent nurses from acting collectively to improve hospital working conditions for themselves and their coworkers or to advocate for their patients to receive safe and effective care. There are four types of employer-driven debt for nurses discussed in this section: (1) RN "residency" or new graduate training programs, (2) international nurse recruitment contracts, (3) tuition assistance programs, and (4) mandatory hiring bonuses.

a. RN "Residency" or New Graduate Training Programs.

One common form of coercive employer-driven debt in health care is often dressed up as an enhanced education and training program that includes a TRAP. To reiterate, under TRAPs, nurses are required to work for their employer for a number of years or else pay a substantial penalty for the costs of employer-required training which typically amounts to thousands of dollars. Many nurses must enter into a TRAP as a condition of employment and cannot negotiate the terms of the TRAP. Some TRAPs are treated as loans while others are treated as liquidated

damages provisions. Some nurses are not even aware they are signing TRAPs because the debt obligation was never fully explained to them or was buried in the fine print of onboarding documentation. Notably, many employers do not prorate the amount owed under a TRAP based on the time period that a nurse has worked under a contract and many TRAPs appear repayable only through labor unless one quits employment. Under TRAPs, RNs are often paid substantially less than prevailing rates that are locked in for the entire term of the contract. However, as discussed in depth in Section VI, many of these so-called enhanced training programs do not improve nurses' skills as advertised. Rather, employers are simply passing on to nurses the costs of basic on-the-job training required for any RN position at any hospital. In October 2021, NNU submitted comments to the Federal Trade Commission (FTC) on TRAPs for new graduate nurses in response to the FTC's Solicitation for Public Comment on Contract Terms that May Harm Competition. A copy of NNU's October 2021 comments to the FTC is attached as Attachment 1.[1] NNU's October 2021 comments to the FTC include copies of several TRAP contracts, including new graduate nurse TRAP contracts used by HealthTrust Workforce Solutions (an HCA Healthcare subsidiary), Tenet Healthcare, and MedStar Health.

HCA Healthcare, the largest for-profit health care employer in the world, provides an important example of the use of TRAPs in health care. At many of its hospitals, HCA Healthcare requires newly graduated nurses—who are fully licensed and working as RNs in its hospitals—to complete a company-run program called StaRN to receive so-called nursing coursework. HCA Healthcare typically requires that nurses take out a $10,000 promissory note for program costs, forces them to accept suppressed wages for years, and classifies them as temporary employees who do not receive benefits. After completing the program, which is run by an HCA Healthcare supply chain management subsidiary, nurses are required to work full-time for HCA Healthcare for multiple years or repay the promissory note. Nurses' descriptions of their experiences with StaRN are included below in the stories of Nurse B, Nurse C, Nurse D, Nurse G, Nurse H, and Nurse Logan. A copy of a StaRN contract sent to NNU by a nurse is also attached to these comments in NNU's October 2021 comments to the FTC in Attachment 1.

1. <u>TRAPs commonly lock new graduate nurses into poor working conditions in exchange for minimal educational benefits.</u>

In NNU's conversations with nurses, several themes emerged. In some regions of the country, new graduate nurses could not find any jobs that did not require a TRAP. This is striking given that the hospital industry has been loudly claiming to policymakers and the public that there is a nursing shortage. In fact, there is only a shortage of nurses willing to work under

[1] National Nurses United. Oct 2021. NNU Comments to the Federal Trade Commission on Harmful Contract Terms (Docket No. FTC-2021-0036-0022), Comment ID, FTC-2021-0036-0275. https://www.regulations.gov/comment/FTC-2021-0036-0275.

unsatisfactory, often dangerous, conditions.[2] The refusal to hire new nurses without TRAPs implies that these same employers are aware that nurses would be unwilling to tolerate the unsafe and unfair conditions in their facilities without the threat of financial ruin to bind them to the employer. Moreover, it appears that in some areas all or most of the local hospitals have put TRAP requirements in place recently, which leaves new graduates without good options and suggests the possibility of collusion.

Once new graduate nurses accept a TRAP position, they often find that the programs do not provide the thorough training suggested by the high price tag. The classroom training is minimal and either mimics what was taught in nursing school or focuses on equipment and procedures that are particular to the specific facility, not knowledge that will serve the nurse in their future career outside of the employer. Thus, many nurses find that the training received does not justify the high price tag of hospital TRAPs.

However, nurses sometimes find value in the preceptorship programs that pair them with an experienced nurse to care for patients together for their first few weeks or months of nursing at a given facility. Preceptorship provides important experience for new nurses, new hires, and transfers alike; it is not limited to those new to nursing. Hospital employers have always provided preceptor training to newly hired hospital nurses, experienced or not. Until recent years, it was always considered a cost of doing business. Preceptors are often not paid more than a regular staff nurse, although some preceptors, particularly those in unionized facilities, receive a small increase to their hourly wage or continuing education credit.

After the training is complete and even while training programs are ongoing, the new graduate nurses NNU spoke to reported receiving the worst shifts in the most strenuous units in the hospital. These units are frequently understaffed and unsafe for nurses and patients alike. In many cases, nurses described units with high-acuity patients that were staffed almost entirely by nurses in their first two years out of nursing school. The nurses in TRAPs, particularly if they were not union members, are restrained from complaining or seeking changes to conditions that are dangerous for workers and patients because of implied or explicit threats from employers to terminate the nurse and collect on the TRAP. Some described colleagues who had left bedside nursing altogether or accepted an onerous financial penalty because they could not tolerate working under such unsafe or unfair conditions. Others held out precisely until the end of their contracts and then left for jobs with better working conditions and compensation packages. Certain hospitals seemingly rely on the TRAPs to save costs by minimally staffing units with low-wage nurses rather than providing safe nurse-to-patient staffing ratios, improving conditions, or paying competitive wages, which means that they fail to retain experienced nurses when the

[2] National Nurses United. Dec 2021. Protecting Our Front Line: Ending the Shortage of Good Nursing Jobs and the Industry-created Unsafe Staffing Crisis. https://www.nationalnursesunited.org/sites/default/files/nnu/documents/1121_StaffingCrisis_ProtectingOurFrontLine_Report_FINAL.pdf.

TRAPs are complete. Both the new graduate nurses who remain and their patients suffer as a result of this short-sighted employer policy.

Section VI, below, details the failure of new graduate programs to meet standards for effective training. NNU has previously written on the history of nurse preceptorship and training programs as RN "residency" and "transition to practice" programs were increasingly being offered by employers to newly licensed RNs in the early 2010s, many times as unpaid internships that charged "tuition" or a program fee.[3] A copy of NNU's 2015 *Nurse Magazine* article on RN "residency" and "transition to practice" programs is attached here as Attachment 2. Additionally, NNU has filed unfair labor practice charges in the past with the National Labor Relations Board (NLRB) on "Transition to Practice" and "RN Residency" programs.

2. HCA's HealthTrust Workforce Solutions uses training repayment agreements that require nurses to work for one of a list of facilities for a set period or pay up to $10,000.

HealthTrust Workforce Solutions, LLC, an HCA Healthcare subsidiary, also has a training repayment contract for new graduate nurses. A copy of a HealthTrust contract used for new graduate nurses at an HCA hospital in North Carolina is attached as part of NNU's October 2021 comments to the FTC in Attachment 1.

The cover letter from HealthTrust states that it confirmed a verbal offer extended by the hospital. The letter provides the Nurse's rate of pay and specifies that the Nurse would be considered a temporary employee who is not eligible for any employee benefits during the training program.

The contract, entitled "Specialty Training & Apprenticeship for Registered Nurses Program Agreement," includes several notable clauses. First, it requires the employee to agree to HealthTrust's valuation of the training:

> 1. Training HealthTrust will compensate Employee during the Program as described in Section 3.a below. In addition, sufficient funds to cover the cost of tuition, books and certain supplies have been paid on the Employee's behalf. Although the exact amount expended on Employee's behalf cannot be exactly stated, the Parties agree that $10,000 is an accurate estimate of the value of the training provided. Employee further agrees to execute the attached promissory note (the "Promissory Note") related to the repayment of such costs as a condition precedent to participation in the Program.

[3] Wilson E & Hwang L. Apr-May 2015. The New Abnormal. National Nurse at 14. https://nnumagazine.uberflip.com/i/518097-national-nurse-magazine-april-may-2015/13.

The contract provides no further details to justify that estimation or explain how the costs of mandatory training provided to an employee can be classified as "expended on Employee's behalf."

The contract also specifies, in section 2, that the Employee will be employed by HealthTrust and assigned to one of seven facilities listed in an attachment, for the duration of the program, which it says is "typically 7 to 23 weeks."

The contract, in section 2.c., requires the Employee to commit to accepting employment at any of the seven facilities listed in the agreement, but does not commit HealthTrust to extending an offer of permanent employment:

> Upon successful completion of the Program, if offered employment at a Facility, in each Facility's sole discretion, Employee agrees to accept any such offer of employment from a Facility. Employee acknowledges that, due to potential Facility and/or market limitations, HealthTrust may determine to extend such offer of employment at a Facility other than the Facility where Employee was assigned during the Program.

If offered employment, the Employee agrees to work "full time as an RN for Facility in the unit as assigned by Facility for at least two years following the date of hire by Facility." However, the time spent in the training program does not count against the two-year commitment. Section 4.a. of the contract provides that, when the Employee commences employment at a facility, the promissory note is to be assigned from HealthTrust to the facility.

The listed facilities where the Employee can work are all owned by HCA Healthcare and they are all in North Carolina. However, they are in different cities, so an employee accepting the contract cannot be sure where they will live for two years.

The contract provides for three methods of termination in Section 4:

> b. Termination of Employment by Facility. The employment relationship between Facility and Employee is based on successful completion of the Program and competency of Employee as determined by Facility. Following assignment of the Promissory Note to Facility, if Facility terminates Employee's employment, then Employee shall compensate Facility for the value of the Program on a pro rata basis. Employee shall pay Facility 1/24 of the total value of the Program for each month not worked during the first 24 months following the date of hire by Facility. In the event that Employee does not complete the Program, or fails to accept an employment offer from a Facility, Employee shall pay HealthTrust $10,000.
>
> c. Termination of Employment by Employee. Should Employee terminate his/her employment with Facility for any reason, Employee shall compensate Facility for the value of the Program on a pro rata basis. Employee shall pay Facility 1/24 of the total

> value of the Program for each month not worked during the first 24 months following the date of hire by Facility.
>
> ….
>
> e. Termination upon Death and/or Disability. Employment and this Agreement, shall, in their entirety, terminate immediately upon Employee's death or Employee's physical or mental incapacity to perform any or all of his/her essential functions, with or without reasonable accommodation, for any period or periods which, in the aggregate, total 30 calendar days or more in any 12 month period.

Section 1 also provides HealthTrust will waive repayment if the Employee has a spouse who is an active-duty service member and is redeployed to a different state in compliance with military orders.

Under these terms, an Employee must pay HealthTrust the penalty if they choose to leave employment at the Facility before the term is complete. An Employee who has their employment terminated by the facility for any reason would also have to pay the $10,000, on a pro rata basis, for the training that HCA required the employee to undergo to work at the facility. If the Employee does not complete the Program, no matter how little of the Program they actually experience, they would have to pay HealthTrust the full amount. Additionally, the Employee must accept any employment offer from a Facility, even though the facility has no obligation to extend an offer. If the contract to work or complete the program is terminated, the only way an Employee will be exempt from paying the penalty is if the contract terminates due to the Employee's death or disability or service-member spouse relocation. In Section 4.e, the Employee agrees that the Facility or HealthTrust can withhold amounts owed from their final paycheck.

The contract also requires the Employee to indemnify HealthTrust against all costs associated with claims against HealthTrust based on alleged breach of the terms of the Agreement by Employee, in section 4.f. If this term were enforced, no employee could challenge the Agreement after HealthTrust alleges breach without incurring costs and the employee would have to pay HealthTrust's attorneys' fees for the claim, regardless of the outcome of the claim.

> f. Indemnification. Employee shall indemnify and hold harmless HealthTrust, Facility and their respective successors, assigns, directors, officers, agents and personnel from and against any financial loss, damage, injury, penalty, sanction, judgment, fine, liability, cost, expense and fee (including reasonable attorneys' fees, expert witness fees, investigator fees, court costs, costs and fees associated with arbitration or mediation) which result from or arise out of any claim asserted against or sought from HealthTrust or its affiliates in connection with this Agreement or the Program, to the extent such Losses are caused by (i) the fraud, willful misconduct or negligence of Employee; (ii) the breach or alleged breach of the terms, warranties or representations contained in this Agreement by Employee; and (iii) any material failure of Employee to comply with applicable law.

The HealthTrust Agreement also includes a Promissory Note that the Employee was required to sign. The Promissory Note includes several remarkable terms that allow HealthTrust or the Facility to increase the debt owed by the Employee and to remove Employee recourse against collection:

- The Employee (termed "Maker" in the Promissory Note) promises to pay "the principal amount of $10,000, plus interest at a fixed rate of 3% per annum."

- Interest begins to accrue 30 days after the date of any termination of employment.

- The entire balance, all interest, and "all unpaid costs and expenses of Holder hereunder" are due 60 days after an "Event of Default."

- The holder of the debt (HealthTrust or the Facility) agrees to forgive 1/24th of the value of the Note every month the Employee is employed by a Facility as an RN following the completion of the training program.

- The Note allows for a 10% late charge to be paid by the Employee to the holder of debt if any payment required is not received within 10 business days of the date it is due, as long as the charge does not result in the payment of interest in excess of the maximum lawful rate of interest permitted by applicable law. The Note gives no guidance to the Employee to determine what maximum lawful rate of interest applies.

- The Note requires the Employee "to pay all costs of collection, including reasonable attorney's fees."

- The Employee waives a trial by jury in any litigation connected to the Note.

- The Promissory Note reads "This Note has been executed and delivered in, and shall be governed by and construed and enforced according to the laws of, the State of Tennessee, except to the extent preempted by applicable laws of the United States of America," even though all facilities where the nurse could be assigned to work are in North Carolina.

b. International Nurse Recruitment Contracts.

Health care employers also use employer-driven debt in contracts with immigrant nurses. Nurses who want to come to the United States on an employment-based visa require sponsorship from an employer. Employers use this leverage to lock immigrant nurses into contracts that give the employers outsized power over them and prevent them from reporting, speaking out about, or quitting their jobs because of unsafe working conditions, other labor violations, or other unsafe or unlawful patient care practices. These contracts often feature lengthy contract periods of three years or more, punishing contract termination fees of tens of thousands of dollars, waivers of

contract dispute rights, and mandatory pre-dispute arbitration clauses. In some cases, employers have threatened to report workers to immigration authorities, claiming their applications were fraudulent, if they broke their contracts. These practices undermine nurses' labor rights and create a discriminatory two-tiered system in nursing.

While a few immigrant nurses responded to NNU's survey, the precariousness of immigration status, the lack of public information about where immigrant nurses are placed to work, and the high-dollar values attached to immigrant nurse contract penalties make it difficult to find immigrant nurses willing to speak about the contracts or to gauge the scope of the issue. In other words, employer-driven debt in immigrant nurse recruitment contracts appears to be effectively silencing nurses from complaining about unsafe and unfair working conditions through the threat of financial penalties and debt collection.

This section includes some of the information NNU also described in comments to the U.S. Department of Health and Human Services, Office of Trafficking in Persons (OTIP) in response to "Request for Information: Forced Labor in Healthcare Supply Chains," 87 Fed. Reg. 37,518 (June 23, 2022). NNU's comments to OTIP are attached as Attachment 3.[4]

1. <u>Discrimination and exploitation of foreign-educated nurses by employers and recruitment agencies is systemic.</u>

Studies and interviews with foreign-educated nurses have shown that they commonly face abuses during the recruitment process and discrimination in U.S. workplaces. The prevalence of these practices is unknown because there is no systematic collection of information about the contracts under which workers on employment-based immigration visas are hired.

Foreign-educated nurses may be subjected to dishonest recruitment practices before coming to the United States. Some nurses have been pressured to sign contracts quickly at recruitment events.[5] Recruiters have denied nurses copies of their signed contracts.[6] Recruiters and employers have altered contracts before nurses' departure and upon their arrival in the U.S.

[4] National Nurses United. Jul 22, 2022. NNU Comments to the U.S. Department of Health and Human Services, Office of Trafficking in Persons on "Request for Information: Forced Labor in Healthcare Supply Chains," 87 Fed. Reg. 37,518 (June 23, 2022).

[5] Pittman PM et al. Nov 2007. U.S.-Based International Nurse Recruitment: Structure and Practices of a Burgeoning Industry 21. https://www.macfound.org/media/article_pdfs/nursing_code_researchreportyr1.pdf..

[6] See Pittman PM et al. U.S.-Based International Nurse Recruitment: Structure and Practices of a Burgeoning Industry, *supra* note 4; The International Labor Recruitment Working Group. Feb 2013. The American Dream Up for Sale: a Blueprint for Ending International Labor Recruitment Abuse. 30. https://www.aft.org/sites/default/files/wysiwyg/international_labor_recruitment_abuse.pdf.

without their consent.[7] Some nurses reported being asked to sign different contracts for recruiters to submit to the U.S. Embassy and a Philippine government agency.[8]

Foreign-educated nurses recruited abroad are usually required to sign contracts committing them to a single employer for 18 months to three years.[9] The contracts usually include set fees that nurses have to pay if they leave the employer, which nurses reported ranged from $8,000 to $50,000 in 2007.[10] Some employers pro-rate the breach fee if a nurse leaves after a year or more of employment, but others refuse and demand full payment of breach fees in a lump sum at the time of resignation or termination.[11] It is noteworthy that recruiters often do not require Canadian nurses to sign contracts, while they do require nurses from the Philippines, India, and other low- or middle-income countries to sign contracts.[12]

Foreign-educated nurses also report abusive conditions and discrimination in their workplaces in the U.S. Some employers obligated nurses to stay in substandard housing for their first months in the country.[13] They demanded nurses work excessive overtime, work in dangerously understaffed facilities, and work in new specialty areas without sufficient clinical orientation. They gained compliance through retention of green cards, threats of immigration enforcement, and high contract breach fees.[14]

There is some evidence that abusive practices are particularly associated with the staffing agency model of recruitment. Under this model, the same agency recruits the nurses and is their employer at a staffing agency. Staffing agencies contract their work out to health care facilities. In contrast, under a direct hire model, a health care facility either does its own recruitment or pays a fee to an independent recruiter and has an employment relationship with the nurse. In some cases, nurses were told they will be direct hires and then discovered upon arrival that they worked for a staffing agency at nursing homes.[15] Foreign-educated nurses at staffing agencies often find they are paid substantially less than direct-hire nurses and other staffing-agency nurses, even when they have more experience or responsibilities.[16] These nurses also report

[7] Pittman PM et al., U.S.-Based International Nurse Recruitment: Structure and Practices of a Burgeoning Industry, *supra* note 4.
[8] *Id.* at 21.
[9] *Id.*
[10] *Id.* at 22.
[11] *Id.* at 22.
[12] Pittman PM, Folsom AJ, Bass E. U.S.-based recruitment of foreign-educated nurses: implications of an emerging industry. Am J Nurs. 2010 Jun;110(6):38-48, at 42 doi: 10.1097/01.NAJ.0000377689.49232.06. PMID: 20505462.
[13] Pittman PM et al., U.S.-Based International Nurse Recruitment: Structure and Practices of a Burgeoning Industry, *supra* note 4.
[14] *Id.* at 24
[15] *Id.* at 23
[16] *Id.* at 23

receiving more restricted health benefits than direct-hire nurses, or none at all in the first year, and no vacation or sick leave.[17]

Foreign-educated nurses also report other forms of discrimination, like being assigned the worst shifts because managers "assume Filipinos don't have lives."[18] One study of foreign-educated nurses in the U.S. found that 51% of respondents reported receiving insufficient clinical orientation and "40% reported at least one discriminatory practice with regard to wages, benefits, or shift or unit assignments."[19] The likelihood of inequitable treatment of foreign-educated nurses compared to U.S. counterparts was higher for nurses educated in low-income countries and those recruited by staffing agencies. Another study found that discrimination can be a significant source of stress for foreign-educated nurses.[20]

2. The exploitation of Filipinx nurses recruited by Sentosa Services in New York State violated the Trafficking Victims Protection Act.

A case in New York State, *Paguirigan v. Prompt Nursing Employment Agency LLC d/b/a Sentosa Services et al.*, shows how employers can use coercive contracts against immigrant nurses who object to their working conditions.[21] A class of over 200 Filipinx nurses who came to the U.S. over the course of more than a decade sued Sentosa Services, a Philippine recruitment agency, and their nursing home employers. The nurses came to the U.S. on EB-3 visas (a category of employment-based immigration visas commonly used by nurses) with three-year contracts to work in nursing homes. Once they arrived, their employers demanded that the nurses work long hours in understaffed facilities. The nurses were paid based on the prevailing wage determination that U.S. Department of Labor issued when the employers started the visa applications, not the higher prevailing wage when they actually started work, which was eight years later for one plaintiff.

The named plaintiff resigned in 2016. Sentosa and the employers responded by filing lawsuits against her and two other Filipina nurses seeking not only the $25,000 liquidated damages provision in their contracts but also $250,000 from each for tortious interference with contract and prospective business relations, and an additional $250,000 from each in punitive damages. The same employers responded to ten Filipinx nurses who resigned in 2006 by filing disciplinary complaints against the nurses to the state board of nursing and successfully seeking

[17] *Id.* at 23

[18] Pittman PM, Folsom AJ, Bass E. U.S.-based recruitment of foreign-educated nurses: implications of an emerging industry, *supra* note 11.

[19] Pittman, PM et al. Original Research, AJN, American Journal of Nursing: January 2014 - Volume 114 - Issue 1 - p 26-35 doi: 10.1097/01.NAJ.0000441792.93279.29.

[20] Baptiste, M." Workplace Discrimination: An Additional Stressor for Internationally Educated Nurses." OJIN: The Online Journal of Issues in Nursing Vol. 20 No. 3. Aug18, 2015. DOI:10.3912/OJIN.Vol20No03PPT01.

[21] *Paguirigan v. Prompt Nursing Employment Agency LLC et al.*, No. 1:2017cv01302 - Document 95 (E.D.N.Y. 2019).

criminal indictments of the nurses and their lawyer, including charges of patient abandonment.[22] All charges were later dropped. A federal district court found that the contracts of the over 200 nurses violated the Trafficking Victims Protection Act (TVPA) because the $25,000 penalty for a nurse's breach of contract was unenforceable under state law and a "threat of serious harm" sufficient to compel labor in violation of the TVPA.[23] The court also found that the employers had breached a contract term requiring payment of the prevailing wage as of the work commencement date. The Second Circuit upheld the decision.[24]

A copy of the 2019 Eastern District of New York decision finding the Sentosa immigrant nurse recruitment contract a violation of the TVPA is attached here as Attachment 4.

3. Albany Medical Center settled a New York Attorney General's Office investigation of exploitative immigrant nurse contracts and deportation threats.

In another case, the New York Attorney General's Office opened an investigation of Albany Medical Center after it included a $20,000 liquidated damages provision in the contracts of hundreds of nurses recruited from the Philippines and charged between $2,000 and $20,000 to seven nurses under the provision.[25] The New York State Attorney General's Office found that the Albany Medical Center violated the Trafficking Victims Protection Act through the liquidated damages provision, "which constitutes a threat of sufficiently serious legal and financial harm 'to compel a reasonable person of the same background and in the same circumstances to perform or to continue performing labor or services in order to avoid incurring that harm.'"[26] Albany Medical Center and the New York Attorney General's Office reached a settlement in 2021.[27] A copy of the settlement agreement between Albany Medical Center and the New York Attorney General's Office is attached here as Attachment 5. Nurses reported that the company threatened to report them to federal immigration authorities and have them deported if they breached their contracts.[28]

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[22] *Id.* at 6.

[23] *Id.* at 36.

[24] *Paguirigan v. Prompt Nursing Emp't Agency, LLC*, No. 19-3494 (2d Cir. Sep. 22, 2020).

[25] Cropley J. Albany Med to pay $90K to resolve complaint of coercive nurse fines. Daily Gazette. June 17, 2021. https://dailygazette.com/2021/06/17/albany-med-to-pay-90k-to-resolve-complaint-of-coercive-nurse-fines/.

[26] New York State Attorney General's Office. Attorney General James Recovers Over $90,000 in Restitution for Albany Nurses Subjected to Illegal Fines by Employer. Press Release. June 17, 2021. https://ag.ny.gov/press-release/2021/attorney-general-james-recovers-over-90000-restitution-albany-nurses-subjected.

[27] Assurance of Discontinuance, AOD No. 21-040, In the Matter of the Investigation of Letitia Jones, Attorney General of the State of New York, of Albany Med Health System, f/k/a Albany Medical Center, June 11, 2021, https://ag.ny.gov/sites/default/files/albany_med_aod_21-040_fully_executed_6.11.21.pdf.

[28] New York State Nurses Association. New York State Nurses Association Files Federal Lawsuit Against Albany Medical Center. Oct 15, 2019. https://www.nysna.org/press/2019/new-york-state-nurses-association-files-federal-lawsuit-against-albany-medical-center#.YQHg_ehKiUl.

4. Filipinx nurses worked in high-risk roles during the pandemic and need freedom to advocate for their own and their patients' safety.

Filipinx nurses are the largest group of foreign-educated nurses in the United States. Twenty-eight percent of foreign-born nurses in the United States are from the Philippines.[29] The Philippines is a major exporter of nurse labor, and many families depend on remittances from nurses working abroad.[30] Filipinx nurses are most likely to work in bedside and critical care.[31] These are high-intensity roles with patients that require continuous skilled nursing care, even when employers' have failed to hire enough staff to provide it safely. It falls on nurses to protect their patients under strenuous conditions created by employers.

Many of the nurses who reported that employers use coercive contracts to try to threaten nurses into silence on their own and their patients' safety are Filipinx. The pressure to keep working in dangerous conditions can have serious consequences. Around 4% of registered nurses in the United States are of Philippine descent, but 26.4% of the registered nurses in the U.S. who died of Covid-19 were of Philippine descent, as of March 2021.[32] The disproportionate fatality rate among Filipinx nurses raises serious questions about the conditions in which immigrant nurses work and their freedom to advocate for safe conditions for themselves and their patients.

5. Avant Healthcare uses repayment agreements for international nurse recruitment contracts to fulfill minimum periods of employment or else risk pay back undefined expenses.

NNU also identified another international recruiter of nurses, Avant Healthcare (Avant), that uses repayment agreements requiring nurses to fulfill minimum periods of employment. A copy of the Avant contract, which was available through Avant's website, is attached here as Attachment 6.[33]

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[29] Migration Policy Institute. Batalova, J. Immigrant Health-Care Workers in the United States. Migration Information Source. May 14, 2020.

[30] *See, generally*, National Nurses United. The Strength of Many, 2020, https://vimeo.com/412121963; Christina Thornell, Why the US Has so Many Filipino Nurses, Vox. June 30, 2020. https://www.vox.com/2020/6/30/21307199/filipino-nurses-us.

[31] Philippine Nurses Association of America. Results from the Filipino nurses in the United States Survey. Nursing Management, 49(3): 1-8 (Mar. 2018).

[32] National Nurses United. March 2021. Sins of Omission: How Government Failures to Track Covid-19 Data Have Led to More Than 3,200 Health Care Worker Deaths and Jeopardize Public Health. https://www.nationalnursesunited.org/sites/default/files/nnu/documents/0321_Covid19_SinsOfOmission_Data_Report.pdf.

[33] Avant Healthcare Professionals Employment Agreement. June 17, 2020. https://portal.avanthealthcare.com/qb-to-s3-php/?action=download&dbid=bgacg4ihc&rid=757102&fidFile=8&fidS3Bucket=93&fidS3Key=94 (Accessed September 2, 2022).

Under the contract, Avant requires health care workers to repay purported cost investments as damages if the worker leaves employment under the terms of the contract before the end of the contract period, stating in its damages provision that:

> "Employee acknowledges and agrees that AVANT has incurred and will continue to incur a significant cost investment related to support for Employee including but not limited to, training, credentialing, and licensure, based upon the expectation that Employee will continue to be employed with AVANT for at least the Initial Employment Period, which is consideration by Employee for Avant's significant cost investment." (Attachment 6, Section IV.F.)

The contract also states:

> "If Employee is not a U.S. Citizen, AVANT shall sponsor Employee for an employment-based visa with the US Citizenship and Immigration Services (USCIS), including preparing the application, assisting in the application process, and paying the fees on behalf of the Employee, subject to the conditions set forth herein. Employee will not be responsible for payment for any activity related to obtaining permanent labor certification, including attorney fees paid, in accordance with 20 CFR 656.12. Employee will be responsible for other costs and expenses associated with obtaining the visa, including, but not limited to, costs associated with interviews, medical examinations, photographs, and fingerprints." (Attachment 6, Section I.A.)

Some of the asserted investments here should not apply to registered nurses, including labor certification and related attorney fees, because labor certification for Schedule A occupations, including RNs, has been pre-certified by the U.S. Department of Labor and labor certifications are not required for employment-based visas for RNs.[34] However, it is doubtful that any immigrant nurse knows about these exceptions to U.S. employment-based visa rules.

The Avant contract does not explain what costs it estimates it will incur, but such costs should be easily ascertainable since many of these costs are fixed and because these kinds of international recruitment contracts are a staple of Avant's business. Because costs purportedly incurred by Avant are not explained in the contract, an immigrant worker seeking to leave or change their work assignment for whatever reason under Avant's contract would have no idea of how much money they purportedly would owe to Avant.

The minimum employment period required for internationally recruited nurses under an Avant contract is 6,240 hours of work for the Assigned Client Facility of Avant's selection. For RNs, this number of hours roughly translates to 2.5 to 3 years working three 12-hour shift per week. If the costs incurred by Avant are less than this amount, there would be no way for a worker to (1) know what those costs are, and (2) know how to prepay that debt rather than being locked into a contract term.

[34] U.S. Citizenship and Immigration Services. Dec 2, 2020. USCIS Updates Guidance for Schedule A Occupations. https://www.uscis.gov/news/alerts/uscis-updates-guidance-for-schedule-a-occupations.

Under Avant's contract, the company has sole authority to place internationally recruited nurses at an assigned client facility. Additionally, the contract gives Avant unilateral authority to change where in the country an immigrant nurse must work and the nurse's wages, stating that "AVANT has full discretion to transfer Employee to any location and to change Employee's compensation for work performed for the new Assigned Client Facility upon transfer to any rate that is not less than the local prevailing wage as determined by the United States Department of Labor." (Attachment 6, Section IV.E.) The worker can request a transfer from an assigned client if Avant approves the transfer, but the transfer will increase the minimum work hours required under the contract for unspecified "additional costs and potential penalties from the Assigned Client Facility."

Thus, a worker who wants to change their work assignment for whatever reason under Avant's contract would have to accept a transfer to a completely different client facility, potentially in another state or location in the United States, at the sole discretion of Avant's choosing; and the worker's required work commitment may be extended by an unknown amount. In other words, immigrant health care workers cannot ask for changes in at least some working conditions with Avant without incurring some undefined additional debt or adding to the minimum hours of work required under their contract.

Avant's contract includes a noncompete provision, a provision against moonlighting with other facilities during the term of the contract, an indefinite nondisclosure provision, and an agreement not to solicit Avant clients for one year after the end of the Avant contract. (Attachment 6, Section VI). The nondisclosure provision of the contract applies to information pertaining to Avant's recruitment, placement, and transitioning practices, but all of these practices would potentially be relevant for the CFPB to understand in an investigation about UDAAPs.

c. Tuition Assistance Programs.

Hospitals and health systems also secure nurse labor by paying for some or all of nursing school tuition in exchange for an agreement to work for the health system for a number of years after graduation. Some provide tuition assistance to existing employees in exchange for a commitment to stay with the system or facility for a certain time period. Health care employers also make contractual arrangements with nursing school students who do not have a pre-existing relationship with the employer, making presentations to offer tuition assistance contracts to nursing school students. Most notably, some health systems own nursing schools and make arrangements with their own students that require them to commit to working at the system's facilities after graduation in exchange for a tuition waiver.

For example, HCA Healthcare owns Research College of Nursing in Kansas City, Missouri. It also owns a group of local hospitals, HCA Midwest, which includes Research Medical Center. From our interviews with nurses, it appears that HCA Healthcare is highly successful at convincing a large percentage of its nursing students—one nurse believed 81 out of

84 members of her nursing school cohort agreed—to sign tuition assistance contracts. In these tuition assistance contracts, HCA Healthcare waives or covers most of the tuition that Research College of Nursing would otherwise charge for two years of nursing school in exchange for two or three years of work as a full-time nurse at an HCA Healthcare facility after graduation, at whatever wage rate HCA Healthcare pays its new graduate nurses at the time the contract is fulfilled. While these tuition assistance contracts appear to be a good deal to students who have never worked as nurses previously, nurses NNU spoke to said they regretted signing the contract after they discovered that HCA Healthcare wage rates were substantially below prevailing rates, the contract period was extended by lengthy mandatory training periods, and/or the working conditions were poor.

While these tuition assistance programs offer tuition in exchange for later service or payment and thus function as private student loans, it is unclear whether the health systems are following any of the regulatory requirements that govern the issuance of student loans, including Regulation Z of the Truth in Lending Act. Moreover, unlike student loans, the nurses must work for a single employer, on the terms that the employer dictates, to have their loans forgiven. If they choose to leave that employer, the nurses do not know if they will be expected to pay back the loans in short time periods or whether terms of collection can be dictated unilaterally by the employer or collection agencies. These nurses do not know whether the loan could be paid off over a long period of time with clearly specified interest terms and repayment conditions as in a traditional student loan.

d. Mandated Hiring Bonuses and Other Promises to Repay as a Condition of Employment.

Some employers also require nurses to sign contracts agreeing to work a certain number of years or pay back hiring bonuses. While some employers appropriately pay out hiring bonuses in multiple payments after they have been earned, such that no employee is ever in debt, other employers seem to be quite purposefully paying large sums up front and requiring employees to pledge to pay the bonus back if the employee does not work for a certain minimum period of time. In our conversations with nurses, NNU heard reports that some employers do not even allow employees to decline these bonuses, requiring nurses to sign agreements to repay such bonuses as a condition of accepting a job. Many do not prorate repayment, so even if an employee has finished one year of a two-year contract period, they can be required to return the entire bonus.

The tax consequences for these mandated hiring-bonuses can be complicated for workers. Nurses that we spoke to often did not fully understand them. It appears that many hiring bonuses are taxed as income with federal and state withholdings deducted from the nurse's bonus, but if the nurse leaves before the end of a contract period, they are required to repay the contract in full, pre-tax. Yet it may be difficult for a worker to navigate tax filing and obtain documentation from their former employers to properly recoup the income taxes and other withholdings on the sign-on bonus. At least one nurse believes that if they leave their position before the end of their

contract term, they will have to repay more than they received for their bonus after tax because they are required to repay the full bonus amount pre-tax. Even without tax complications, any nurse who has spent the hiring bonus, which they may need to do for relocation expenses, student loans, or other costs of living, will be unable to leave the employer without significant financial ramifications.

One nurse we spoke to, Colin King, was sued by a debt collector for repayment of a hiring and relocation bonus, apparently with interest added, after leaving due to extremely dangerous conditions during the Covid-19 pandemic, even after he set up a payment plan to repay the debt. Another nurse did not realize that they needed to repay their sign-on bonus until after they had left employment and their former employer had sent the debt to a collection agency and reported it to credit reporting agencies, putting a negative mark on their credit report.

Other nurses we spoke to who were under TRAPs or tuition assistance contracts mentioned that their employers were giving hiring bonuses to employees who had not previously signed employer-driven debt contracts. It appears that some health care employers are using these bonuses to control workers who would otherwise be able to freely engage in concerted activity to improve their wages or working conditions or seek work elsewhere.

III. Employer-Driven Debt and Related Practices Create Unsafe and Unfair Working and Practice Conditions for Nurses, Causing Substantial Injury and Negative Impacts to Nurses and Patient Care. (Responding to Market-Level Inquiries # 2, 3, 4, 7, 9)

The CFPB should consider the numerous negative impacts of employer-driven debt on nurses. For many nurses, these effects rise to the level of substantial injury. From NNU's interviews with nurses and comments from nurses in response to our survey, common negative effects of employer-driven debt for nurses include:

- **Job-lock** where nurses are locked into a position for a minimum period of time and must accept low-wages and/or unsafe or unfair working or practice conditions.
    - **Locked in low wages**
    - **Locked in unsafe/unfair working conditions**
- **Understaffing and patient safety threats** where nurses are placed in hospital units that do not have enough nurses to provide safe nurse-to-patient ratios, threatening both nurse and patient safety, and where nurses are locked in other unsafe nursing practice and patient care conditions.
    - **Locked in unsafe working/patient care conditions**
    - **Restraint from advocating for safe patient care**

- **Fear of retaliation** where nurses do not exercise their workplace rights to improve their terms and conditions of employment or do not advocate for patients for fear of being terminated and owing an employer-driven debt.
    - **Restraint from complaining about unsafe/unfair working conditions**
    - **Threats to union and other protected concerted activity**
    - **Exclusion from union bargaining units**
- **Increased trauma, anxiety, and moral distress** where nurses cannot provide patient care and advocate for their patients in the manner they are professional obligated and licensed to do, contributing to high attrition rates for new nurses from nursing.
- **Negative financial experiences** where nurses suffer financially from paying the debt or face negative effects from negative credit reporting or collections lawsuits.
    - **Financial anxiety and hardships**
    - **Negative credit reports**
    - **Collections lawsuits**

a. Employer-driven debt locks nurses in jobs with low pay.

The entrapment of nurses by their hospital employers in coercive contracts forces nurses into jobs that pay low wages. According to NNU's employer-driven debt survey, more than 59% of nurses in TRAPs reported feeling locked in their jobs. Additionally, 25% of RN respondents in training programs (146 of 593 respondent RNs) reported having to accept low wages during the term of the contract. This rose to 39% for RN respondents (129 of 329 respondent RNs) who were expected to repay their employer for the cost of the training, residency, or apprenticeship program if they left the position early.

For example, newly hired new graduate RNs seeking employment at HCA Healthcare's Mission Hospital in Asheville, NC are first required to sign a contract with HCA Healthcare subsidiary HealthTrust and participate in the company's StaRN program or New Grad Residency Program. RNs working at Mission Hospital who are in the StaRN program make a set rate of $24/hour for the length of their two-year contract, potentially depressing wage growth, while the bottom 25% of hourly wages in the state is $29.11/hour.[35] Similarly, a nurse respondent who said they work at an HCA Healthcare facility in Kansas City, MO and who cited having to accept low wages during the term of the contract left this comment on NNU's employer-driven debt survey question on the effects of TRAP programs:

> "[W]e have more patients than what we [were] promised on interview day, most of the shifts we don't have techs, and with the debt that I have, I can't apply for another job till I work 2 years and

[35] U.S. Bureau of Labor Statistics, U.S. Department of Labor. May 2020. Occupational Employment and Wage Statistics, May 2020. https://www.bls.gov/oes/.

> done with my contract then I can leave [the health system]!! It's like I'm working in a prison and don't have any options to leave." (Appendix C - Comment 15)

Another nurse in a training program in Miami, FL expressed a similar sentiment:

> "The only way a hospital would hire a new grad RN was if we signed 2 yr contracts with low base pay of $20/hr back in 2012. After 3 months probation of new nurse orientation, we finally had a raise to $23/hr." (Appendix C - Comment 60)

Finally, the impact of being locked into low wages can affect future potential earnings. RN Neil Rudis, whose story is described in more detail in Section VII, was offered low wages by potential employers after completing a two-year nurse residency program at UCHealth, which is the principal teaching hospital for the University of Colorado. RN Rudis recalled a hospital recruiter citing the low wages he received from UCHealth as the basis of the recruiter's wage offer.

b. Nurses in employer-driven debt traps face unsafe staffing and patient safety threats.

The health care industry's disregard of safe nurse-to-patient staffing ratios is magnified within nurse TRAP programs. While nursing practice experts cite the need for safe staffing ratios, mentorship, and precepting for new graduate nurses,[36] many recent graduates working under TRAPs are provided minimal orientation and must work under unsafe nurse-to-patient staffing ratios. As a result, RNs are consistently required to care for more patients than is safe, compromising patient care and negatively impacting patient outcomes. NNU has written extensively about the need for federal mandates regulating the number of patients a registered nurse can care for at one time in U.S. hospitals and how the hospital employer-created unsafe staffing crisis pushes nurses from bedside care.[37]

Unsafe patient assignments given to new graduate nurses are a prevalent component of TRAP programs. For example, as detailed in RN Rudis' story in Section VII, new graduate RNs at UCHealth were often left without a preceptor or other nurses to transport highly acute Intensive Care Unit (ICU) patients to different units for medical imaging and to risk injury to themselves and their patients by turning patients in their beds without assistance. Similarly, at Prime Healthcare's Shasta Regional Medical Center in Redding, CA, new RN Michelle Gaffney was given her own critical care patients after only a month of precepting because the hospital was so short staffed. She recalled how dangerous it was to the patient for her to be put in that

[36] Mills JF, Mullins AC. Sep-Oct 2008. The California Nurse Mentor Project: Every Nurse Deserves a Mentor. Nurs Econ. 2008 Sep-Oct; 26(5): 310-5. PMID: 18979695.

[37] NNU's most recent nurse staffing report on the topic is National Nurses United. Dec 2021. Protecting Our Front Line: Ending the Shortage of Good Nursing Jobs and the Industry-created Unsafe Staffing Crisis. https://www.nationalnursesunited.org/sites/default/files/nnu/documents/1121_StaffingCrisis_ProtectingOurFrontLine_Report_FINAL.pdf.

position as a new nurse. RN Gaffney's story is also detailed in Section VII. In yet another example, a nurse in a residency program at a hospital in St. Petersburg, FL said this of the facility's staffing issues:

> "This hospital seems to be staffed with mostly new RNs hired through the [hospital's] residency program. Immediately off of orientation, we are given unsafe patient assignments with seemingly no regard for level of patient acuity or RN experience. Patients are not safe. Nurses are suffering and unable to do our jobs well. I will never work for [the health system] again, once I can finally leave and protect myself and my license." (Appendix C - Comment 67).

Finally, due to low staffing levels, new graduate RNs report skipping breaks due to the lack of another RN to provide break coverage and ensure ongoing safe patient care. (See RN Van Briggle, RN Jacobs, and Nurse B in Section VII)

c. TRAPs and other employer-driven debt serve as an ever-present employer threat of financial hardship and ruin over nurses, creating a climate of fear and intimidation in the workplace.

The heightened fear of employer retaliation for workers is a critical aspect of employer-driven debt. As demonstrated in NNU's interviews with nurses and underscored in comments submitted in response to NNU's survey, nurses who are locked into employer-driven debt contracts fear losing their jobs because it would also trigger repayment of the TRAP, potentially leading to financial hardship and collections action.

Employers intentionally blur the lines between employment contract and financial product or service through employer-driven debt, which allows them to create an ongoing threat of collections for the worker on the job. Employer-made debt obligations unfairly bind a worker to continued employment under the narrow terms of the employment contract. This means that an adverse employment action against a worker may also result in demand for repayment of a large debt, collections action, and/or a negative credit report that may have harmful financial ramifications for years to come. Indeed, citing the fear of termination and anxiety over owing their employer money from a TRAP, 33% of nurses (110 of 329 respondents) who work in hospitals and said they were required to repay costs of a training, residency, or apprenticeship program if they quit or were terminated before working a minimum period of time reported feeling unsafe advocating for better working conditions and safe patient care practices.

Belonging to a union offers nurses the best avenue for redressing employer threats, improving working conditions, and protecting their right and duty to advocate for safe patient care. Thus, it is particularly disturbing that in survey comments and interviews, nurses reported retaliation, or fear of retaliation, for advocating for a union while in a TRAP. The comments included:

- "Being locked into the contract was one of the most depressing and terrifying things about my new grad experience. I was miserable on my floor and felt like I couldn't leave. I was written up for trying to organize with other nurses which was another way to keep me from transferring..." (Appendix C, Comment 6)

- "I completed the contract, but we were also working towards getting a union in the hospital during it. My unit manager was more lenient than others, but I feel I could have been fired for advocating for a union during that timeframe." (Appendix C, Comment 21)

In interviews with NNU, multiple nurses testified to the chilling effect that TRAPs had on them and their colleagues. "Unionizing was not even on my mind when under contract," RN Neil Rudis, whose story is detailed in Section VII, said of his time in a new graduate program at UCHealth in Aurora, CO. "There was no chance, because of all the rumors. If you even talked about it, you would get fired instantaneously, and you would owe them payment for the program." Likewise, during HCA Mission Health RNs' campaign to organize a union, a nurse in the StaRN program found that many of the fellow new graduates he spoke to refused to talk about unions. Some StaRN nurses expressed to him not wanting anything to do with the union because of the repayment requirements under the StaRN program. In contrast, in the aftermath of a successful union election with NNU, another new graduate nurse at HCA Mission Health found she is comfortable advocating for better safety conditions with other nurses in her union, while she would refrain from such activity without union protection. (Nurse A, Section VII)

Relatedly, some hospitals utilize training programs through staffing services to weaken union density and influence. RN Jessica Van Briggle, as detailed in Section VII, worked at Prime's Centinela Hospital Medical Center, but was hired through Pioneer Staffing Services, a staffing agency. While Centinela was a unionized hospital with California Nurses Association (CNA), as an employee of Pioneer she was not a member. RN Van Briggle was told by Centinela management she would get in trouble if she was seen associating with the union. As she was in a TRAP, the potential financial repercussions of being reprimanded were high.

Some employer-driven debt contracts include nondisclosure provisions that prohibit the worker from discussing the terms and conditions of the agreement, either for a set period of years after the completion of the contract, or indefinitely. However, workers have the right to discuss the terms and conditions of employment with their coworkers under Section 7 of the National Labor Relations Act (NLRA), which protects the right of workers to organize labor unions and engage in concerted activities for the purposes of collective bargaining or other mutual aid or protection. Nondisclosure terms are likely legally invalid insofar as they violate that Section 7 rights under the NLRA or other rights of workers. The very inclusion of these terms in the contracts, even when they may ultimately be invalid or even when the term of nondisclosure has expired, can deter nurses from discussing their contracts and organizing with their coworkers to improve the terms and conditions of their employment. A ban on discussing the existence of the agreement and its terms also discourages workers from seeking legal counsel or other advice on

whether the contract is legal or beneficial to the worker, leaving the worker to rely on what their employers tells them about the agreement and their rights.

d. Increased trauma, anxiety, and moral distress.

Nurses cite a significant mental toll and moral distress from being forced to stay in a position that was unsafe for both patients and nursing staff. Moral distress is psychological distress that occurs when a person is in a situation where they are constrained from doing what they know to be the right thing, including being constrained by a lack of resources or having too many patients to care for at the same time.[38] RNs have reported depression and Post Traumatic Stress Disorder (PTSD) from being locked into unsafe or unfair working and practice conditions by TRAPs as well as serious concerns about the safety of their patients. A nurse at HCA's Mission Health recalled how the lack of safety precautions and chronic understaffing wore on him morally and mentally. This toll was compounded by the contract confines of the StaRN program, "[StaRN] felt like a tool that forced me to come in."

RN Van Briggle, whose story is detailed in Section VII, rejected the offer of a staff position in a unit where she had worked for two years under a contract with a TRAP because she felt that the conditions for patients were unsafe and she did not want to be a part of the unethical way the hospital was run.

In the employer-driven debt survey comments, other nurses expressed similar sentiments about moral distress and mental health impacts caused by employers' failure to provide sufficient staffing or other resources that they needed to provide the care that their patients needed.

- "I know many of new grads I worked with legally bound to the hospitals I travel to, to work at least [two] years in residency program, I don't think that's fair, I understand there is high turnover rate because new nurses want their experience and then specialize but hospitals should address why there is high turnover rate instead of trapping new nurses in, it's manipulative and abusive." (Appendix C, Comment 26)

- "Being locked into the contract was one of the most depressing and terrifying things about my new grad experience. I was miserable on my floor and felt like I couldn't leave. I was written up for trying to organize with other nurses which was another way to keep me from transferring. After working through my contract, I left the [my] hospital system. I was diagnosed with clinical anxiety, depression, and PTSD due to the experience." (Appendix C, Comment 11)

[38] National Nurses United. Dec 2020. Deadly Shame: Redressing the Devaluation of Registered Nurse Labor Through Pandemic Equity. https://www.nationalnursesunited.org/sites/default/files/nnu/graphics/documents/1220_Covid19_DeadlyShame_PandemicEquity_WhitePaper_FINAL.pdf.

- "I felt pressured to remain working in a job I felt that patient safety was a concern and ca[s]e load was unrealistic and not enough ancillary support to adequately take care of patients assigned" (Appendix D, Comment 11)

- "This hospital seems to be staffed with mostly new RNs hired through the [hospital's] residency program. Immediately off of orientation, we are given unsafe patient assignments with seemingly no regard for level of patient acuity or RN experience. Patients are not safe. Nurses are suffering and unable to do our jobs well. I will never work for [this health system] again, once I can finally leave and protect myself and my license." (Appendix C, Comment 67)

- "The bonus contract impacts nurses when it binds then to a unit they might not be able to stay longer due to the emotional stress." (Appendix C, Comment 57)

The way hospitals are using TRAPs to lock new nurses into unsafe working conditions could have long-term impacts on nurse longevity in the profession. As the hospital industry laments nursing shortages, a growing cohort of burnt out and disaffected nurses who want to leave the profession will only exacerbate the industry's self-created staffing problem.[39]

e. Nurses suffer financial hardship from being required to pay TRAP fees or undergo debt collection.

The actions employers take to collect the debt inflicted on nurses through repayment agreements have caused financial hardship, stress, and negative credit reporting for nurses. There were 329 respondents to NNU's survey who are RNs currently working in a hospital that have been in TRAPs. Of those 329 respondents:

- 70 answered "Yes" to "Have you had to pay your employer or another entity back?".
    - Out of those respondents, in answer to "Why did you have to start paying back your employer or related entity?"
        - 55 responded "I left my job"
        - 1 replied "I relocated to another facility of the same employer"
        - 2 responded "I was terminated or laid off"
        - 7 responded "I began paying off my debt while I was working."

[39] National Nurses United. Dec 2021. Protecting Our Front Line: Ending the Shortage of Good Nursing Jobs and the Industry-created Unsafe Staffing Crisis. https://www.nationalnursesunited.org/sites/default/files/nnu/documents/1121_StaffingCrisis_ProtectingOurFrontLine_Report_FINAL.pdf.

- 30 answered "Yes" to "Do you believe information about your debt has affected your ability to get subsequent employment, obtain credit, get rental housing, or caused other problems?"
- 17 answered "Yes" to "Were you charged any fees, penalties, or interest charges for your debt?"
- 11 answered "Yes" to "Did your employer or their agent file a lawsuit against you in order to collect the debt?"
- 53 answered "Yes" to "Has your employer, the finance company, or any other third party associated with the debt told you that they may furnish negative credit reporting information about you?"

Each of these financial consequences of debt can cause serious hardship for nurses. Nurse C, whose story is described in more detail in Section VII, reported that her family struggled to pay bills after she was required to pay $6,000 pursuant to a TRAP after leaving her position due to poor working conditions. RN Colin King, whose story is detailed in Section VII, was sued by a debt collection service and had to take out a personal loan to pay off the debt.

Several nurses described the burden of the debt in the survey comments:

- "I hired an attorney to try and fight this. Left job due to mental health. Had a doctor note, and still was sent to collections for 10k. When I was a staff nurse I was making 24/hr." (Appendix C, Comment 25)
- "I was unemployed and sent to collections for that bonus. It ruined what credit I had" (Appendix C, Comment 19)
- "The repayment was a hardship" (Appendix D, Comment 25)

Repayment agreements are creating heavy burdens for nurses, often as they are starting their careers, and injuring them financially in ways that follow them after they leave the positions that required the agreements. The actions that employers take to collect debts both injure the nurse who is collected against and serve as a warning to prevent other nurses from speaking up about working conditions.

IV. Employer Power Over Workers Created by Market Concentration and Monopsony Power, the Immigration System, and Other Forces Enables Employer-Mandated Training and Debt. (Responding to Market-Level Inquiries # 1, 2, 3, 4, 7, 9)

Health care employers often have outsized power over nurses because of a high degree of market concentration in the health care field. Health care sector monopsonies, in which there is only one or a small number of buyers of nurse labor in any given market, enhance the health care

employer's ability to demand nurses enter into an agreement that includes a TRAP as a condition of employment.

Over the past three decades, the health care sector has undergone substantial market consolidation through both horizontal and vertical mergers and acquisitions. The high level of hospital merger activity over the past three decades has led to an alarming level of consolidation in the hospital industry. In 1994, about 37% of hospitals were affiliated with multihospital health care systems.[40] In 2020, the percentage of hospitals belonging to a health system had grown to almost 68%.[41]

Concentration of employer power through mergers and acquisitions also dilutes the bargaining power of workers over terms and conditions of employment. Research demonstrates that decreased worker bargaining power vis-à-vis their employer has a negative impact on wages and other working conditions. For example, a 2021 study by Arnold on the effects of mergers and acquisitions on worker wages in the U.S. found that local concentration depresses wages by 4 to 5% relative to a fully competitive benchmark.[42] After mergers and acquisitions that cause significant increases in local labor market concentration, earnings fall by over 2% for workers at the firms involved in the merger or acquisition. The study found the largest effects in already concentrated markets. Mergers generating large concentration changes also reduced wages at other firms in the labor market.

The effects found by Arnold extend to the health care sector.[43] Monopsony power has a substantial effect on labor market competition in the health care sector. This monopsony power has fueled industry-created staffing crises and coercive employment contracts, diluted union density, and depressed wages within the health care sector. For a fuller discussion of market concentration and monopsony in health care and their effects, see NNU's comments to the Federal Trade Commission and U.S. Department of Justice in response to the agencies' Request for Information on Merger Enforcement at Attachment 7.[44]

A law review article by Lichten and Fink provides a useful analysis of how worker repayment obligations to employers restrain labor market competition and "are a means by

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[40] American Hospital Association. 2022. 2022 AHA Hospital Statistics Database. AHA Data & Insights. https://www.ahadata.com/aha-hospital-statistics.

[41] *Id.*

[42] Arnold D. 2021. Mergers and Acquisitions, Local Labor Market Concentration, and Worker Outcomes. https://darnold199.github.io/jmp.pdf. See also Arnold D. 2019. Mergers and Acquisitions, Local Labor Market Concentration, and Worker Outcomes. doi: 10.2139/ssrn.3476369.

[43] NNU's April 2022 comments to the Federal Trade Commission and U.S. Department of Justice in response to the agencies' Request for Information on their merger enforcement guidelines discuss the effects of monopsony and health care sector wages in more detail. These comments are attached as Attachment 7.

[44] National Nurses United. Apr 2022. NNU Comments to the Federal Trade Commission and U.S. Department of Justice, Request for Information on Merger Enforcement (Docket No. FTC-0200-0003-0001), Comment ID, FTC-20220003-1831. https://www.regulations.gov/comment/FTC-2022-0003-1831.

which employers gain and maintain monopsony power in the labor market."[45] Repayment obligations for workers, they describe, result in labor exploitation in two ways: "by deterring employees from changing jobs, they expose employees to more intense exploitation within the labor process" and "by permitting employers to extract payment from employees who do leave, they extend the site of exploitation beyond the labor process to the exit door."[46] Importantly, as Lichten and Fink discuss, employers attempt to simultaneously retain the right to discharge a worker for any reason, through at-will employment, but also bind the worker to the employer through the repayment obligation. The result is that the employer does not assume the financial risk of high attrition and training costs of new hires but it has insulated itself from labor market competition, particularly competition with unionized competitors, that would warrant higher pay and safer or fairer working conditions for workers.

HCA Healthcare has been a major player in corporate consolidation in the health care sector, strategically using horizontal and vertical acquisitions to increase its market share as both an employer and a provider. HCA Healthcare has bought up not only hospital chains but also debt collection agencies, nursing schools, and travel nurse staffing agencies. As detailed in the nurse stories in Section VII, elsewhere in these comments, and in the following examples, HCA Healthcare uses its subsidiaries to gain more control over nurses.

- HCA Healthcare uses its ownership of Research College of Nursing in Kansas City, MO to get student nurses to sign contracts agreeing to work in HCA Midwest facilities for two or three years after graduation in exchange for tuition waivers.
- New RN graduates seeking employment at HCA Healthcare's Mission Hospital in Asheville, NC and a number of other HCA Healthcare hospitals are required to sign a TRAP with HCA Healthcare subsidiary HealthTrust, a health care industry supply chain management company.
- In 2020, HCA Healthcare bought Galen College of Nursing and then quickly expanded the nursing program into markets where HCA Healthcare has a dominant market presence, which has given them extra leverage over the RN labor market.[47]

With HCA Healthcare's growing market dominance, the result is that nurses in some job markets have little choice but to work for HCA Healthcare and enter into HCA Healthcare's TRAPs.

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[45] Lichten S, Fink E. "Just When I Thought I Was Out…" 25 *Wash & Lee J Civ Rts & Soc Just* 51, at 80 (2018). https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3359847.

[46] *Id.* at 79-80.

[47] See, e.g., Galen College of Nursing. Press Release. Jan 1, 2022. Galen College of Nursing and HCA Florida Healthcare Announce New Campuses in Gainesville, Sarasota. https://galencollege.edu/news/galen-college-ofnursing-and-hca-florida-healthcare-announce-new-campuses-in-gainesville-sarasota.

Jacobs J. Nov 17, 2021. HCA Healthcare-Owned Nursing School Opening Campus in Chesterfield. Richmond BiZSENSE. https://richmondbizsense.com/2021/11/17/hca-healthcare-owned-nursing-school-openingcampus-in-chesterfield/.

Health care employers use this monopsony power to target particularly vulnerable subsets of nurses, those who do not have the ability to find other jobs or move away from the area where the employer is dominant in the market. Large health systems can use their monopsony power to arbitrarily raise barriers to entry-level nursing positions, ultimately raising the cost of entry of the profession as a whole. Health care employers have used their market power to decline hiring new graduate nurses who have not been through their new graduate training programs, even though it is otherwise common practice in the industry for employers to hire new nurses and provide them with preceptors as part of the cost of doing business in the health care sector. Furthermore, new graduates are less likely to understand the potential for poor working conditions, know what it is like to work on certain units or shifts, or be familiar with prevailing wages, which makes them less able to understand the downsides of TRAPs that commit them to certain facilities or health systems for extended periods of time.

NNU's discussions with nurses have shown that TRAPs are particularly successful at binding more vulnerable workers to an employer. While some nurses are able to break their contracts and pay the financial penalty, less affluent nurses may be more scared to speak up about poor conditions and risk their job because they cannot afford to repay the TRAP. Some nurses live in places dominated by their employers' health system and, as several nurses mentioned in comments and interviews, they fear that their employers will blacklist nurses who leave before the TRAP period is complete, which would severely limit future employment options in the area. Nurses who have children or family members committed to a particular area, or simply have no financial safety net, cannot easily relocate for better employment prospects. Nor should any nurse be forced to relocate because of an employer's monopsony power.

In our conversations with nurses, those who are members of unions were able to raise complaints about working conditions or patient care issues and negotiate collectively for wages despite feeling trapped by repayment agreements. Non-union nurses were less likely to feel that they had any recourse for issues at work without risking financial penalty. Some health care employers with unionized RNs sometimes use TRAPs through staffing agency contracts rather than directly hiring nurses to ensure that newly graduated nurses are not union bargaining unit members (See, e.g., RN Van Briggle in Section VII). Nurse interviews and survey comments indicate that TRAPs also serve a union-busting purpose by deterring nurses from union organizing because they fear being fired and having to repay the contract amount.

Employers have the most complete control over immigrant nurses. As outlined above, the employment immigration system means that immigrant nurses who come to the United States through the employment pathway need an employer to sponsor their visa. Employers use this leverage to require long contracts with high repayment fees.

By contrast, U.S. citizen nurses with substantial experience and the flexibility to work in different places are able to command higher wages and better conditions. They are less likely to be required to sign repayment agreements—though our research showed that employers have been attempting to lock them in through other means such as requiring the repayment of hiring

bonuses and relocation expenses. Traditionally, a new graduate nurse might earn less money during training, but as they become experienced and in-demand from other employers, their employer would need to pay more and provide decent working conditions to retain them. By requiring TRAPs and other types of repayment agreements, employers take advantage of their market power over an employee at one moment in time to prevent that employee from benefitting from their improved skill level and experience over time. This undermines the ability of nurses to act collectively to negotiate the terms and conditions of their employment.

V. Through the Subterfuge of Nurse "Residency", Training, and Recruitment Programs, Health Care Employers Create Debt and Financial Products or Services That Fall Under the Regulatory Scope of the CFPB. (Responding to Market-Level Inquiries # 1, 2, 3, 4, 7, 8, 9)

The CFPB should consider both the creation of an employer-mandated debt and an employer's threat to collect on an employer-driven debt as an unfair, deceptive, or abusive act or practice (UDAAP) under federal consumer protection law. As reflected in nurses' experiences described throughout these comments, hospital employers use requirements to repay alleged costs of so-called residency, training, and recruitment programs in nurse employment contracts to conceal the fact that these contracts originate a debt owed by the nurse to their employer. Minimum work commitments that are tied to a financial obligation or promise to repay a debt in an employment contract should be treated as financial product or service that must regulated under consumer protection law, including the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act)'s prohibitions on UDAAPs.[48] With respect to employer-mandated debt linked to RN "residency" and new graduate nurse training programs in particular, these TRAPs fall under the definition of a consumer financial product or service because they effectively involve employers extending credit to employees, who are consumers of the training product for personal purposes, for the alleged value of the training program and can lead to the collection of debts from the employee.[49]

In addition to its regulatory authority over the enumerated financial products and services listed in the Dodd-Frank Act, the CFPB also has the authority to regulate financial products or services that the Bureau finds to be (1) "entered into or conducted as a subterfuge or with a purpose to evade any Federal consumer financial law" or (2) "permissible for a bank or for a financial holding company to offer or to provide under any provision of a federal law or regulation applicable to a bank or a financial holding company, and has, or likely will have, a material impact on consumers."[50] The use of TRAPs and other obligations to repay employment-related debt meet the definition of unfair acts or practices prohibited under the Dodd-Frank Act and also meet the definition of unlawful deceptive or abusive acts or practices.

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[48] Dodd-Frank Wall Street Reform and Consumer Protection Act, 12 U.S.C. § 5531 et seq., Pub. Law 111-203 (July 21, 2010).

[49] *See* 12 U.S. Code § 5481.

[50] 12 U.S.C. § 5481(15)(A)(xi).

The CFPB should investigate TRAP programs for violations of consumer law prohibiting unfair, deceptive, or abusive acts or practices. At least some of these employers are engaged in deceptive practices by purporting to offer a special training program that will benefit RNs and advance their careers, when in fact they are simply offering standard new employee training and shifting normal costs of business onto employees.

In general, hospital employers' growing practice of requiring TRAPs or other employer-driven debt linked to minimum work commitments for new graduate nurses is also an unfair act or practice, as discussed more in this section. An unfair practice under the Dodd-Frank Act "is likely to cause substantial injury to consumers which is not reasonably avoidable by consumers; and such substantial injury is not outweighed by countervailing benefits to consumers or to competition."[51] TRAPs have caused substantial injury to nurses by preventing them from leaving dangerous jobs, requiring them to pay severe financial penalties if they do leave or get fired from the job, and allowing employers to make negative reports to credit agencies to punish employees who do not pay. This injury is not reasonably avoidable because nurses generally have no opportunity to negotiate or decline repayment provisions while accepting the job and, in many areas where large health care systems have monopsony power over labor markets and only a small number of hospital employers have decided against the use of TRAPs, it is difficult or impossible for new graduate nurses to find positions that do not require TRAPs. While nurses benefit from gaining job experience as a nurse, they see no substantial benefits specific to TRAP programs.

Finally, tuition assistance or repayment offers that are included in an employment contract or offered by an employer should also be considered to fall under the CFPB's regulatory authority under Section 128(e) of the Truth in Lending Act.

a. Requirements to work minimum contract periods in order to satisfy a debt creates a modern-day form of indentured servitude, substantially injuring workers.

When employers require employees to work minimum contract periods in order to satisfy a debt, workers are at significant risk of substantial injury. Workers in these employer-driven debt traps both can suffer financial injury and, importantly, injury from providing underpaid labor or working under unfair or unsafe terms and conditions of employment.

With respect to financial injury, requirements to work in order to satisfy a debt restrain workers from bargaining or competing in the labor market for higher wages and better terms and conditions of employment. When workers are locked in minimum contract periods of labor, they must forgo other potentially higher-paying work or jobs with better working conditions.

[51] *Id.*

Requiring a minimum contract period of labor to satisfy an employer-driven debt fundamentally injures workers because they force workers to repay the debt through labor, restraining a person's autonomy through indentured work. Furthermore, workers who are locked in a job through an employer-driven debt often are required to provide underpaid labor or to work under unfair or unsafe working conditions, placing these workers at additional risk of financial and physical injury. Importantly, some nurses who are required to enter new graduate contracts or RN "residency" programs are excluded from unionized bargaining units.

The potential for substantial injury to workers as a result of employer-driven debt is greater in high attrition and high demand occupations such as nursing. Hospital employers use the underlying threat to collect on a debt to restrain nurses' mobility and bargaining power on the job. In other words, TRAPs and other employer-driven debt prevent nurses from leveraging their power in the labor market to demand higher wages and improved terms and conditions of employment.

b. Nurse "residency" programs and other employer-driven debt in the health care sector are not reasonably avoidable by nurses and are required as a condition of employment.

As conditions of employment, debt obligations related to new nurse graduate programs and nurse "residency" programs, as well as other employer-driven debt traps, are unavoidable for new nurses and nurses tied to labor markets in which employers exert monopsony control. In other words, nurses are required to take on a debt obligation to their employers as a condition of accepting a job.

A particularly nefarious aspect of employer-driven debt is that often workers, as a result of contracts of adhesion, do not have the bargaining power to negotiate alternative repayment terms. The worker must repay through their labor and cannot repay an alleged debt through alternative means such as prepayment. As described in nurses' stories below and in open-ended comments in response to NNU's survey, nurses are presented with "take it or leave it" employment offers that include debt obligations to the employer. From survey results, mandatory sign-on bonuses are not uncommon for nurses and are included as part of employment contracts with funds directly deposited as wages in a nurse's first paycheck.

As discussed above, growing market concentration in the health care sector also has made employer-driven debt contracts increasingly unavoidable for nurses. As nurses told NNU in response to our survey and subsequent interviews, it is difficult or nearly impossible in certain areas to find a job as a new nursing school graduate that does not have a contract provision requiring minimum work commitments in exchange for purported training in a new graduate or RN "residency" program.

NNU wants to highlight a number of health care systems that survey respondents frequently listed as employers that mandated employer-driven debt for nurses. 589 RN

respondents said they were required to enroll in a training, residency, or apprenticeship program in order to start or keep a job as a nurse in a hospital, 326 of whom said their employer expects them to repay the costs of the training, residency, or apprenticeship program if they quit or were fired before the end of the program or before working a minimum amount of time (Question 2). Of those 326 RNs, 176 provided NNU with the name of the employer where they received the debt. Table 10 below lists the names of the health care systems that own or operate the 176 health care employers listed by RN respondents to have used TRAPs. This list only includes employers of respondents who said they were required to repay a training or residency program and does not include respondents who said they know only of coworkers who had to repay a training or residency program.

Table 10. NNU Survey Responses: Health Care Systems Using TRAPs for Hospital RNs or APRNs/CCRNs.

Health Care System Name	Frequency Listed
HCA Healthcare	78
Tenet Healthcare Corporation	12
Prime Healthcare Services	11
Universal Health Services, Inc.	11
MedStar Health	6
Providence	5
AdventHealth	4
CommonSpirit Health	4
Steward Health Care System	3
UCHealth (University of Colorado)	3
Cedars-Sinai Health System	2
Community Health Systems, Inc.	2
Keck Medicine of USC (University of Southern California)	2
Orlando Health	2
UPMC (University of Pittsburgh Medical Center)	2
Adventist Health	1
Ascension Healthcare	1
Baptist Health South Florida	1
BJC HealthCare	1
CHRISTUS Health	1
Duke University Health System	1
Encompass Health Corporation	1
General Health System	1
HSHS Hospital Sisters Health System	1
Intermountain Healthcare, Inc.	1
Lee Health	1
Loma Linda University Adventist Health Sciences Center	1
Mary Washington Healthcare	1
Mayo Clinic	1

Mercy	1
Methodist Le Bonheur Healthcare	1
Morton Plan Mease Health Care	1
Northern Light Health	1
Northwestern Memorial Healthcare	1
Parkview Health	1
PIH Health	1
Renown Health	1
Rush University Medical Center	1
Swedish Health Services	1
Sutter Health	1
SSM Health	1
Trinity Health	1
WellStar Health System	1
University of Chicago Medicine	1

c. Employer-mandated debt traps do not provide any benefit to consumers or competition that would outweigh the injury caused.

The purported benefit of new graduate training programs or RN "residency" programs does not outweigh the financial and physical harm to the worker. As described below in Section VI of these comments, the efficacy of such new graduate training or residency programs is often questionable. Some hospital employers falsely describe new graduate and "residency" programs for RNs as training to "transition to practice." New graduate and "residency" program participants are not transitioning into nursing practice; rather, they actually are practicing licensed RNs who have completed the pre-licensure clinical hours required by their nursing education program and/or state licensure board.[52] The programs analyzed in NNU's survey are expressly post-licensure programs and programs that employers require of nurses who have graduated from nursing school and are licensed as RNs. New graduate and RN "residency" programs provide no benefit to the nurse in obtaining other nursing jobs except perhaps at obtaining a nursing job within the same health care corporation because any nursing job requires such in-system training.

These new graduate and RN "residency" programs also do not reduce the new nurses' professional responsibility. Nurses who are in these so-called training programs are typically assigned and responsible for their own patients and liable to their state RN professional licensing boards in the same way as any other RN. The fact that an experienced nurse is serving as a

[52] RNs are not required to enter a "residency" program in order to fully practice under their RN licenses and do not have a period of practicing under a training certificate. In contrast, physicians complete residency programs and physicians who are in accredited residencies "are licensed to practice through a training certificate" and are permitted to practice only under the supervision until fully licensed. See Murphy B. May 22, 2019. Licensing and board certification: What residents need to know. AMA. https://www.ama-assn.org/medical-residents/transition-resident-attending/licensing-and-board-certification-what-residents.

preceptor for program participants does not change the status of the individual nurse's license and professional responsibilities. Indeed, to NNU's knowledge and as described by nurses interviewed on employer-driven debt, all newly hired nurses in all health care settings and nurses who transfer between units within a single health care facility, whether they are experienced or inexperienced nurses, must be precepted to orient the nurse to the facility and/or unit.

Many nurses also noted in response to NNU's survey that the classes for training programs merely repeated basic nursing information that new graduates just learned in nursing school. Additionally, as a number of nurses noted in interviews and comments in response to NNU's survey, often newly licensed nurses in new graduate training or residency programs are trained by nurses who are also newly licensed nurses. RN Logan and RN Young reported that they themselves were asked to precept or orient other nurses in the training program immediately after completing the program and while still under contract themselves.

Even the short-term financial benefit of a hiring or sign-on bonus does not outweigh the potential financial and physical harm to the worker who must forgo alternate jobs and who must labor for an employer during the work commitment period attached to the employer-driven debt. As RN Colin King described to NNU, he had to forgo a higher-paying travel nurse position for the duration of the time he was in an employer-driven debt contract but the hiring and relocation bonuses he was provided did not make up the financial difference for lower wages and also resulted in RN King having to work in unsafe working and patient care conditions.

d. Employer-mandated debt traps can also be characterized as deceptive or abusive acts or practices.

Some employer-mandated debt contracts also involve deceptive or abusive acts or practices. As described in nurse stories and comments in response to NNU's survey, some health care employers misrepresent or omit key information about an employer-driven debt, or otherwise act in manners that make it difficult or nearly impossible for a nurse to understand the terms of a debt.

For example, nurses in comments to NNU frequently noted that they either did or do not know whether their obligations to repay their employer were prorated based on hours already worked. Other nurses simply did not have access to copies of contracts or did not know how much they owed their employer. Still other nurses reported having little to no information explained to them about their debt obligations to their employers or were only told about obligations to repay when they were signing paperwork to accept a position.

Additionally, hospital employers take unreasonable advantage of particularly vulnerable nurses, as described above, including newly graduated nurses and immigrant nurses. Hospital employers know that new nurses lack understanding about the profession and what kinds of on-the-job training should typically be expected for any newly hired nurse, experienced or

inexperienced. Thus, these nurses are less likely to challenge the estimated value of a purported "training" program.

NNU frequently observed that these employer-mandated debt contracts do not even attempt to provide an estimate of alleged costs of training, recruitment, or other costs that the nurse could be responsible to repay. For example, in the Avant Healthcare contract for internationally recruited nurses, the employer does not specify or even estimate the amounts that it purportedly is investing in the nurse. Moreover, Avant Healthcare gives itself unilateral authority to transfer a nurse to a different client and incur additional costs that presumably could later be charged as part of the employer-driven debt. However, like other employer-mandated debt, the nurse can only repay the additional debt by working additional hours for the employer and the nurse is unable to pay for the additional alleged costs to their employer out of pocket or through alternative financial products or services.

In a similar vein, hospital employers with market dominance use explicit or implicit threats to blacklist nurses from future employment to coerce nurses from advocating for better terms and conditions of employment, seeking assistance from a union, or engaging in protected concerted activity with their coworkers.

e. Violations of state employment law, unconscionable contracts, and potential debt peonage arrangements should be considered UDAAPs.

Employer-driven debt that would be considered unenforceable under state employment or contract law should also be considered an unlawful UDAAP under federal consumer protection law. Recognizing that it is both procedurally and substantively unfair for workers to be forced to pay for employer-mandated training, some state employment and contract law make such requirements to repay employers for costs associated with employer-mandated training and other work-related costs unlawful. Generally, wage and hour laws in various states require employers to pay employees for time at mandatory, work-related training and for costs associated with such programs with some exceptions if the worker receives something of value to the worker that is portable, like a certification or additional educational degree, and benefit the worker in future employment. So, employers have tried to wedge their training costs into these gaps in state wage and hour law.

For example, in 2020, California passed AB 2588 into state law to clarify that it is unlawful for employers to require direct patient care workers or applicants for direct patient care employment to pay for costs associated with employer-provided or employer-mandated training. The bill, which was sponsored by NNU's largest state affiliate, the California Nurses Association, closed a loophole in state labor code that hospital employers were using to force nurses and nurse applicants into TRAPs related to employer-mandated training. Under California law, Cal. Lab. Code § 2802 requires that employers pay or reimburse employees for "necessary

expenditure or loss incurred by the employee in direct consequence of the discharge of the employee's duties."

When the California legislature considered AB 2588 in 2020, California Nurses Association and the legislature in its bill analyses underscored that California law under Cal. Lab. Code § 2802 requires employers to pay or reimburse employees for necessary costs of employer-mandated training programs, with the exception of licensing or certification necessary to legally practice in their specific occupation and as distinguishable from voluntarily-entered training programs.[53] California courts in *USS-Posco Indus. v. Case*, 244 Cal. App. 4th 197 (2016) and *In re Acknowledgement Cases*, 239 Cal. App. 4th 1498 (2015) together established that Cal. Lab. Code § 2802 required employers to indemnify employees for "employer-mandated" training costs but allowed employers to charge employees for training programs that were voluntary or mandated by state law. These cases were clear that employers could not charge workers for firm-specific training but could charge workers for training or education required by state law to work in a specific occupation (e.g., a license, certification, or training required by law) or for voluntary employer training programs. However, hospital employers still varyingly attempted to charge nurses for RN residency and new graduate training programs despite being mandated as a condition of employment. As a result, AB 2588 clarified that health care employers could not charge for training, like RN "residency" programs and new graduate programs, which nurses were required to enter as a condition of employment but not required by licensure or other state law to complete. The CFPB could similarly exercise its regulatory authority to expressly prohibit TRAPs for direct care workers and job applicants as unfair, deceptive, or abusive acts or practices under federal consumer protection law.

Other state contract law also limits the use of employment contract penalties for repayment of work-related training or education costs in liquidated damages provisions. In 2020, an article in the *American Bar Association Journal of Labor & Employment Law* discussed employers' use of liquidated damages provisions in employment contracts to recoup alleged employment-related costs from workers who breach employment contracts, including costs of hiring or training. Legal analyses of liquidated damages provisions and other contractual penalties that require workers to pay employers for breach may be helpful in the analysis of whether employer-driven debt is a UDAAP under federal consumer protection law. In particular, the CFPB should consider whether TRAP or other employer-driven debt penalties are reasonable in light of actual losses that could be caused by a breach in employment contracts. As many nurses reported to NNU, costs of RN training or new graduate programs are never explained and appear to be unjustified given the questionable value of the training provided and low pay provided to precepting nurses.

[53] California Nurses Association's position and legal analysis in support of AB 2588 has been slightly mischaracterized in at least one law review article. Summaries of the California Nurses Association's statements in support of AB 2588 to the state Assembly Labor and Education Committee, Senate Labor and Education Committee are available at https://leginfo.legislature.ca.gov/faces/billAnalysisClient.xhtml?bill_id=201920200AB2588.

f. Employers have engaged in unfair acts or practices to collect on employer-driven debts.

While many of the harms of employer-driven debt practices occur before the debt is charged to the worker, employers have also engaged in unfair, deceptive, or abusive acts or practices while collecting on employer-driven debts.

Employers often require former employees to pay back large sums extremely quickly after leaving employment. This act or practice causes substantial harm to nurses because nurses frequently are not able to access the thousands of dollars they are required to repay without impacting their ability to pay for their living expenses. There are nor countervailing benefits to outweigh the harm. Consumers cannot reasonably avoid this injury for the reasons explained in part b and because employers do not always clearly explain their debt collection practices before workers sign the contracts.

For example, in 2016, Saint Louis University Hospital sent a series of collections letters to nurses after they left employment with the hospital pertaining to a repayment agreement of $20,000 for the Versant RN Residency Program. These letters demanded that the nurses pay the entire debt within 10 days of receiving the notice. In the letters NNU has access to, included as Attachment 8, the debt amounts ranged from $1,680 to $10,800, which were pro-rated from the $20,000. These letters were dated between one and seven months after the date given for separation of employment, so the nurses had no way of predicting when their ten-day window to pay would occur. The letters said that failure to contact the hospital regarding repayment of the debt would cause the hospital to submit the remaining balance to a collection agency. Having to produce ten thousand dollars in ten days would present a substantial hardship for most nurses, as would having debt sent to a collection agency. Importantly, Saint Louis University Hospital has since changed their practices. However, nurses at other hospitals may be subject to similar demands.

As detailed further in Section VII, Mary Washington Hospital sued RN Colin King pursuant to a debt even after he had set up a payment plan and made three months of payments. The lawsuit demanded the full alleged debt of over twelve thousand dollars, without taking into account the three thousand-dollar payments he had already made. He took out a personal loan to pay the remaining eight thousand dollars in a lump sum, which represented a significant financial hardship.

Nurse C, as explained in Section VII, paid $6,000 to HCA Healthcare after they left their job and a debt collector sent them a collections letter pertaining to a TRAP. The TRAP contract that HealthTrust Workforce Solutions, an HCA subsidiary, required Nurse C to sign contained a repayment clause for a pro-rata portion of $10,000. It required the nurse to indemnify HealthTrust against all costs associated with claims against HealthTrust based on alleged breach of the terms of the agreement by the nurse, which means that no employee could challenge the agreement after HealthTrust alleges breach without incurring costs and the employee would have

to pay HealthTrust's attorneys' fees for the claim, regardless of the outcome of the claim. The agreement also included a promissory note that allowed the employer to charge 3% annual interest on the debt; to collect the entire balance, all interest, and "all unpaid costs and expenses of Holder hereunder" 60 days after an "Event of Default"; and to charge a 10% late fee to the employee if any payment required is not received within 10 business days of the date it is due. The promissory note says that this charge only applies as long as it does not result in the payment of interest in excess of the maximum lawful rate of interest but gives the nurse no way to judge what that rate is. The note also requires the Employee "to pay all costs of collection, including reasonable attorney's fees." These terms would make it extremely difficult for a nurse to challenge the debt and cause the debt to balloon during any delay in payment. Instead, Nurse C paid the entire $6,000 off immediately, even though they had just lost their job and the payment made it harder to pay bills and caused worry and anxiety about making rent.

CFPB should investigate the debt collection practices used by employers related to employer-driven debts and determine if employers are engaged in UDAAP to collect these debts.

VI. Left Unregulated and Unaccountable to Any Standards, Nurse "Residency" Programs Fail to Meet Promises of Effective Nurse Training. (Responding to Market-Level Inquiries # 2, 3, 4, 7, 9)

a. Training bait and switch.

Nurse "residency" and new graduate training programs promise to provide high-quality training curricula to prepare new graduates for work in nursing and improve their future job prospects. Many new nurses are eager for high-quality training to ensure that they can provide the best care to their patients as they start their careers in nursing. However, in practice, TRAPs offer a bait and switch. They entice new graduates with the promise of special training and jobs, but what they provide varies widely, is unaccredited and unregulated, and the best parts of these programs mimic what employers have traditionally provided to new nurses as part of the cost of doing business in the health care sector, without charge to the nurse.

Registered nurse training consists of pre- and post-licensure components. Before licensure, nurses complete a nursing school program which provides pre-licensure training consisting of didactic classroom education on a range of subjects relevant to nursing care plus a substantial number of hours providing clinical practice which vary by state. Pre-licensure clinical practice requirements historically were fulfilled at a health care facility, though now nursing students may fulfill a portion of the requirements through simulated practice. During pre-licensure clinical practice, students learn to provide patient care under the supervision of an experienced nurse preceptor and under the license of the precepting nurse. After completing their education requirements, all nursing students must pass the National Council Licensure Examination (NCLEX). These are the main requirements necessary to be licensed by a state

nursing board, though some states may have minor additional requirements such as a background check or fingerprinting.

Post-licensure training in an acute care hospital includes on-the-job training and orientation to a particular patient care unit and facility, including preceptorship in which new nurses provide patient care under the supervision of an experienced RN. In contrast to pre-licensure training, however, newly graduated RNs in RN "residency" and training programs are required to have a valid nursing license, which exposes them to the same legal liability as any other RN, experienced or not, in a health care facility.[54]

All newly hired, licensed RNs in acute care hospitals, whether they are experienced or inexperienced nurses, must be precepted, which is sometimes interchangeably called "orientation" or "being oriented." Nurses who transfer units within a facility, as well as staffing agency and travel contract nurses, are also usually precepted in acute care hospitals. Preceptorship is where, ideally, an experienced RN serves as a "preceptor" for a newly hired, licensed RN, walking the nurse through the precepting nurse's routine and explaining facility- and unit-specific practices to the nurse. Preceptors for post-licensure nurses do not typically cosign on medications, and nurses being precepted typically have their own patient assignments. A nurse being precepted may start with a small patient assignment and slowly have their patient assignment increase. Precepting usually ends when the preceptor and nurse manager agree that a nurse is properly oriented to the particular unit and to facility practices. The hours required to precept a newly hired nurse can vary; experienced nurses are likely to have shorter precepting periods than newly graduated nurses. However, experienced nurses transferring to a new specialty may require relatively longer periods of preceptorship.

Traditionally, hospital employers hired newly licensed nurses and provided on-the-job training and orientation, which primarily consisted of preceptorship provided by experienced nurses working in the hospital unit the new nurse would be employed in. Employers covered the cost of this training and orientation. Nurses generally paid for, and still pay for, nursing school and all fees associated with the NCLEX exam necessary to become licensed as an RN.[55] Any training that employers required beyond licensure was paid for by those employers. This expense was recognized as part of the cost of doing business, much like employers in most other fields need to train and orient new employees before they can perform at the level of experienced employees.

New graduate nurse training and residency programs secured by TRAPs have not revolutionized nurse training to provide new graduate nurses, who are fully licensed, with what they need to provide confident patient care and stay in staff positions long term with their first employer. These programs vary substantially in what they provide to new graduates beyond

[54] *See* discussion *supra* note 8.

[55] Some nurses may receive scholarships or participate in loan repayment programs, including many state and federal programs, that are not paid for their employer.

traditional preceptorship. Some new graduate nurses reported that the only substantive component beyond preceptorship in their purported training program consisted of online modules for the nurse to complete when they had a spare moment. Nurse A, as described in detail in Section VII, reported having to complete the online modules unpaid because their workday was so full of patient care duties that they did not have any time on the clock. In other programs, the nurses receive one week to three months of classroom training from books and simulations in the classroom, sometimes duplicative of their pre-licensure nursing education, before beginning preceptorship and have occasional meetings or check-ins for up to a year into their employment period. The latter description broadly characterizes HCA's StaRN program, though it seems to vary somewhat between facilities. The nurse stories in Section VII below provide more detail on each nurse's training experience.

The training programs are not regulated and their contents often do not provide new graduates with the training, particularly precepting, they need to competently provide safe and effective patient care. There is no accreditation or standard for new graduate training or residency programs. While some programs issue completion certificates to nurses, these certificates have no legal status or particular meaning to other employers.

Importantly, the preceptorship provided under these training programs, which is seemingly the most valuable component of nurse training and residency programs as explained by nurses who were interviewed, is often of questionable duration or quality. The preceptors charged with training the new graduate nurses are usually staff RNs at the facility, but several nurses reported that preceptors receive little to no additional training to be preceptors. In NNU's interviews with nurses, some new graduate nurses reported being assigned to preceptors with only one or two years of nursing experience. Worse still, some nurses described being asked to train new nurses when they had barely finished their own training. As described in Section VII, RN Logan at HCA Mission Health in Asheville, North Carolina was asked to become a preceptor six months after being hired into a new graduate program. Management at Tucson Medical Center asked RN Young to start training new hires not long after she finished her own preceptorship, including filling in when preceptors called out of work.

Nurses at some facilities report that their new graduate training programs include some nurses who are subject to a TRAP and others who are not. Nurse D, whose story is detailed in Section VII, said that they were required to sign a TRAP as a new graduate, as did other new graduates hired at the same time, but that new graduates hired into the same training program in subsequent years did not have to sign a TRAP. RN Jessica Van Briggle, as detailed in her story in Section VII, had to sign a TRAP with a staffing agency, Pioneer Staffing Services, but some nurses who were direct hires at the same facility, Centinela Hospital Medical Center, did not, even though both new graduate hires with Pioneer Staffing Services and with Centinela were in the same training program. RN Van Briggle also believes that nurses with different agencies had to agree to different repayment amounts for the same training. One respondent in survey comments, who enrolled a training program but did not have to agree to repay costs for the program, said nurses in the cohort before theirs were required to sign contracts to work for two

years and were also offered hiring bonuses that they would have to repay. (Appendix C - Comment 58)

Other nurses reported that nurses in RN "residency" or new graduate training programs receive the same training as other new hires or transfers. One respondent described how they and their daughter received the same training years apart, but their daughter had to sign a TRAP:

> "My job does not do this. But my old employer started doing it for the new nurses. And my daughter is working there and was forced to sign one to be hired. A nurse resident program. They claim she will owe them $10,000 if she left before 2 years. This training is exactly the same training I got there but mine was in the mid 90's. I think this is terrible!" (Appendix C - Comment 49)

In another example, in 2015, St. Joseph Queen of the Valley Medical Center (QVMC) (now called Providence Queen of the Valley Medical Center after St. Joseph Health merged with Providence) announced they were implementing a new "Transition to Practice" training program where licensed RNs who recently graduated Sonoma State University would work 280 "credit hours" as an unpaid RN at QVMC in exchange for 28 Continuing Education Units from Sonoma State.[56] Although this program is no longer offered by Sonoma State University or QVMC, it demonstrates how preceptorship and training of new graduate nurses is not significantly different than preceptorship and training for other new hires, staffing agency nurses, transfers within a facility, and even pre-licensure student nurses. New graduate nurses had to pay roughly $900 to participate in the program but were not employees of QVMC and were excluded from the union bargaining unit. As part of the program, experienced RNs who were staff nurses served as preceptors for participating new graduate RNs. As reported by nurses, new hires (experienced or recently graduated), traveler nurses, transfers from other units, and students in a Student Preceptorship Program would all be precepted by a QVMC staff RN. Nurses explained that the "Transition to Practice" program was not much different than student preceptorship or precepting of new hires but precepting under the program was longer. Participants were expected to take one patient for their first 10 shifts and after that take 2 patients for their remaining shifts. Although preceptors shared assignments with their assigned new graduate, the preceptors did not cosign any medications given by the new graduate and new graduates were fully liable under their RN licenses for the patient care provided to their assigned patients.

While nurses often do not have much control over their work assignments, new graduate nurses under TRAPs often have even less ability to determine their shifts and the unit where they are placed. They frequently report being floated to other areas and units during the course of their contracts. Many nurses dislike being floated between different hospital units, because, among other reasons, it makes it difficult to build solidarity, trust, and familiarity with coworkers and patients on the unit. During Covid-19 surges, it was common for many nurses to face

[56] Confidential sworn affidavits and declarations were taken by or filed with the NLRB on some of the QVMC program as described in these comments.

demands from their employers to take on floating assignments and to shift to an unfamiliar unit without the training and precepting necessary to change to a different patient care unit safely—for example, from a medical-surgical unit to an intensive care unit.[57] Some TRAP programs are designed for all new graduate nurses in a facility with little of the unit-specific training that nurses want. Even nurses who have been trained in a particular type of patient care, which generally happens during preceptorship, may end up being floated to other units where their training does not fully apply. This is another way in which hospital employers are not providing the full preparation for patient care work that they promise when advertising their residency and training programs.

b. RN "residency" programs have no reasonably ascertainable costs.

TRAP contracts typically include a clause wherein the nurse employee agrees that the cost to the employer of providing the training or residency program is estimated at a certain dollar value and the nurse agrees to pay that amount as a penalty if they leave the job before the required work period is complete. In our conversations with nurses, these amounts ranged from $4,000 to $30,000. Training valued by employers at $10,000 or $15,000 were common. As outlined above and in Section VII, RN Van Briggle believes that different nurses at the same hospital were contracted to repay different amounts for the same hospital-provided training program based on which of several staffing agencies held their employment contract. The TRAP contracts do not clearly describe or enumerate the costs incurred by the hospital or in any way describe how the employer arrived at the total cost. In our conversations, no clear pattern emerged distinguishing $4,000 from $30,000 programs; the prices appear to be arbitrarily set by employers.

The cost of residency programs to health care employers is limited. The longest portion of the training, and the part that is most valuable to the new nurses, is preceptorship. Preceptorship is provided by RNs who already work at the hospital. Preceptors may receive a small increase to their hourly wage while they serve as a preceptor, but the majority of their wage is already being paid by the hospital. Additionally, preceptors usually maintain a normal number of patient assignments while precepting. Some RNs in the training program take on increasing responsibility for their preceptor's patients as preceptorship continues (See RN Van Briggle in Section VII), and at a number of hospitals the new RN receives an increasingly higher numbers of patient assignments of their own, sometimes unsafely, before preceptorship ends (See Nurse D in Section VII) and others had a high and unsafe number of their own patient assignments during their training programs (See RN Logan, RN Rudis, RN, Gaffney, and RN Young in Section VII). RNs who are in the training program are paid, but usually low wages compared to experienced RNs at the same facility. The classroom training portion of these programs usually only lasts one to four weeks and our conversations with new graduate nurses

[57] National Nurses United. Dec 2020. "Deadly Shame: Redressing the Devaluation of Registered Nurse Labor Through Pandemic Equity." https://www.nationalnursesunited.org/sites/default/files/nnu/graphics/documents/1220_Covid19_DeadlyShame_PandemicEquity_WhitePaper_FINAL.pdf.

suggest that it is of minimal value and often repeats generalized nursing information the nurse just received in nursing school.

c. Monopsony power enables dominant employers to shift norms in training and educational requirements to their own benefit without providing additional training of value to nurses.

As outlined above in Section IV, market concentration gives health care systems a large degree of monopsony power, which allows a small number of employers to dictate the terms of the labor market for nurses. HCA Healthcare has been a major player in corporate consolidation in the health care sector, strategically using horizontal and vertical acquisitions to increase its market share as both an employer and a provider. HCA Healthcare has acquired not only hospital chains but also debt collection agencies, nursing schools, and travel nurse agencies. Other large systems, such as Tenet, Prime, and Providence, also control substantial numbers of hospitals and other types of health care facilities and nurses reported that these systems have used employer-driven debt, including TRAPs. Using their market dominance, HCA Healthcare and other dominant employers have been able to shift the norms in training and education requirements to transfer the costs of training from employers to nurses. Employers have made several changes that combine to create artificial scarcity in entry-level jobs and push new graduates into TRAPs.

Major health care employers have begun refusing to hire entry-level RNs in positions that do not require training programs with a TRAP. Even though there is a high demand for nurse labor currently, a small number of employers have sufficient control over the market for entry level jobs for nurses that they can require new graduates to sign TRAPs and refuse to negotiate over terms. In our conversations with nurses, NNU heard stories from nurses in cities where there are only one to three local hospitals that hire nurses in entry level positions and all of those hospitals had started requiring repayment agreements connected to training programs, hiring bonuses, tuition assistance, or a combination of the three within the past few years. Thus, health care employers, led by large conglomerates such as HCA Healthcare, have been able to use their market power to block new graduate nurses from the nursing workforce unless they agree to TRAPs. Proliferation of TRAPs by large health systems occur even though it has previously been industry practice for employers to hire new graduate nurses and provide them with preceptorship without charge. With the massive consolidation of the health care sector, in which relatively few employers dominate a geographic market, nurses in some job markets have little choice but to work for a large health care system and enter into TRAPs.

Furthermore, the rising cost of education means that more nurses graduate with substantial student loan debt. High student loan debts open nurses up to exploitation by employers, making them more likely to accept whatever entry-level job is offered to them, regardless of the terms and conditions of the work. An RN who already has tens of thousands of dollars of debt from student loans will be very hesitant to leave a position subject to a TRAP and risk being saddled with even more debt, no matter how terrible the working conditions are.

Employers with significant market concentration dictate the terms under which RNs must take on significant debt to be able to work and then take advantage of that debt to force nurses to work in dangerous and unfair conditions.

Thus, monopsonist employers manipulate the labor market to create a demand for RN residency and new graduate programs. Then they use those programs to trap nurses in debt. This means that TRAPs are abusive practices within the definition given in the Dodd-Frank Act provision prohibiting unfair, deceptive, or abusive acts or practices, in addition to deceptive and unfair practices as outlined above.[58] The Bureau has the authority to declare a practice abusive in connection with the provision of a consumer financial product or service if it "takes unreasonable advantage of… the inability of the consumer to protect the interests of the consumer in selecting or using a consumer financial product or service."[59] The employers using TRAPs dramatically limit the ability of nurses to protect their own interests. These employers take unreasonable advantage of that inability by ensuring that all or most new grad positions require TRAPs in certain areas, requiring that employees take on debt with the employer in order to receive the training (under contracts of adhesion with terms set by the employer), refusing to negotiate terms, and then forcing their new RNs to work under dangerous and unfair conditions to avoid financial ruin.

Finally, Lichten and Fink provide a useful framework for creating standards to guard against labor market monopsony and employee exploitation as a result of the use of post-employment repayment obligations.[60] They suggest applying a "rule of reasonableness" standard similar to standards used when analyzing noncompete employment contract provisions, proposing several factors that could be considered under such a legal standard for post-employment repayment obligations . To prevent employers from unduly gaining or bolstering superior bargaining power over workers, they generally suggest that "employers should be required to identify a legitimate business interest, and the terms of repayment obligations should be reasonably tailored to protect that interest without unduly burdening the employee or restraining labor market competition[,]" which would include both limiting the duration of the minimum work period requirements and limiting the amount of repayment liability in relation to the workers' wages or salary.[61] All important factors of reasonableness include whether there is nonnegotiable or boilerplate language in contracts, whether repayment terms are presented before or after acceptance of employment, considering whether the work is vulnerable to exploitation or in a monopsonist labor market, and clarity of the repayment obligations. They specifically stress the need for a requirement that employers "support reimbursement claims with evidence of actual expenditures, costs, or other damages resulting from the employee's early departure."[62] They importantly stress that because the worker is in no position to estimate the

[58] 12 U.S. Code § 5531.
[59] 12 U.S. Code § 5531(d).
[60] Lichten S and Fink E. "Just When I Thought I Was Out…" 25 *Wash & Lee J Civ Rts & Soc Just* 51, at 86-89 (2018). https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3359847.
[61] *Id.* at 87.
[62] *Id* at 88.

value of training, liquidated damages provisions and employer's unsupported assertions of the cost or value of training cannot be taken at face value.

VII. Nurse Stories About Transaction-Level Debt Traps and other Employer Driven Debt. (Responding to Transaction-Level Inquiries)

In July and August 2022, NNU conducted interviews of nurse respondents to our employer-driven debt survey. Below are written narratives as recollected by 17 nurses on their experiences with employer-driven debt. While some nurses were willing to share their names, many nurses asked to remain anonymous for fear for retaliation by their employer or former employer. Some nurses had copies of their employment contracts that created their obligations to repay their employers while others did not. Some nurses also had additional documentation of collections actions taken against them. NNU has indicated throughout these stories where nurses have shared such copies of contracts and related debt documents, attaching them to these comments where available.

Nurse Story #1: Registered Nurse Jessica Van Briggle
Pioneer Staffing Services (at Centinela Hospital Medical Center), Inglewood, CA

In 2017, Registered Nurse (RN) Jessica Van Briggle, a recent graduate from nursing school, interviewed for a Telemetry position with a manager at Centinela Hospital Medical Center in Inglewood, California. Centinela is a member of Prime Healthcare, which describes itself as "the fifth largest for-profit health system in the United States."[63]

RN Van Briggle's interview went well. The manager told RN Van Briggle that they liked her and would be in touch. About a week after the interview, RN Van Briggle got a text message from Mike Idriss, an Administrator at Pioneer Staffing Services. The text invited her to come to the Pioneer office to discuss her "commitment to working at Centinela" and "sign up" if she "like[s] the terms." The October 7, 2017, text message informed her that her proposed start date would be October 19.

RN Van Briggle had to drive down to the Pioneer Staffing Services office in Anaheim, California to speak with the Pioneer representative and sign the contract. When RN Van Briggle came into the Pioneer office, Mr. Idriss said that Centinela was interested in having her work for them but that she would need to sign a two-year contract with Pioneer to get the job. She was given no explanation for why she was sent to a staffing agency and had no indication prior to the text message from Pioneer that the agency would be involved. She remembers that Mr. Idriss told her that he would be her boss and that this was the only way she would get the job with Centinela.

[63] Prime Healthcare. About Prime Healthcare. https://www.primehealthcare.com/ (Accessed September 2, 2022).

At the time, RN Van Briggle was working in a hospice care facility, which was the only position she could find as a new graduate. She had an associate degree in nursing and most hospitals were preferentially hiring nurses with bachelor's degrees. RN Van Briggle had applied to three jobs at Centinela, including the Telemetry position. When she received the offer from Pioneer, she felt that she would not have many opportunities to move to hospital work and that she should accept. Mr. Idriss told her she would get the experience she needed in the program and have more job opportunities by the end of the contract.

Mr. Idriss explained the terms of the contract and asked RN Van Briggle to sign in the office in his presence. He claimed that since the hospital loses money from turnover it uses Pioneer to help secure new graduates in a two-year commitment. RN Van Briggle recalls that Mr. Idriss told her that in order for the hospital not to lose money, she would be responsible for paying for the training, which the hospital and Pioneer agreed to value at $15,000. The meeting with Mr. Idriss in the Pioneer office was the first time RN Van Briggle saw the contract. She felt "pressured" because Mr. Idriss told her that orientation for the fall would be starting soon. She signed the contract on the spot. Then she was given a copy of the contract.

The Pioneer Staffing Services contract required RN Van Briggle to work at Centinela for two years plus an eight-week training and orientation period.[64] The contract included a clause stating:

> "**Reimbursement.** You agree to pay the Client Training Program Costs to PSS in the amount of Fifteen thousand ($15,000.00) if you terminate your employment with PSS within two (2) years of working with Centinela Hospital in your capacity as a nurse. This is based on a contractual understanding between Centinela Hospital and PSS that $15,000 is the cost associated with 8 weeks Training and Orientation provided by Centinela Hospital to you. You are Exempt only if you accept a permanent position with the hospital. In such case, PSS will verify the arrangement and officially inform you in writing that you are exempted from any obligation of reimbursement."

The contract included no reduction in the amount due based on how long RN Van Briggle worked for Pioneer at Centinela before terminating employment.

The contract included several other notable terms. It listed RN Van Briggle's "assignment category" as "travel," even though she would be with Centinela for the entire contract period. It set a base hourly pay rate of $30 an hour for year one and $32 an hour for year two, with a total of $420.00 per twelve-hour shift in year one and $448 in year two. It allowed Centinela to cancel shifts at any time. It provided for a $3,000 payment to the nurse at the completion of the contract which would be paid only if she did not accept permanent employment with the client hospital.

RN Van Briggle went through a training and orientation program with Centinela, which the contract she had signed valued at $15,000. The program was meant to be eight weeks long. The first two weeks were training in a classroom. The remaining weeks were preceptorship in the hospital. During precepting, RN Van Briggle and her preceptor shared an assignment of four or five patients. However, she was expected to care for patients independently before the precepting period was complete. She

[64] A copy of this contract can be made available to the CFPB upon request.

began with primary responsibility for one of the patients while her preceptor cared for the other assigned patients, then was given care of two patients around the third week, and then three patients later. While officially she and her preceptor were both assigned to the patients, RN Van Briggle was responsible for caring for and giving medications to the patient alone and was expected to report to the preceptor with any concerns or questions.

The first preceptor assigned to RN Van Briggle was a new nurse with only a year and a half of experience. As RN Van Briggle remembers the experience, the preceptor was often not present for precepting and would leave RN Van Briggle to care for a patient by herself before she was trained enough to do so safely. RN Van Briggle was adamant about getting a more seasoned preceptor and was switched to a preceptor with more experience. However, she still did not feel like she received adequate training. RN Van Briggle recalls that the hospital was short staffed and that two days before her expected six weeks of preceptorship were complete, the charge nurse asked her to end her training and work on the floor with an independent patient assignment, without a preceptor. She refused and asked for two additional weeks of preceptorship after the eight-week program, for a total of ten weeks of training.

After her training was complete, RN Van Briggle found that the working conditions at Centinela were not what she expected when she signed the contract with Pioneer.

RN Van Briggle was assigned to a Medical-Surgical (MedSurg) and Telemetry unit at Centinela. Telemetry patients have cardiac issues that require monitoring. MedSurg units can serve a wide range of patients with diverse needs. At Centinela, these included surgical patients, patients who were homeless or who needed skilled nursing facilities and were awaiting placement, psychiatric patients, dialysis patients, Small Bowel Obstructions, Hepatic Encephalopathy, alcohol or drug overdoses and withdrawals, domestic abuse, seizure, gastrointestinal bleeds, chronic obstructive pulmonary disease (COPD) exacerbation, and other conditions.

The Centinela MedSurg and Telemetry unit usually had ratios of four Telemetry patients to one nurse or five MedSurg patients to one nurse. These nurse-to-patient ratios are the minimum legally allowed in California. The patients in the unit were frequently high acuity, which means that they required a high degree of observation and intervention from nurses. RN Van Briggle frequently observed conditions that were not safe for patients or workers on the unit.

The nurses who were on contracts like RN Van Briggle cared for the MedSurg patients more frequently than the Telemetry patients. The contract nurses were floated at least weekly to other Telemetry and MedSurg areas. Almost monthly, RN Van Briggle recalls the unit being understaffed and not meeting the legally mandated nurse-to-patient ratio until another nurse was found to cover. On a regular basis, the charge nurses from the four hospital Telemetry areas would take turns covering two areas each, while a resource nurse watched the other area, instead of having a charge nurse for each area as is the usual standard.

RN Van Briggle rarely took breaks because she did not feel her patients would be safe in her absence. However, she was still required to acknowledge in a form that she had taken a lunch break. She remembers that the charge nurse would tell her it was time to take lunch and take her phone, but she believed that the charge nurse did not actually watch her patients and make sure they were alright. She

felt that if she left for thirty minutes to an hour someone would die. Once she gave her phone to the resource nurse and when she came back from lunch one of her patients had died.

Generally, when a hospital nurse observes a patient in crisis, with a rapidly deteriorating health condition such as imminent cardiac arrest, the nurse calls a Rapid Response Team (Rapid) to respond. These teams should consist of an intensive care unit (ICU) nurse, a physician, and other health care professionals with relevant specialties. At Centinela, RN Van Briggle observed that often when a Rapid was called, only ICU nurses would respond, a doctor would come but leave too quickly, or the MedSurg nurses would be left to keep the patient stable until an ICU bed became available. This put patient safety at risk and made it difficult for the MedSurg/Telemetry nurses to monitor their other patients.

RN Van Briggle's employment with Pioneer while working at Centinela caused confusion about employer policies. In one incident on March 12, 2018, RN Van Briggle she felt ill during her shift and reported to her charge nurse that she was too ill to continue her shift. The charge nurse consulted with the clinical supervisor and then directed RN Van Briggle to go to the Centinela emergency room (ER) due to a hospital policy for Centinela employees. RN Van Briggle asked to go to her own doctor instead but was told she was breaking a policy if she did not go to the hospital's ER, and the clinical supervisor repeatedly came to her floor and told her to go to the ER. After she was treated in the ER, she spoke to a member of Centinela's billing department and was told that she was liable for a bill for $3,000.67 and, depending on what her insurance agreed to cover, she could end up paying $1,218.12 or the entire bill herself. When RN Van Briggle emailed Pioneer to explain the situation, Mike Idriss told her that, instead of obeying her supervisors at Centinela, she should have called Pioneer and followed their protocols for employee illnesses.

Despite the challenges she faced in her employment with Pioneer at Centinela, RN Van Briggle did not feel that she could freely advocate for herself and her patients while under this contract. Whenever she brought up concerns or questions, she felt that the director supervising her work saw her as a problem. The director would call her into their office when she complained about patient care or working conditions and intimidate her by stating that she was the problem and by threatening to review her documentation to find problems in her work. RN Van Briggle did not feel that this was an environment in which she could state concerns. When she voiced concerns about her patients, the administrators would accuse her of having time management issues. She observed that patients were really unsafe in her unit. The doctor would yell at her if she suggested the patient needed more attention.

After one year, RN Van Briggle considered ending the contract early. She emailed Mike Idriss at Pioneer on October 16, 2018, to inquire about her options for ending the contract. In his response, he noted that she had 14 months left in her contract and that, if she left, she would be required to pay $15,000 and forfeit the $3,000 completion bonus. As positives of finishing the contract, he listed the potential to stay on at Centinela, to take travel contracts with Pioneer, or to receive a recommendation from Pioneer for future jobs. A copy of the email exchange between RN Van Briggle and Mr. Idriss is included as Attachment 9. RN Van Briggle completed the contract period, even though she did not want to be there.

While registered nurses at Centinela are unionized with the California Nurses Association, as an employee of Pioneer, RN Van Briggle was not a member. She recalls having several interactions with a

hospital administrator where RN Van Briggle stated concerns about working conditions and patient safety in the hospital. In one of these meetings, RN Van Briggle recalls asking if she could be part of the union. The administrator said that RN Van Briggle did not belong to the union and was not allowed to speak with union representatives. RN Van Briggle remembers being told that if hospital administrators saw her associating with the union, she would get in trouble.

RN Van Briggle spoke with other new graduate nurses in the hospital and discovered a puzzling situation: as far as she could tell, some of the new graduate nurses were hired through staffing firms with similar contracts to her own, while others were hired directly by Centinela, with no pattern the nurses could discern dividing the two groups. Both groups of new graduate nurses, direct hires and contract staff, went through the same new graduate training. RN Van Briggle recalls that one day during her orientation, one of the other new graduate nurses in the orientation group was unexpectedly asked to step away from the training. When he returned, he informed the group that the hospital required him to speak with a Pioneer representative and sign the same contract as RN Van Briggle. Based on the other signatures in a binder in the nursing office where she and other nurses went to sign in, RN Van Briggle estimated that there were around twenty Pioneer Staffing nurses assigned to various departments in the hospital on any given day in addition to nurses from at least one additional staffing agency. RN Van Briggle remembers one of the staffing agencies was called “First Class” and that five or ten nurses who signed the binder in a given day were contracted through First Class. She also heard from discussions with other nurses that some of the First Class nurses had a higher repayment amount of over $20,000 in their contracts, which she found to be odd because they received the same training that she did.

In RN Van Briggle’s observation, the direct hires worked in their assigned hospital unit most of the time whereas she had to float “almost weekly” to cover other floors. She saw the direct hires receive better treatment. They also had the freedom to leave their positions without contractual penalties.

When she spoke with coworkers under similar contracts, they all thought the repayment provisions were unfair but did not think they could do anything about it. She would hear rumors that nurses had consulted a lawyer and heard that the contract was illegal, and rumors that nurses who had left made a deal with the contractor to avoid debt. However, because the contracted nurses were frequently floated between units, they saw each other rarely and had limited opportunities to discuss their working conditions and employment options. RN Van Briggle’s husband consulted a lawyer on her behalf five or six months before the end of the contract term. From what RN Van Briggle remembers being told by her husband, the lawyer advised that there were grounds to challenge the contract, but it would take so much work to fight the contract that it would be easier to finish the contract term.

At the end of the contract term, Centinela offered to hire RN Van Briggle in a permanent position, but she declined due to ethical concerns. She had witnessed too many patients die in the hospital. She observed many new graduates working in the ICU and did not believe that they were experienced enough to be caring for patients in such a critical condition. She did not want to be a part of hospital practices. During her contract, she had completed her bachelor’s degree in nursing, which she paid for out of pocket. She finished her contract period with Pioneer and left Pioneer and Centinela. She had begun a per diem position (a type of flexible part-time work common in nursing) at another hospital in the three months before the end of her contract and accepted a full-time position with that hospital when her contract was complete.

Analysis & Summary

Centinela's use of contracts with staffing firms has resulted in new graduate RNs from being excluded from the union bargaining unit for registered nurses and traps them in two-year contracts in bad working conditions where they could not provide safe patient care.

RN Van Briggle was expected to sign the contract in front of a staffing agency representative immediately after learning of its terms and felt pressured to do so because the hospital refused to hire her without a contract and the agency representative told her she had to agree quickly.

Nurses under contracts with staffing agencies were required to agree to repay $15,000 or more while direct hire nurses received the same training without a similar commitment. The cost was agreed between the staffing firm and hospital with no justification for the dollar value or explanation of the benefit to the nurse.

Pioneer Staffing threatened RN Van Briggle with having to repay the entire $15,000 when she considered leaving after eight months due to bad working and patient care conditions. This threat of severe financial harm was sufficient to coerce RN Van Briggle to continue work in conditions where she felt ethically compromised.

Nurse Story #2: Registered Nurse A
HCA Mission Health, Asheville, NC

Nurse A, a registered nurse (RN), who is a new graduate from nursing school, works at HCA's Mission Health. She is currently six months into HCA Mission's one-year Mission Health Residency Program. From the time Nurse A started her position at HCA Mission, Nurse A found that HCA Mission was not forthcoming with the details of her employment. In late 2021, an HCA Mission recruiter came to Nurse A's local Asheville nursing program, as Nurse A and her classmates were finishing their nursing degree. As a part of the pitch to the students, Nurse A recalls the HCA Mission recruiter told them the amount of the Residency Program was reduced to $4,000 from the previous $10,000.

Nurse A signed a one-page contract at the end of 2021 agreeing to employment at HCA upon graduation and obtaining a nursing license. She does not recall this contract stipulating the requirement that she pay back HCA for orientation or that she must participate in the Mission Health Residency Program. She remembers being told explicitly; she would not be a part of any HCA residency program. Nurse A signed a longer contract in February 2022. She does not recall receiving a copy of the contract. Nurse A only learned that she was in the New Graduate Program in April 2022, right before she started at Mission Health.

The terms of the contract are unclear to Nurse A. She does not believe HCA Mission gave her a copy of the contract. If she left before the end of her contract, Nurse A believes the contract will be prorated

based on the amount of time in the program. Nurse A has never received documentation to confirm that the penalty is prorated for leaving before the end of the contract.

Nurse A's orientation was 14 weeks, with preceptors. Nurse A and other new graduate nurses had to frequently work night shifts. As part of the program, Nurse A expected to complete online modules through HealthStream. While Nurse A recalls HCA Mission's management saying that they expect them to complete modules during work hours, there has never been enough time to do so because the hospital is so understaffed. As a result, Nurse A must complete online modules at home, unpaid.

Nurse A has said that it "Feels very unclear what I'm paying for," and that "I don't know why I'm paying to work on a floor. Shouldn't an organization teach you?"

Nurse A often feels like their unit is unsafe for patients and nurses. She described labor and delivery as chronically understaffed. The unit is full of new graduates who lack experience with both patient care and in Mission's daily operations, as more experienced nurses have a better understanding of how to do rapid assessments and quickly treat potential problems.

Nurse A recalls being quickly placed in unsafe situations and not having proper support from management. While Nurse A was told nurses need at least two years of experience before being placed in the Maternal-Fetal unit, where patients have high-risk pregnancies and complicated health conditions, she, and other new graduates have staffed the floor in the past six months. Nurse A expressed being afraid to speak up due to the fear of losing their job and owing HCA Mission money.

"[I] can't believe we are forced to treat people the way we do," Nurse A said of the patient care conditions.

While Nurse A does not feel comfortable complaining about working conditions independently, she feels comfortable completing Assignment Despite Objection forms with other nurses in her union to advocate for better care and working conditions.

Analysis & Summary

When Nurse A signed an initial contract agreeing to HCA employment, she was explicitly told that she would not be part of a residency program. She did not learn that she was a part of the New Graduate Program until months later, right before beginning work at Mission Health. She has been forced to complete online modules without pay. She does not have a copy of her contract or understand why she is being forced to take on debt in order to work. She finds that her working conditions are unsafe for staff and patients but is afraid to speak up because she could lose her job and owe HCA money. Her unsafe unit is heavily staffed by new nurses locked into their positions with TRAPs.

Nurse Story #3: Registered Nurse B
Good Samaritan Hospital – HCA Healthcare, San Jose, CA

In October 2021, Nurse B, who recently graduated from nursing school, was happy to be accepted in StaRN, a new graduate nurse residency program, at HCA Healthcare's Good Samaritan hospital in San Jose, CA. HCA told Nurse B that the training program cost $4,000, and that they would have to agree to a two-year contract to both train and work at Good Samaritan. Nurse B was also told by HCA that they would owe the remainder of their tuition/cost if they either quit or were fired from their position at Good Samaritan before the two-year contract period ended. Nurse B also recalls that during orientation one of the trainers told them that they would probably be blacklisted by HCA Healthcare if they left before the contract period ended.

In order to start the position in the StaRN program, Nurse B was required to sign the contract. Nurse B does not have a copy of the contract, and they signed the contract online with a digital signature. The StaRN program costs described in the contract includes training materials, preceptorship, and continuing education classes. The classroom portion of the program was in October 2021, and then the nurses started working in the hospital unit floors in November 2021. Nurse B recalls that nurses in the program had a preceptor shadow them for one month, and then they were on their own.

Nurse B first worked in the night shift in the telemetry unit where they did not have relief nurses and sometimes had no breaks. Nurse B was often unable to take breaks and sometimes worked 16-hour shifts. After about half a year, Nurse B was able to transfer to a different position at Good Samaritan on the day shift and in a different unit. The nurse is still in the StaRN program.

Nurse B and other nurses in the StaRN program will present their final projects and complete the program on September 15, 2022.

Nurse B enjoys helping people and loves what they do as a nurse but hates the contract because they cannot pursue other positions until the contract is finished.

Analysis & Summary

In 2020, the California legislature passed AB 2588, which clarified that the requirement in the California labor code for an employer to cover necessary business expenses extends to employer-required trainings for an employee providing direct patient care or job applicant to provide direct patient care at acute-care hospitals. AB 2588 went into effect in January 2021. This means that the contractual requirement for Nurse B to pay for the training if they did not finish the two-year term violates California law.

The threat of being blacklisted by HCA is also coercive, since HCA has a high market share in the health care industry and since market concentration in general in the field means that nurses generally have few options for hospital employment in any given geographic area.

Nurse B was required to sign the contract in order to access the position with Good Samaritan. However, they did not have an opportunity to negotiate, did not seek counsel before signing, and do not

even have a copy of the contract to review to establish their rights and obligations, even though they are still bound by the contract.

Nurse B feels trapped by the contract. They endured bad working conditions under the contract, including being required to work 16-hour night shifts without breaks.

Nurse Story #4: Registered Nurse C
North Florida Regional Medical Center – HCA Florida Healthcare, Gainesville, FL

In February 2017, after graduating from nursing school and becoming a registered nurse (RN), Nurse C was offered a position at North Florida Regional Medical Center (NFRMC) in Gainesville, FL. In order to gain employment at NFRMC, Nurse C was required to sign a contract with HealthTrust Workforce Solutions, LLC to be part of the StaRN Training Program.[65] HealthTrust and the North Florida Regional Medical Center (NFRMC) are both owned by HCA Healthcare. There was no opportunity for Nurse C to negotiate the terms of the contract. Nurse C was told that HealthTrust valued the StaRN program at $10,000 and that if the nurse left their job with NFRMC before two years of full-time employment, they would need to repay a pro-rated amount of that $10,000. Nurse C recalls that the HealthTrust representative did not explain any other terms of the contract.

Before beginning regular employment at the hospital, Nurse C went through the StaRN Training Program with HealthTrust Academy. The StaRN program lasted about three months. It was full-time Monday to Friday. Nurse C recalls that it included some classroom education from books, simulations in the classroom, one day of MediTech emergency medical response training, some days in the hospital in simulation rooms with groups, and then work with a preceptor in the hospital unit where Nurse C would work. Nurse C recalls that the StaRN training included a mix of basic nursing techniques, many of which they learned in nursing school, and an introduction to specific equipment used by the particular hospital. They found some of the program to be useful on a basic level but that it did not help with crucial patient knowledge and care.

Nurse C finished StaRN and began regular employment in the cardiovascular intensive care unit (CVICU) at NFRMC in June 2017. The Nurse found the job at NFRMC unbearable. They were put on the night shift and their body did not adjust to the time shift. They managed to get switched to the day shift but found the working environment there to be "toxic." They said they were bullied constantly by coworkers. The nursing educator pulled Nurse C into her office and told them they were too happy to be at work and did not fit into the coworkers' clique. Nurse C found themselves crying at work on a regular basis. The Chief Nursing Officer was not responsive to Nurse C's reports of bad working conditions. Nurse C attempted to advocate for their patients even under these conditions, but when the nursing educator was around, she always found fault with the Nurse. There was no nurses' union at the facility.

[65] A copy of this contract can be made available to the CFPB upon request.

Nurse C believes that some new graduate nurses at the hospital had not gone through the StaRN program, but it was a requirement to start in the CVICU. They believe that they were making one or two dollars an hour more than some new graduate nurses in other units who had not gone through the program.

In November 2017, Nurse C put in their two-weeks' notice because of the terrible working conditions they endured. When the Nurse resigned, the nursing director at NFRMC mentioned that there would likely be a financial penalty for leaving employment. Before leaving, they talked to the Chief Nursing Officer about the problems they were facing but no one at NFRMC addressed the underlying issues or offered Nurse C an alternative position at NFRMC or another HCA facility.

After leaving HCA, Nurse C received a letter from a third-party collections company demanding that they pay $6,000. They paid the $6,000 in full at one time. Paying that debt to HCA at the same time as they lost their job was hard on their family. It made it harder to pay bills and made them worry about making rent.

Now, years later, Nurse C believes that they have been blacklisted by HCA facilities. They have applied to multiple HCA facilities but have not received an interview even though they were told that they are eligible for hire when they inquired with HCA. This strikes Nurse C as unusual given the need for qualified nurses at many facilities. HCA Healthcare runs a substantial portion of the hospitals in Florida, which makes the possible blacklisting a serious problem for their employment prospects. They have borrowed money from family to relocate to a different part of the state in part because they could not find suitable employment in Gainesville.

Analysis & Summary

Nurse C was required to sign the StaRN contract with HealthTrust in order to access employment at HCA's North Florida Regional Medical Center. The contract was full of dense legal language and terms that could expand Nurse C's legal liability to repay the purported costs to their employer, but the HealthTrust representative did not explain any term other than the requirement to pay a pro-rated amount of $10,000 if they left the position within two years.

The contract required Nurse C to agree that the StaRN training was worth $10,000 in benefits to the nurse, but it did not explain how that valuation was reached or why the training should be considered as benefiting the nurse instead of the employer. In fact, Nurse C did not consider the program to expand significantly on what they learned in nursing school, except to the degree that it trained them on specific tools used by the hospital.

After beginning work, Nurse C faced terrible working conditions and brought them to the attention of NFRMC management. HCA did not address the conditions or offer Nurse C employment at a different facility or unit to enable them to finish their contract term.

After leaving, Nurse C received a letter from a collections company demanding a $6,000 payment. Making this payment was a substantial hardship for the nurse which made it difficult to pay their living expenses.

Nurse Story #5: Registered Nurse Logan
HCA Mission Health, Asheville, NC

Logan is a registered nurse (RN) at HCA's Mission Hospital in Asheville, North Carolina. In August 2019, after graduating from a local nursing school, he began working at Mission. As a condition of employment, Logan had to enroll in HCA's StaRN new graduate training program for nurses. The StaRN contract Logan signed was for two years, this was required.

Logan graduated from a local nursing school in Asheville. Due to HCA's monopoly in Asheville, if he wanted a local job as an RN, it would have to be at Mission, he said. Logan did not feel he had room to negotiate, because of HCA's dominance of the job market for RNs.

He also received $4,000 sign-on bonus, as a condition of entering the StaRN program. Logan recalls that the hospital told him that if he left Mission before his contract ended, he would have to pay back the loan in its entirety. However, Logan remembers having to pay taxes on the loan. As a result, it is his understanding that if he needed to leave the position early, he would have to pay more than he received. Logan does not recall receiving a paper copy of the contract. He recalls that terms of the contract were explained to him in passing, not a formal explanation.

Logan recalls that his new graduate cohort was one of the first at Mission after HCA acquired the hospital in February 2019. He was told by colleagues who started a new graduate residency before HCA took over that they did not receive sign-on bonuses and were given raises after a year. Logan on the other hand made $24/hour the entirety of the two-year contract.

He felt like the contract was a shackle. He wanted to quit many times during the length of the StaRN program Logan recalled, as the moral and mental toll of Mission's working conditions and low staffing levels wore on him. He was routinely floated to different units and had to work with what he viewed as unsafe nurse-to-patient staffing ratios. Logan did not quit even though he wanted to because repaying the sign-on bonus and the prorated amount of the program would cause financial constraints for him. Logan recalls feeling like the contract to repay was a tool to keep him coming back to work.

Six months into the program he was offered to become a preceptor by HCA. He declined it. During his preceptorship under the StaRN program he saw 6-7 patients at one time, leaving his preceptor little time to check-in on patients Logan was responsible for.

While Logan was in the StaRN program, Mission hospital nurses organized a union. Logan found that many new graduates he spoke to refused to talk about unions. Some StaRN nurses expressed to him not wanting to do anything with the union because of the repayment requirements under the StaRN program.

Analysis & Summary

In order to work as an RN in Asheville, NC, Nurse Logan had to accept a job with HCA's Mission Hospital and sign a contract to enter the StaRN program and receive a $4,000 loan that he would have

to repay if he left his job within two years. The benefits of the StaRN program were limited by being overburdened and, judging by the hospital's offer to Logan to become a preceptor himself at six months, the program had severely inexperienced preceptors for new graduates hoping to receive close mentorship and training from experienced nurses.

Logan paid taxes on the loan and believes that he would have to pay back the entire $4,000, which is more than he received after taxes. He only remembers hearing the terms described in passing and does not have a copy of the contract. He felt that he worked in poor conditions with unsafe nurse-to-patient staffing ratios but was coerced to remain in the position because repaying the contract amount would have been a financial hardship. Furthermore, the contract terms deterred several of his colleagues from involvement with a labor union, interfering with their right to organize a union and to engage in protected concerted activity.

Nurse Story #6: Registered Nurse D
St. Joseph's Hospital, Carondelet Health Network (Tenet Healthcare), Tucson, AZ

Nurse D is currently working as an intensive care unit (ICU) nurse in Tucson, AZ, at St. Joseph's Hospital – in the Carondelet Health Network – which is owned by Tenet Healthcare. Nurse D is completing St. Joseph's new graduate training program for registered nurses (RNs).

As a condition of employment at St. Joseph's, Nurse D had to enroll in the hospital's new graduate training program for RNs by signing a two-year contract. The contract states that if a nurse either fails to complete or is fired before completing their two-year term, they are required to pay back the cost of their training. In Nurse D's case, they would owe St. Joseph's around $20,000. Nurse D is not sure if that is the actual amount but believes it is close to it.

St. Joseph's did not clearly state if it expects the entire amount to be repaid in full, or a prorated amount based on time completed, if Nurse D was to leave before they complete the two-year contract period. The only explanation Nurse D remembers receiving from human resources about what their financial obligation would be if they were fired or quit the program before the end of their contact period is that they would owe the hospital compensation for orientation. Nurse D is not certain but believes this stipulation was written into their contract.

Nurse D has heard that the hospital has tried to collect the penalty from nurses who failed to complete the program. For Nurse D, it did not seem like there was any room to negotiate the conditions of the contract. Their options were to either sign the contract, or not work at the hospital. It is Nurse D's understanding that the program changed after they entered it, and now newly hired new graduates are not required to sign contracts like the one they had to. Nurse D observed that the newer graduate nurses who did not have to sign the two-year contracts receive the same type of training as Nurse D.

Given that other newly hired nurses are not required to work under the same conditions as their cohort in the training program, Nurse D says that they feel like they have been cheated by the hospital and that

they should be let out of their contracts. Nurse D has spoken to other nurses in the program that feel the same way. Nurse D has said that it feels unfair to have nurses working under two different conditions, especially when one group can be forced to pay back the hospital for their training. Nurse D has said that their contract affects their mobility to leave and work at another facility.

Nurse D has not received much information from the hospital about the training program. For instance, St. Joseph's does not have a specific name for the program, but Nurse D assumes that the Education and Recruitment Department of the hospital runs the program. Their training included three months of ICU orientation. In the first month, they worked with preceptor for two days a week, and every third day at work they worked an online program called ECHO. Nurse D explained that new graduates in the training program take the same team as their preceptor, starting off with one patient in ICU and moving to a full two-team patient load. In the online program, Nurse D went through the basics of ICU skills, once a week for 12 hours a day. During the remaining two months of the program, Nurse D worked full-time without a preceptor, three times a week for 12-hour shifts, which is a regular work schedule for RNs.

Nurse D believes the training program was a good review of ICU skills and concepts, but it was all entirely self-taught. Since they were a graduate during Covid-19 precautionary measures, Nurse D's cohort had no educator on the unit, so all the classroom ICU concepts were self-taught. If Nurse D had a question, they would look it up, ask their preceptor, or another nurse on the unit.

Nurse D has never received clear explanations of the terms and conditions of their contract and was not provided a clear explanation of their financial responsibility for not completing the program. Nurse D does not know if the contract they signed was a loan or a promissory note, and they do not know who they would have to repay. The hospital also did not explain how Nurse D could make payments or pay back the amount and does not know whether the hospital would ask for the full amount or prorate it if they left before the contract period ended. Nurse D recalls that St. Joseph's sent a nurse that left the program a letter requiring them to pay back the amount of their training, and which stated that, if payment was not received in certain amount of time their debt would be sent to a collection's agency.

Nurse D's understanding is that St. Joseph's starts all new graduates at the same pay scale, at least at the time Nurse D signed their contract and that they and their cohort are locked into a pay scale until they completed their contract. It is Nurse D's understanding that, after nurses finish the program, they can receive pay based on work experience.

Nurse D feels like they can advocate for their patients now but they are concerned about doing so because they are still under contract.

Analysis & Summary

Nurse D was required to sign a contract of adhesion to repay the costs of their training program in order to access work at St. Joseph's but other new graduates who received the same training did not have to sign the contract to repay. Nurse D does not have a copy of their contract and never received a clear explanation of its terms and conditions. They are not even sure how much they would owe if they left their job. It is clear that they are facing a substantial restraint on their freedom without having clarity on the terms of the agreement before, or after, signing.

It is unclear how Tenet came to value its training program at $20,000. The training program mostly consists of online modules, plus two days a week for a month of preceptorship with an RN and two months working full-time shifts without a preceptor.

$20,000 is far more than most nurses can afford to pay. This is especially true for new graduate nurses who receive lower wages and may have student loans. The threat of such a severe financial hardship has a coercive effect on workers like Nurse D.

Nurse Story #7: Registered Nurse Colin King
Mary Washington Healthcare, Fredericksburg, VA

Registered Nurse (RN) Colin King grew up about an hour from Washington, DC, in Fredericksburg, VA, where Mary Washington Hospital is located. Shortly after RN King graduated high school while attending community college, he worked as a housekeeper in the emergency room (ER) at Mary Washington Hospital, which is where he promptly fell in love with emergency medicine. Encouraged and mentored by nurses, doctors, and technicians he worked with at the hospital, RN King earned his emergency medical technician (EMT) certificate while still working as a housekeeper at the hospital. After becoming an EMT, RN King proudly volunteered providing emergency services in the local rescue squad in Fredericksburg, bringing patients to Mary Washington Hospital. RN King started a second job as a scribe for the emergency room doctors who practiced in Mary Washington Hospital's ER, a position he held throughout nursing school. RN King considered Mary Washington Hospital his home hospital and was deeply committed to it. His recalls, "Between work, time spent volunteering on the ambulance, and nursing school, the hospital felt like home. The majority of my waking hours during my early 20s were dedicated to emergency medicine in one way or another and I couldn't wait to graduate from nursing school and finally *be* one of the nurses I had admired for so long."

Once he graduated from nursing school, RN King applied for a new graduate position as an RN at Mary Washington Hospital but was disappointed when he did not get a position. Instead, RN King worked at a number of different hospitals, including as an ER nurse in Richmond, VA, and later in central Virginia where he worked as a rapid-response and trauma nurse.

At the end of 2019, RN King said he wanted to leave his trauma nursing position in central Virginia "for a position that would offer a better work-life balance and afford [him] the chance to improve [his], at the time, increasingly poor mental health." Hoping to revive his passion for nursing, he decided to work as a travel nurse and was excited to accept a position with Mary Washington Hospital. He said about his new travel nursing position at the hospital, "I was excited to be back home among friends." He remembers tearing up when an ER nurse manager who had mentored him years earlier told him how proud they were of him. As RN King described this period of his nursing career, "I felt at home and I was being paid enough through my travel company to be able to pay off debt and finally have a savings account; the idealistic dreams I had almost a decade beforehand about being a nurse at Mary Washington Healthcare were coming true."

A few months later, the Covid-19 pandemic first arrived in the United States.

After about 6 months working as a travel nurse at Mary Washington Hospital in or about April 2020, the hospital informed RN King that they were cancelling his travel nurse contract as the volume of patients sharply decreased and as surges in Covid-19 cases had not yet arrived in the area. Hospital management told Colin that he could apply for a staff position if he wanted to stay with Mary Washington Hospital. That month, RN King spoke to a Mary Washington Hospital recruiter on the phone about a staff RN position in the emergency department. The recruiter told him that there would be a sign-on and relocation bonus for the position. RN King recalls that the recruiter at some point told him the amount of money being provided for the sign-on and relocation bonus. All that RN King recalls being told about the bonuses is that he would have to repay the bonuses if he left Mary Washington Hospital before 2 years. RN King decided that, during the Covid-19 pandemic, he wanted to stay and help his home hospital and the community where he grew up in. He decided to take the staff nurse position at Mary Washington Hospital even though he would be making about half as much as he did as a travel nurse.

In or around early May 2020, Mary Washington Hospital emailed a job offer to RN King for a staff RN position in the emergency department by email. There were several versions of the job offer that the hospital sent to RN King. RN King recalls that the relocation bonus was originally included in the job offer, then it was removed, and then it was finally added back in because the hospital had his incorrect address. A copy of job offer that Mary Washington emailed to RN King on May 5, 2020, is attached here as Attachment 10a. The offer letter stated that a sign-on bonus of $15,000 and a relocation bonus of $3,900 with applicable taxes deducted would be included in his first paycheck. The emailed job offer also stated that: “The sign-on bonus payment is subject to a twenty-four (24) month retention period. Should your employment terminate, or there is a change in status prior to the completion of the twenty-four month (24) period, you will be required to reimburse Mary Washington Healthcare for the prorated amount of the loan (see attached Repayment Agreement).” (Attachment 10a) The offer stated that RN King’s wage would be $33.44/hour.

RN King started the staff nurse position in the ER around the end of June and beginning of July 2020. He quickly used the bonuses to pay for moving back to Fredericksburg. He recalls that he used the remaining funds from the bonuses to pay off debts and to make up the difference between his new lower paycheck and his rent and other bills. Not before long after he moved into the staff RN position, he had to use credit cards to cover parts of rent and other bills because his take home pay was so low.

In the summer 2020, Covid-19 began to surge at Mary Washington Hospital and RN King recalls that working conditions and patient care conditions became increasingly dangerous for nurses and their patients. Between the summer of 2020 and early 2021, RN King recalls that the hospital ran out of patient gowns and medical grade gloves in the ER and that staff, contrary to infectious disease control standards, were issued only one N95 respirator per week and given a paper bag to store it in. At one point, he was told to use nonmedical grade gloves because the hospital ran out of medical grade gloves and nurses were also told to wear patient gowns because appropriate isolation gowns meant for personal protective equipment against infectious disease had run out. RN King recalls that another nurse in the ER was fired in the middle of a shift when they went to speak to their manager to raise objections about unsafe patient care concerns. He said that nurses feared for their lives and the health

and lives of their families and loved ones as they cared for Covid-19 patients because they were forced to wear week-old single-use masks or risk termination.

In February 2021, RN King's charge nurse had given him what he assessed to be unsafe patient assignments with the sickest patients in the emergency department and he was meant to care for these patients in the hallway. At one point during the shift, RN King complained to his charge nurse about the unsafe patient conditions. A few days later, RN King was called into his manager's office to be disciplined over his complaint about unsafe patient condition to the charge nurse. After this meeting with management and because of ongoing unsafe patient care conditions, RN King decided to quit Mary Washington Hospital. Describing why he decided to quit, RN King stated that "The blatant disregard for the health and safety of staff or patients, the disrespect from management, and the slowly accruing debt from being unable to pay for basic necessities while working full-time taking care of infectious COVID patients at great personal risk was too much moral injury to bear. The emergency department I discovered my love of nursing in, that I grew up in, became a place of visceral, nauseating dread."

After leaving employment with Mary Washington Hospital, RN King realized that he did not receive his 2020 tax documents. He repeatedly called Mary Washington Hospital in attempts to have his tax forms sent to him. It was not until about July 2021 that he received his tax forms electronically. In or about July or August 2021, RN King started receiving calls on his cell phone from a number that he did not know but which came up on his phone as "ODC Recovery Services." He also received a one or two letters from Mary Washington Hospital, which he thought were copies of the tax documentation he had requested and already received electronically. He did not realize that the letters from Mary Washington Hospital or calls from ODC Recovery Services may be about collections for a debt related to the sign-on or relocation bonus.

On or about December 3, 2021, RN King received a letter from an attorney, R. Scott Pugh, which was dated for November 10, 2021. According to the letter, Pugh had been retained by Mary Washington Healthcare to collect on RN King's debt owed to them. A copy of the December 2021, letter from R. Scott Pugh to RN King is attached here as Attachment 10b. The letter stated that a lawsuit was being prepared to be filed against RN King for $12,009.62, which, according to the letter, was the full amount of the sign-on bonus ($15,000.00) and relocation bonus ($3,900.00) minus a "credit" of $6,890.38. The letter provided no explanation on how the "credit" was calculated. The letter provided a phone number to contact the "Hospital's collection group" if RN King wanted to pay the debt or work out a payment arrangement. The letter stated that RN King had 30 days from receipt to contact "this office" to dispute the debt or any portion thereof or else the office would assume the validity of the debt. The letter provided no instruction on how to contact Pugh's office and only listed contact information in its letterhead. The phone number to Pugh's office as listed in the letterhead was different than the number provided for the "Hospital's collection group."

On or about December 6, 2021, RN King called the number to the "Hospital's collection group" provided in the letter from Pugh and reached ODC Recovery Services. On the call, RN King said he was calling about the letter he received, and he was transferred to Angela Williams. When he spoke with Williams, Williams did not identify what position she held with ODC Recovery Services. RN King and Williams reached a verbal agreement for RN King to pay $1,000 per month for the next 12 months due on the 15th of each month. RN King asked if there was an online portal for sending

payments. Williams said that RN King had to call the ODC Recovery Services number each month to set up a time for them to take RN King's payment. Williams said that that there would no longer be legal action taken against him if he made his payments each month.

RN King made three payments to Mary Washington Hospital by calling the ODC Recovery Services number before the 15th of each month. Each time he called to arrange payment with ODC Recovery Services, he requested that they give him a confirmation each time. On at least one of the calls with ODC Recovery Services to schedule payment, RN King asked for paper documentation of receipt of payment and the person he was talking to explained that it would be difficult to send him paper or electronic documentation of receipt of payment. ODC Recovery Services never confirmed whether or not they could send any paper or electronic documentation of receipt of payment to RN King.

On March 11, 2022, RN King was served with a complaint filed by Mary Washington Healthcare, the parent corporation of Mary Washington Hospital, in the Civil Division of Fredericksburg Circuit Court. A copy of Mary Washington Hospital's complaint against RN King is attached as Attachment 10c. Mary Washington Healthcare's lawsuit sought RN King to repay the full amount of the original pre-tax sign-on bonus and relocation costs with "judgment interest" for a total collections amount of $12,0009.38. In the complaint, Mary Washington Healthcare did not mention the three payments RN King had already paid and provided no description of the interest rate charged. Angela Williams, whom RN King had made the verbal repayment agreement with, signed the complaint as an agent of Mary Washington Healthcare.

On or about a few days after RN King received the complaint from Mary Washington Healthcare, he called Angela Williams and left a voicemail about it but RN King never heard back from Williams.

On or about March 15, 2022, RN King called ODC Recovery Services to schedule his March payment of $1,000. ODC Recovery Services accepted this payment. About a few days later, RN King took out a personal loan from his bank to pay for court fees and the remainder of the debt. RN King called ODC Recovery Services on or about March 22, 2022, and he scheduled a payment for the remainder of the debt for $8,000.38. ODC Recovery Services accepted this payment.

RN King sent a reply to the complaint on or about March 29, 2022, which he drafted himself without legal counsel, explaining how he made regular monthly payments on the debt after reaching a verbal agreement with Angela Williams after calling ODC Recovery Services and that he had paid the full amount owed. A copy of RN King's reply is attached here as Attachment 10d.

On or about April 1, 2022, RN King received a copy of a filing by Mary Washington Healthcare with the Circuit Court of the City of Fredericksburg requesting that the court issue a nonsuit order to withdraw the lawsuit against RN King. A copy of Pugh's April 1, 2022, filing with the state court is attached here as Attachment 10e. Mary Washington Hospital, Mary Washington Healthcare, ODC Recovery Services, and R. Scott Pugh have not contacted RN King since he received the copy of Pugh's April 1, 2022, filing with the state court.

RN King's understanding is that other nurses who have received hiring bonuses or relocation bonuses from Mary Washington Hospital know that the hospital sued him to collect on the bonuses. RN King

knows of at least one nurse who is worried about being terminated and being sued by the hospital if they complain about working conditions or patient care conditions.

Analysis & Summary

Mary Washington recruited RN King to work for them with an offer that included a sign-on bonus and relocation expenses. RN King needed the bonus money to pay for relocation and living expenses given the low wage Mary Washington paid. However, Mary Washington structured the bonuses as a loan that would only be forgiven after RN King worked there for 24 months. By structuring the payments as a loan instead of as wages, the hospital was able to gain a tool of coercion over the RN to dissuade him from leaving employment.

When RN King agreed to the bonuses, he had already worked in the unit and had reason to believe he knew the conditions he was agreeing to work under for two years. Then, the hospital made severe material changes to his working conditions. RN King was made to work under extremely dangerous conditions where he risked Covid-19 exposure and could not provide safe care to his patients. When he and his coworkers complained about the unsafe conditions for patients, they were disciplined and it appears that his coworker was even terminated for doing so. In light of conditions that had deteriorated to an extreme degree since he signed the contract, RN King left his position.

After RN King quit, the hospital pursued his debt in an irregular and unfair fashion. The first successful contact with RN King pertaining to the debt, a letter, claimed the debt was the full amount of the two bonuses minus a credit, but did not explain how the credit was calculated. It gave unclear and conflicting information about how to make contact to resolve the debt. RN King, to the best of his ability and in good faith trying to repay the debt, made and executed a payment plan, but the debt collector ODC Recovery Services made it difficult for him to make payments and receive confirmation. Then Mary Washington Healthcare sued him for the full amount, despite payments he had already made, plus an unexplained amount of "judgment interest." RN King was intimidated by this lawsuit and took out a personal loan to pay the court fees and remainder of the debt in a lump sum. For a nurse who struggled to make ends meet before leaving the Mary Washington position and who had already made three $1,000 monthly payments, a lump sum payment of $8,000.38 was a substantial financial hardship.

In addition to harming RN King directly, knowledge of the lawsuit may be intimidating RNs who still work for Mary Washington making them fearful of complaining about working conditions or patient care conditions. This shows how employers can use repayment agreements as a means of improperly controlling workers.

Moreover, given its history of questionable medical debt practices against low-income patients, Mary Washington Healthcare's unfair and questionable debt collections practices regarding RN King's sign-on bonuses is unsurprising. In 2019, Mary Washington Healthcare was publicly scrutinized in national news outlets for suing patients for unpaid medical bills, garnishing their wages and otherwise collecting on medical bills from uninsured and low-income patients. In June 2019, an article was published in *JAMA* on the prevalence of medical debt lawsuits and wage garnishments in Virginia hospitals, with

dozens of local and national news outlets picking up the story.[66] The *Wall Street Journal* reported that Mary Washington filed 20,000 lawsuits against patients for unpaid medical debts in 2017 alone.[67] *National Public Radio* reported that Mary Washington Hospital filed so many collections lawsuits against patients that the local Fredericksburg, VA court at the time reserved one morning every month for the hospital's cases.[68] The hospital announced on June 26, 2019, the day after the *National Public Radio* and *Wall Street Journal* articles were published, that it was stopping the practice of suing patients.

Nurse Story #8: Registered Nurse E
Antelope Valley Medical Center, Lancaster, CA

In 2018, Nurse E entered the new graduate staff training program for nurses in the emergency department at Antelope Valley Medical Center in Lancaster, California. Antelope Valley required Nurse E to sign a two-year or 4,000-hour contract to both enter the new graduate program and to work at the hospital. If Nurse E did not finish the contract hours, or was fired before the contract was completed, they were required to repay the remainder of what Antelope Valley called their "tuition" for the training program. Nurse E recalls that nurses were made aware of the repayment requirements for work-related costs and the need to sign a contract only after they were hired. Nurse E recalls that Antelope Valley calculated that the cost of training nurses in their new graduate program was $20,000. When they started working at Antelope Valley, Nurse E received $36/hour, but Nurse E recalls that nurses at nearby hospitals were making more. Nurse E's understanding was that all new graduates started at the same rate.

No other options for training were available to Nurse E and they were required, as a condition of employment, to enter the hospital's new graduate training program. Antelope Valley ran the program, which was not accredited by any educational body or nursing standards organization. Antelope Valley did not provide nurses with any type of educational materials, such as textbooks. The classes provided in the training program served only as a refresher course of things that nurse already learned in nursing school. The nurses did meet with preceptors, but Nurse E is not sure how many times they met with theirs. As Nurse E described the training program, it was, in a sense, hands-on work experience and there was no educational value to the training program other than getting the necessary experience to work at a hospital.

[66] Bruhn WE, Rutkow L, Wang P, et al. Prevalence and Characteristics of Virginia Hospitals Suing Patients and Garnishing Wages for Unpaid Medical Bills. JAMA. 2019;322(7):691–692. doi:10.1001/jama.2019.9144. https://jamanetwork.com/journals/jama/fullarticle/2737183.

[67] Armour S. June 25, 2019. When Patients Can't Pay, Many Hospitals Are Suing. Wall Street Journal. https://www.wsj.com/articles/nonprofit-hospitals-criticized-for-debt-collection-tactics-11561467600.

[68] Simons-Duffin S. June 15, 2019. When Hospitals Sue For Unpaid Bills, It Can Be 'Ruinous' For Patients. NPR. https://www.npr.org/sections/health-shots/2019/06/25/735385283/hospitals-earn-little-from-suing-for-unpaid-bills-for-patients-it-can-be-ruinous.

Nurse E described the training program's environment at Antelope Valley as "toxic", where "nurses were eating their young." A preceptor made one of their colleagues cry at work. Nurse E remembers that there were 10 nurses in their cohort, and they are aware of only one nurse that stayed in the program.

Nurse E recalls that the problems at Antelope Valley went beyond the new graduate program, and that nurses at the facility worked under difficult circumstances. Nurse E remembers that the hospital was constantly understaffed, and that nurses worked in an unsafe environment. As a new graduate, Nurse E was not sure who to complain to about working conditions. Nurse E remembers that there were no stable managers at Antelope Valley. While there, Nurse E and the new graduates in their cohort went 6 months without a manager. New graduates lacked support and were given very little information about hospital policies.

In October 2019, Nurse E decided to leave Antelope Valley. Shortly after they left, Nurse E received a collection letter notifying them that they either pay the hospital $18,000, which was what Antelope Valley said was the prorated cost of their training, or complete the two-year/4,000-hour requirement.

Nurse E tried to negotiate the payment of the amount they owed, but the hospital refused. Nurse E recalls that Antelope Valley gave no reason for the refusal. Nurse E's options were to either pay back the entire amount, or return to Antelope Valley to complete the hours of the contract. They were told by Antelope Valley that the bill would go away once they finished their contract hours. Nurse E decided to return to working at Antelope Valley because of the financial liability.

Nurse E finished their contract hours and then left Antelope Valley. Nurse E's experience in the Antelope Valley new graduate training program has made them very cautious about employment contracts, training requirements, and now knows what questions to ask. According to Nurse E, the training provided to new nurse graduates did not come from a reputable program. The only thing that mattered to Nurse E was the work experience they gained as a nurse and not the training through the new graduate program.

While Nurse E's debt did not prevent them from subsequent employment, Nurse E recalls that it was still a very distressing situation where working conditions were unsafe, nurses were trained in a toxic environment, and many felt that the hospital charged new graduate nurses too much for what the nurses got in return in the training program.

Analysis & Summary

Antelope Valley only made nurses aware of the repayment requirement after they were hired, when they may have declined other opportunities or made plans around the job without knowledge of the restriction. Antelope Valley referred to the $20,000 that nurses may have to repay as "tuition," but did not provide any accredited education or apparently take any steps to run their program by the laws governing student loans. The training program did not provide value to Nurse E beyond work experience, and it is unclear how Antelope Valley calculated the $20,000 "tuition." Nurse E did not have the opportunity to negotiate or to receive the training from another source.

After being subject to unsafe working conditions, Nurse E attempted to leave work with Antelope Valley. The hospital sent them a letter requiring them to either pay $18,000 or return to work. It was unclear how the hospital calculated $18,000 as the pro-rated amount. The Nurse could not afford to pay $18,000 so they were compelled to labor against their will for the hospital for months.

Nurse Story #9: Registered Nurse Jeannie Jacobs
Virginia Hospital Center, Arlington, VA

In 2006, Jeannie Jacobs began her first job as a registered nurse (RN). RN Jacobs had accepted a position at Virginia Hospital Center in Arlington, VA. As a requirement for working at Virginia Hospital Center, she and about 17 other newly licensed RNs who recently graduated from nursing school were each asked to sign a contract stating they would owe the hospital $7,500 if they left prior to completing a two-year contract. A copy of this contract for a "Nursing Fellowship Agreement" is attached here as Attachment 11.

In full, the contract stated:

> "In consideration for acceptance into a Virginia Hospital Center nursing fellowship:
> I, Jeannie Jacobs, understand all the conditions that pertain to this agreement at Virginia Hospital Center ("the Hospital"). I agree that I will reimburse to the Hospital the equivalent of $7500 for Fellowships in ICU, Med/Surg, Women and Infant Services areas, and the ED or that I will reimburse the Hospital $10,000 for the OR Fellowship. In the event that I (i) voluntarily terminate my employment with the Hospital, and (ii) do not fulfill my commitment of employment to work a minimum of a two year time period in a full-time status following completion of unit orientation. I understand and agree that the Hospital will deduct this amount from my final paycheck from hours worked and PTO accrual. If a balance is still due to the Hospital after this deduction is made, I agree to pay the remaining balance to the Hospital no later than 30 days following my termination."

RN Jacobs recalls that her employer did not explain much about the contract except that she would need to repay the full amount if she left before two years.

In her RN position in the Virginia Hospital Center Emergency Department, RN Jacobs quickly found that working conditions were extremely difficult. RN Jacobs recalled that, "Staffing was so short, there was no one to provide break or lunch relief. We were told that if we wanted to take a break, we were to handoff our patients to another RN who had their own four patients. None of us ever did this because we didn't want to burden our teammates who were already busy. My teammates were wonderful people, but everyone was so busy with their own patient care tasks, it was difficult to help each other out." RN Jacobs wanted to quit but did not want to pay the penalty for leaving before completing the two-year contract obligation.

The fellowship training program for RN Jacobs and the other new nursing graduates included a preceptorship and didactic classes once or twice a week for about 14 weeks. RN Jacobs shared she felt

much of the didactic program was unnecessary. She said, "Some of the didactic classes provided new information specific to emergency nursing, like stroke assessment and interpreting EKGs, but the majority of the courses were a repeat of what we had just learned in nursing school."

After a year of working at Virginia Hospital Center, RN Jacobs switched to part-time status. She was then called to meet with the Chief Financial Officer (CFO) about the breach of contract and the $7,500 she was obligated to pay. RN Jacobs explained the reason for switching to part-time status was due to the working conditions, including the fact she had never been provided any break or lunch relief since starting work there. The CFO was sympathetic and did not hold her to the contract terms or require her to reimburse the hospital $7,500 for her fellowship.

RN Jacobs left Virginia Hospital Center after two years. RN Jacobs knows of at least one coworker who left Virginia Hospital Center prior to the end of the two-year contract period who did have to repay the contract amount. It is RN Jacobs's understanding that Virginia Hospital Center no longer requires new nursing graduates to enter into these two-year work contracts with penalties to repay if the nurse leaves early.

Analysis & Summary

RN Jacobs was required to sign a contract of adhesion in order to begin work at Virginia Hospital Center, agreeing to pay $7,500 if she left prior to completing two years of full-time work at the hospital. The contents of the training program largely repeated what RN Jacobs had learned in nursing school, so it is unclear how the hospital decided that the nurses were receiving a $7,500 value in the training.

RN Jacobs worked in difficult conditions under this contract but did not feel that she could quit due to the repayment obligation. In her case, because of her individual persistence in challenging the requirement to repay if she was still working part-time, she was ultimately permitted to switch to part-time status and the hospital did not hold her to the contract. The Virginia Hospital Center appears to have made the appropriate decision to cease requiring these contracts of new nurses.

Nurse Story #10: Registered Nurse Ebert Reyes
Providence St. Joseph Hospital Eureka
(formerly St. Joseph Hospital, Eureka), Eureka, CA

In early 2015, Registered Nurse (RN) Ebert Reyes had accepted a new graduate position at St. Joseph Hospital Eureka, which is now Providence St. Joseph Hospital Eureka. The new graduate position required RN Reyes to enter into a new graduate training program with Versant.

A week into the position RN Reyes was contacted by a hospital closer to his parent’s home and offered him another new graduate position. Since the new position had lower costs for commuting, the pay difference, and closeness to his family, RN Reyes decided to take the new offer.

RN Reyes does not remember signing a contract agreeing to repay for the new graduate training program because there was so much paperwork. As a new graduate, RN Reyes recalls that it is a difficult job market and that you pretty much have to sign anything and everything to secure a job. He felt like the hospital was in such a position of power that if he contradicted or refused to do something, that his employment would be in jeopardy. He does remember that a two year minimum employment term was mentioned for the new graduate program, but he did not know what the repercussions would be if he did not complete the two-year term.

RN Reyes reached out to the new graduate coordinator at St. Joseph about leaving the position. The new graduate coordinator mentioned at one point that he would have to repay the costs of the new graduate program, but did not get into the details of repayment. RN Reyes had to pay St. Joseph the entire cost of the program, which was almost $4,000.

Analysis & Summary

As a new graduate, RN Reyes felt pressured to agree to anything the hospital asked him to sign to obtain a position. He did not know that he could be required to repay costs of the training program and does not remember signing a contract agreeing to repayment among the substantial amount of paperwork he completed to begin the position. Despite only receiving one week of training, St. Joseph's charged RN Reyes the entire cost of the program, which was nearly $4,000. A $4,000 payment represents an onerous and unreasonable fee for training that RN Reyes did not know he would need to pay for.

Nurse Story #11: Registered Nurse Michelle Gaffney
Shasta Regional Medical Center – Prime Healthcare, Redding, CA

In 2014, Registered Nurse (RN) Michelle Gaffney was a recent nursing school graduate and had started her three-year contract for her new graduate residency program at Prime Healthcare's Shasta Regional Medical Center in Redding, CA. RN Gaffney recalls that the contract valued the program at $30,000 and being told by the hospital she would have to pay the whole amount if she left early. She did not feel she had any other option but to sign, plus Shasta was the only hospital in town hiring new graduates with associates' degrees in nursing (ADNs). The other hospital in town preferred BSN candidates at that time.

Much of what RN Gaffney knew of the terms of the contract was through other nurses. She remembers management giving her the contract to sign, without an explanation in detail of what exactly she was signing. The new graduate program was unpopular among her fellow nurses and RN Gaffney heard of fellow new graduate nurses who left and had to pay Shasta Regional Medical Center back.

There did not seem to be any standardization of the new graduate program. RN Gaffney and her cohort's instruction primarily came from the online critical modules with Health Stream. An occasional skills lab was also provided. The following year, in-person classes were given during the orientation period. RN Gaffney had to lobby Shasta's management to attend.

After around a month of precepting, RN Gaffney had her own critical care patients because the hospital was so short staffed. She recalls how dangerous it felt for her to be put in that position as a new nurse. The preceptorship lasted around two months in total. The staffing issues continued throughout the program. RN Gaffney recalls the chilling effect of $30,000 looming over her. She did not feel she could advocate for her patients or better working conditions at the risk of losing her job and having to pay back Shasta for the program.

Analysis & Summary

RN Gaffney felt pressured to sign a contract in order to work at Shasta Regional Medical Center because it was the only hospital in her region hiring new graduate ADNs. Management did not explain the terms of the contract but told her she would have to pay back $30,000 if she left before completing a three-year contract term. The training program primarily consisted of online modules, plus a single month of precepting. There was no explanation for how Shasta could value such minimal training at $30,000. The extreme financial hardship this TRAP represented meant that RN Gaffney could not advocate for her patients or better working conditions because she feared losing her job and having to pay her employer $30,000.

Nurse Story #12: Registered Nurse F
Desert Regional Medical Center – Tenet Healthcare, Palm Springs, CA

In early 2008, a registered nurse (RN), "Nurse F", had recently graduated from nursing school. They were offered an intensive care unit (ICU) nursing job in Palm Springs, CA at Desert Regional Medical Center, a hospital in the Desert Healthcare District of the Coachella Valley that is leased and operated by Tenet Healthcare. As a recent nursing school graduate, Nurse F was required, as a condition of employment to enter into a new graduate training program. They started work at the hospital's ICU in or about February 2008.

The contract for the new graduate training program provided Nurse F with a sign-on bonus of $3,000 and required RN F to stay at Desert Regional Medical Center for at least a year. If Nurse F left before a year, they would be required to pay back the sign-on bonus plus interest. Nurse F had no choice but to take the sign-on bonus; it was a take it or leave it proposition. Nurse F recalls that the hospital said nothing verbally about the requirement to repay the bonus and that all the details were in the written contract. Before Nurse F started working for the hospital, they did not know that it would ask them to repay the bonus.

The new graduate training program for ICU nurses included clinical training and preceptorship. Nurse F recalls that they were given 14 different preceptors, by no fault of their own, in the six months they were at Desert Regional Medical Center. Nurse F recalls that they would show up for a shift and the hospital would send them to work with whichever nurse was available, many of whom were not in a preceptor role. Nurse F reports that Desert Regional Medical Center was a very hostile work environment. Nurse F recalls that, after they started expressing their dissatisfaction about being moved around between preceptors, hospital management required them to meet after every third 12-hour shift and threaten to terminate them without ever providing a clear reason why. In Nurse F's observation, "I

found management to be purposefully intimidating and forcing me into horrible positions." In their last three weeks at Desert Regional Medical Center, Nurse F remembers that management did not even place them on the patient board where patient assignments were listed. Although they were members of the union, it was not able to help Nurse F with her contract situation since they were in the one-year probationary period.

Nurse F decided to leave Desert Regional Medical Center after six months, but they did not realize that they had to pay back the $3,000 until after leaving employment. Nurse F recalls that they were sent directly to a third-party debt collection agency. The debt for the sign-on bonus was reported to credit reporting agencies and a negative report went onto their credit rating. When Nurse F applied for jobs after leaving Desert Regional Medical Center, the debt for the sign-on bonus came up in job interviews.

Analysis & Summary

Nurse F accepted a job with Desert Regional Medical Center without knowledge of the requirement to repay a sign-on bonus. There was no verbal explanation of the provision. Nurse F faced difficult working conditions and left the position without knowing that they would be required to repay the $3,000. The hospital reported the debt to credit reporting agencies and it went on Nurse F's credit report, which future potential employers raised in job interviews. Thus, Nurse F faced negative consequences for a debt they did not know they could be charged for, based on leaving a job where they faced poor conditions and management threats.

Nurse Story #13: Registered Nurse Neil Rudis
UCHealth (University of Colorado), Aurora, CO

Neil Rudis' first job as a registered nurse (RN) after he finished nursing school was at UCHealth in Aurora, CO from February 2017 to February 2019. At first, RN Rudis felt honored to be in the prestigious UCHealth new graduate program. UCHealth promotes itself as a Magnet hospital, saying that it meets the gold-standard for patient care. RN Rudis said that "UCHealth was supposed to be the epitome of hospital care." He and his colleagues in his cohort were honored to work and received training from such a prestigious institution. However, those feelings quickly evaporated. Due to what he believed was understaffing and lack of quality instruction on top of the hefty "tuition," he said that the program soon "felt like a scam."

RN Rudis and his coworkers signed an agreement for two years or pay back the cost of training. The contract stated the total cost of the UCHealth Residency Program was $7,500 for the full training, and if he or any of his colleagues in the left between 0-182 days, they would owe the full cost of the program. After 182 days, the repayments were prorated. Additionally, UCHealth charged 12% annual interest for tuition owed (See Attachment 12 for a copy of the full repayment plans).

As a condition of employment, RN Rudis had to accept the terms of the agreement. For new graduates, this was all UCHealth offered.

The training consisted of a six-month orientation with a preceptor assigned for all of the new graduate nurses in each patient care unit. RN Rudis worked in the intensive care unit (ICU), and he worked there for the duration of his employment with UCHealth. The only in-person element of the program was a monthly check-in with all new hires. The rest of the training consisted of online modules to be completed during off hours and were unpaid. RN Rudis was told these modules were required, or he would lose his job.

RN Rudis was shocked about the unsafe working conditions he was subjected to. Despite his status as a new graduate hire, UCHealth quickly assigned him high acuity patients and the ICU was chronically understaffed. As a result of understaffing in the ICU, RN Rudis and other new graduates were often left alone, without a preceptor or other nurses, to transport extremely sick ICU patients down to different units to receive medical scans and to turn patients in their beds. Transporting and turning patients alone as an RN is unsafe for highly acute patients, like ICU patients, in particular and can cause workplace back injuries for nurses. RN Rudis almost never took lunch because of the understaffing. He recalls that his colleagues who clocked "no lunch" were called into management's office about "time management."

When these unsafe conditions arose, he was afraid to speak up due to being financially tied to the training program. "Unionizing was not even on my mind when under contract," RN Rudis said. "There was no chance, because of all the rumors. If you even talked about it, you would get fired instantaneously, and you would owe them payment for the program."

After completing the UCHealth Residency Program, he found it difficult to find a job in the Denver-Metro area. Because UCHealth had some of the lowest pay in the area, recruiters would offer RN Rudis wages that were lower than other nurses who had been working the same amount of time as him citing the low wages he received at UCHealth. RN Rudis recalls making $24/hour his first year of the program and $25.50/hour the second year. Completing the UCHealth Residency Program provided RN Rudis no advantage in finding another job and ultimately hurt his ability to secure a job at the prevailing wage for nurses who have the same amount of work experience as he did.

Analysis & Summary

Before agreeing to join the UCHealth Residency Program, RN Rudis believed he would receive high-quality training that would advance his future career. On that basis, he signed a contract of adhesion agreeing to work for UCHealth for two years or pay $7,500 in "tuition." The reality was different. The training was based on online modules which his employer required him to complete without pay in order to keep his job, in possible violation of wage and hour law. He was required to work alone with high acuity patients in an understaffed ICU, which violated safety standards for patients and nurses. He feared that if he even talked about unionizing, he would be fired and forced to pay for the program.

Despite having signed the contract to increase his employment prospects, it was difficult for RN Rudis to find a position after the program was complete and his low wage during the program led to him receiving low future offers. Thus, the contract trapped RN Rudis in unsafe conditions and prevented him from exercising his labor rights, while providing no benefit to him.

Nurse Story #14: Registered Nurse Erin Young
Tucson Medical Center, Tucson, AZ

In December 2019, Erin Young a newly licensed registered nurse (RN) began a position in the Medical Surgical unit at Tucson Medical Center in Tucson, Arizona in the hospital's new graduate training program for RNs. As a condition of employment, she signed a three-year contract. The hospital estimated the value of the training was $6,000. As she was signing paperwork with Tucson Medical Center's Human Resources (HR) department, she recalls asking if it was okay to leave the contract early due to health issues. Verbally, she recalls HR saying she could leave the contract early if she needed to and would not have to repay the cost of the program. At the time, she felt she did not have much room to negotiate, as she was a new graduate and desperate for a job.

Before the Covid-19 pandemic, RN Young recalls having to go to monthly or weekly classes when she was in Tucson Medical Center's training program. RN Young remembers being required to attend a certain number of classes, or else the hospital would not give her a pay raise. During the Covid-19 pandemic, the classes transferred to online modules, but she found a serious decline in the quality of education. She also had a preceptorship, which lasted 12 weeks. However, not long after she finished her own preceptorship, management asked RN Young to start training new hires. Frequently, Tucson Medical Center also had her fill in to train new graduate nurses when preceptors called out. RN Young did not receive a raise for training her colleagues.

The working conditions, especially during Covid-19 surges, were awful, according to RN Young. RN Young recalls commonly having five patients, which is unsafe for patients. When she was training new nurses, she would have to care for an additional two to three more patients who were technically assigned to the new nurse. RN young recalls that the conditions at Tucson Medical Center were very unsafe and that she was consistently put in situations where her nursing license was at risk because of unsafe patient care conditions. The unsafe conditions of the hospital ended up being her primary motivation for leaving in addition to her health condition.

RN Young was 13 months into her three-year contract when she quit her job at Tucson Medical Center. When RN Young told hospital management, they said they would consider waiving the fee if she provided a doctor's note. RN Young did not provide a note, as she was still new to Tucson and never got off a waitlist to establish care with a local physician. Tucson Medical Center did not waive repayment of the training costs. RN Young even offered to work at the hospital on a per diem basis to not pay back Tucson Medical Center, but management rejected that option.

Soon after quitting, she started receiving letters from Tucson Medical Center, asking for a prorated $2,800.29 for the training. Erin has not paid Tucson Medical Center.

After she quit, she took a job at Banner, a hospital also in Tucson. A big impetus of working at Banner was better staffing ratios. She also received a $2.00/hour pay increase above what Tucson Medical Center paid her.

Analysis & Summary

Feeling that she had no room to negotiate as a new graduate, RN Young accepted a new graduate training program position at Tucson Medical Center with a requirement to repay training costs if she left before three-years. RN Young even asked when she was signing the contract if she could leave for health reasons and HR assured her that she could do so without having to repay the costs of the program. Working conditions were unsafe and became worse when the Covid-19 pandemic began. The training program also declined seriously during the pandemic and management even asked RN Young to fill in for preceptors for other new graduates. Yet, when RN Young decided to quit because of unsafe working conditions, in addition to her health condition, Tucson Medical Center reneged on their assurance that she would not have to repay the training costs. Tucson Medical Center unreasonably declined RN Young's offer to work on a per diem basis in order to avoid repaying the debt.

Nurse Story #15: Registered Nurse G
Research Medical Center – HCA Midwest Health, Kansas City, MO

Registered Nurse G studied nursing at Research College of Nursing in Kansas City, Missouri. While in nursing school, Nurse G received an offer from HCA Healthcare, which owns Research College of Nursing, to waive tuition fees for their junior and senior years of nursing school, valued by HCA at approximately $36,000. In return, Nurse G had to sign a contract agreeing to work full-time for HCA Midwest region hospitals for 3 years. HCA Midwest is a network of seven hospitals in the Kansas City, MO area owned by HCA Healthcare. HCA representatives told Nurse G that if they left before working for 3 years full-time, they would be required to pay HCA a prorated amount of the $36,000.

In their final year of nursing school, Nurse G began work at Research Medical Center (RMC), an HCA Midwest Hospital, as a nurse extern, which is an unlicensed position that nursing students can hold after passing their first semester of nursing school. After graduation, Nurse G obtained their license as a registered nurse and accepted a full-time position at RMC as a registered nurse. They have been a registered nurse working at HCA for one year. HCA did not begin counting their work against their debt until Nurse G received their nursing license, so they still have two years of work before they can leave HCA without being required to pay tens of thousands of dollars.

When Nurse G started full-time work as a registered nurse at RMC, they were required to enroll in the StaRN program. This program included 10-12 weeks of in-classroom training, then orientation, then 12 weeks of preceptorship. While Nurse G found the preceptorship to be helpful, they considered the classroom training to be a waste of time since they had already worked in the unit they were hired in as a nurse extern. In the year following the preceptorship there were monthly StaRN meetings but Nurse G did not attend many because they did not find the meetings valuable. The topics covered in these meetings were relevant to HCA interests but not necessarily to patient care. Additionally, the meetings were scheduled in the middle of the day which made it difficult for Nurse G to attend because Nurse G worked on the night shift.

Nurse G is not sure how much money they still owe to HCA if they leave. Their paycheck shows a deduction from the debt each pay period but does not provide a remaining total and Nurse G does not

know how to access that total. They remember HCA providing a paper when they graduated from nursing school showing the totals they would owe if they left at various weeks, but they no longer have that document.

In recent weeks, Nurse G's working conditions at RMC have deteriorated. They usually work in the intensive care unit but they have been floated to other units. These units are often dangerously understaffed. When a nurse is floated to other units, they are working outside of their area of expertise, which is dangerous to nurses and patients, particularly when the unit does not have sufficient nurses assigned to care for the number of patients in the unit and provide guidance to the floated nurse. In light of the poor working conditions, Nurse G has considered leaving RMC but is concerned that HCA will charge them a sum they estimate would be around $24,000. They say that the potential debt makes them feel trapped. They cannot consider other positions with better wages and conditions because of the debt.

The contract permits Nurse G to change units or hospitals within the HCA Midwest network, but the HCA recruiter told them that if they go through the StaRN program they would be committed to working in the unit they began working in for one or two years. However, Nurse G knows other nurses who have gone through StaRN and then switched units or hospitals, so they are unclear on the rules governing their choices.

While Nurse G had the option to decline this agreement in nursing school, they say that they would not be able to work at RMC without signing some sort of agreement committing to pay money if they left the position. They know another nurse from nursing school who said they declined the tuition assistance but later accepted a job at RMC as a new graduate nurse and has said they were required as a condition of employment to commit to repaying a sign on bonus and the value that HCA attributes to the StaRN program if they leave HCA before a set number of years.

Analysis & Summary

Nurse G was enrolled in the HCA Healthcare-owned Research College of Nursing when they received an offer from HCA Healthcare to cover their remaining two years of tuition in exchange for three years of full-time work at HCA Midwest hospitals and an agreement to pay a prorated amount of $36,000 if they left before three years. They can see a reduction in their debt on each paycheck but do not know how to access a current balance. HCA does not appear to be following any laws related to provision of student loans. Nurse G feels trapped in their job and cannot consider jobs with better wages and conditions.

Nurse Story #16: Registered Nurse H
Research Medical Center – HCA Midwest Health, Kansas City, MO

Registered Nurse H decided to enroll in Research College of Nursing, which is located in Kansas City, MO and owned by HCA Healthcare (HCA), for their second bachelor's degree. Before beginning the program, Nurse H received an offer from HCA to pay part of their nursing school tuition. Nurse H recalls that HCA told them that their schooling would be valued at $38,000. HCA offered to pay $18,000 of the tuition fee and waive $20,000 if Nurse H would sign a contract committing to working at HCA Midwest region hospitals after nursing school full time for two years. During nursing school, Nurse H paid Research College of Nursing $1,200 a semester in fees even after HCA's tuition payment and partial fee waiver.

Nurse H recalls that Research College of Nursing students had the option to commit to the contract with HCA Midwest six months to a year before starting nursing school and were expected to come into an office at the school and sign the agreement in the first week of school. Nurse H was then required to sign a document every semester pertaining to the loan. There was an opportunity to ask questions, but Nurse H did not know what to ask, as they had not even started nursing school and did not know enough about the profession. At the time, they thought that discounted education must be a good deal. The school gave a short PowerPoint presentation related to the contract. Nurse H does not feel it was sufficiently in-depth. They believe that eighty-one out of eighty-four students in their nursing school cohort committed to a similar contract with HCA Midwest.

After graduating, Nurse H began employment at an HCA Midwest hospital in February 2022. When Nurse H began work, they were required to enroll in HCA's StaRN new graduate training program. Nurse H recalls that they had been in the StaRN program for about six weeks when they first learned that StaRN was governed by another contract with its own separate requirement for repayment of about $6,000 that would be due if Nurse H did not finish the training program. Moreover, Nurse H did not realize at the time they signed their nursing school tuition contract that the two-year term did not begin until after they completed the StaRN program. Thus, Nurse H was employed by the hospital for twenty weeks, which was the length of the StaRN program, before the tuition repayment amount began being prorated in each pay period. Nurse H characterizes their experience with HCA as being full of "so many hidden things to get you to stay longer."

Soon after completing the StaRN program, Nurse H moved to a different specialty unit within the hospital. At that time, they discovered that their new unit did not require StaRN. If Nurse H had been aware of their options when they started work, they would have tried to go directly into their current specialty and start receiving loan repayment credit when they began employment with HCA.

Nurse H is not confident as to how much money they would have to pay back if they left today. At graduation from Research College of Nursing, they received a paper chart laying out the prorated pay back amounts, but they do not currently have a copy. Their paychecks show that each pay period the debt is reduced by $312. They believe they are required to stay for 48 pay periods and accordingly have calculated that the total amount before prorating was likely $15,000. They believe that HCA would require them to pay the entire remaining amount within a year if they leave employment. They know

another nurse with a similar contract who left their position with HCA and believe that this nurse is paying back $600 a month until they reach their repayment amount.

Nurse H struggles to make ends meet on what HCA pays and knows that they could earn substantially more for similar work at a different health care organization if they were not constrained by the debt. They are also frustrated by the lack of flexibility in geographic location and shift schedule under their contract. They have spoken with their coworkers about the repayment agreement and many of them hate the agreement and wish they had read it more closely. Nurse H has observed a low retention rate among nurses at the facility.

Analysis & Summary

Nurse H was preparing to enroll in the HCA-owned Research College of Nursing when they received an offer for HCA to cover most of their tuition in exchange for two years of full-time work at HCA Midwest hospitals and an agreement to pay a prorated amount that they think is between $15,000-18,000 if they left before two years. They did not know what questions to ask when considering the contract due to a complete lack of experience in the nursing field.

They can see a reduction in their debt on each paycheck but do not know how to access a current balance. They did not realize when they signed the contract that they would be required to complete twenty weeks in the StaRN program without any reduction in their debt balance, extending their contract past the two years they agreed to. HCA does not appear to be following any laws related to provision of student loans. Nurse H is unhappy to be trapped at HCA, which pays much lower wages than other jobs that are available to them in the same region doing similar work.

Nurse Story #17: Registered Nurse Carlton Purvis
Methodist Le Bonheur, Memphis, TN

Carlton Purvis is a registered nurse (RN) in Memphis, TN. In 2021, RN Purvis was accepted in a graduate program in nursing. Because he wanted to have a more flexible work schedule that could be set around the clinical requirements of his graduate program, RN Purvis wanted to take float pool position with Methodist Le Bonheur Healthcare in Memphis. The float pool position would mean that RN Purvis could schedule hours to work at the emergency room at any of the Memphis-area Methodist Le Bonheur Healthcare hospitals.

A few years previously, RN Purvis had worked as a full-time staff RN at a Methodist Le Bonheur Healthcare hospital in Memphis in the emergency room (ER). RN Purvis recalls that when he was working as a core staff person in the emergency room at Methodist Le Bonheur, if staffing was low in the emergency room, the hospital used to have medical/surgical staff come down to work in the emergency department. It is RN Purvis' understanding that Methodist Le Bonheur apparently no longer has medical/surgical nurses work in the emergency department when there is understaffing or patient surges and only recently created the systemwide float pool, including a systemwide float pool for

emergency departments, medical/surgical units, intensive care units/emergency rooms, and a few other specialties.

As part of a condition of accepting employment in the emergency room float pool, Methodist Le Bonheur Healthcare gave RN Purvis a $10,000 hiring bonus and required RN Purvis to agree to repay the bonus if he leaves the job before one year of work. RN Purvis tried to negotiate the terms of the hiring bonus but he hit a brick wall when he asked and was told that he had to take it in order to accept the float pool position. It was also RN Purvis' understanding that if nurses left the float pool position before a year that managers have the discretion to decide whether the nurse could be barred from working at a Methodist Le Bonheur position again.

Since RN Purvis started working in the emergency room float pool position, working conditions have been much worse than when he was working at Methodist Le Bonheur in a core staff RN position in the same emergency department. Float pool RNs were assigned about twice as many patients as core RN staff and were given no ancillary staff to support their high case load. RN Purvis explained that in the float pool he would typically have 6 or 7 patients assigned to him but when he was part core emergency room staff he previously had about 3 or 4 patients. His understanding is that staffing conditions are currently bad across the board for all nurses, including staff nurses, travel nurses, and float pool nurses.

RN Purvis felt particularly trapped in the float pool position because he could be barred from working at any Methodist Le Bonheur Healthcare facilities if he quit before the year was over. Being blacklisted from working at any other Methodist Le Bonheur Healthcare facility worries RN Purvis because it is the largest health care system in the Memphis-area and one of the largest in the state, and so it would mean that he would be unable to obtain a large number of nursing jobs. RN Purvis is worried that patient care and working conditions will get so bad that he cannot proper provide safe patient care. In the summer of 2021, conditions at some of the Methodist hospitals became so bad that he resigned from the float pool position. RN Purvis described that staffing ratios were 6 or 8 patients for one nurse with no equipment and no ancillary staff to support nurses. He soon will be starting again as a staff RN in the emergency room he originally worked at before moving to the float pool position.

It is also RN Purvis' understanding that Methodist Le Bonheur and the next two largest healthcare systems in the Memphis-area, Baptist Memorial Health Care and St. Francis, all announced the creation of systemwide float pool programs and sign-on bonus programs within about the same week of each other.

Analysis & Summary

In order to accept a position in the Methodist Le Bonheur float pool, RN Purvis was required to accept a sign-on bonus of $10,000 and commit to repay it if he left within one year. The hospital refused to negotiate over the terms of the bonus. He also risks being blacklisted by Methodist, the largest health care system in his region, if he leaves before one year.

RN Purvis was under substantial pressure to accept a position under these terms because, as he understands it, the three major health care systems in the Memphis area all implemented similar

mandatory terms for float pool employment in the same period, and he needed a float pool position to have the flexibility required for his graduate program.

RN Purvis accepted the position based on the conditions he had experienced in his previous position as a staff nurse. Methodist Le Bonheur required him to work in substantially worse conditions once he was under contract, including responsibility for twice as many patients as staff nurses, with no ancillary staff support.

Thus, the health system used a mandatory repayment agreement and the threat of blacklisting, plus the regional industry-wide implementation of the same terms for the work, to hold RN Purvis in his position while it requires him to work in unexpected and dangerous working conditions.

VIII. Conclusion.

Employer-mandated debt traps, particularly for RN "residency" and new graduate training programs, that bind nurses to their employers for minimum periods of work are an insidious and growing practice used by hospital employers. Requiring people to work in order to repay a debt to an employer is an antiquated practice that is now being repackaged as training or enhanced educational programs. NNU applauds the CFPB for its investigation into these insidious uses of employer-driven debt to lock workers in unsafe and unfair terms and conditions of employment.

NNU appreciates the opportunity to provide information in response to the CFPB's Request for Information Regarding Employer Driven Debt (Docket No. CFPB-2022-0038). We look forward to working with the CFPB on these issues.

Sincerely,

Carmen Comsti
Lead Regulatory Policy Specialist
National Nurses United

Appendix A:
NNU Employer-Driven Debt Survey, Summary Data

All Respondents		
Q1: Have you enrolled in or been required to enroll in a training, residency, or apprenticeship program in order to start or keep a job as a nurse or other health care worker? (Not including any educational degree program needed for your professional license)	Frequency	Percent
Yes	867	51.1
No	715	42.1
I don't know	56	3.3
Not applicable	60	3.5
Total	1698	100.0
Yes (RNs or APRNs/CCRNs at hospitals)	**589**	--

RNs or APRNs/CCRNs at hospitals who responded "Yes" to Q1		
Q1a. Do you know if your current or past employer expects you to pay the costs of your training, residency, or apprenticeship program if you quit or are fired before the end of the program or before working a minimum amount of time?	Frequency	Percent
Yes, they expect me to pay the costs	326	55.3
No, they don't expect me to pay the costs	184	31.2
I don't know	79	13.4
Total	589	100.0

RNs or APRNs/CCRNs at hospitals		
Q2. In the course of your job as a health care worker, or after leaving a job as a health care worker, has your employer ever demanded that you repay an alleged work-related debt (including any expenses, fees, penalties, or other alleged financial obligation)	**In training programs (Responded Yes to Q1)**	**In TRAP (Responded Yes to Q1a)**
Yes, my current employer asserts that I owe or owed them money	66	61
Yes, my previous employer asserts that I owe or owed them money	69	60
Yes, an entity other than my employer asserts that I owe or owed money for work-related debt or other alleged financial	10	9
No	334	123
I don’t know	52	28

RNs or APRNs/CCRNs at hospitals		
Q3. Has your current or past employer ever asked you to sign a contract or enter an arrangement to pay work-related expenses, fees, penalties, or other alleged financial obligations in the course of your job or after leaving your job as a health care worker	**In training programs (Responded Yes to Q1)**	**In TRAP (Responded Yes to Q1a)**
Yes, I was required to do so as a condition of employment	263	236
Yes, but I was not required to do so as a condition of employment	23	14
No	257	51
I don’t know	43	24

RNs or APRNs/CCRNs at hospitals		
Q4. Do you know of any coworkers whose employer ever asserted they owe or owed money for work-related expenses, fees, penalties, or other alleged financial obligations in the course of their job or after leaving their job as a health care worker? (Check all that apply)	**In training programs (Responded Yes to Q1)**	**In TRAP (Responded Yes to Q1a)**
Yes, I know my current employer has asserted my coworkers owe or owed them money	131	118
Yes, I know my coworker's previous employer has asserted that my coworker owes or owed them money	129	91
Yes, but an entity other than their employer asserted that my coworker owes or owed them money	18	9
No	317	112

RNs or APRNs/CCRNs at hospitals		
Q5. What is/was the alleged debt or financial obligation for? (select all that apply)	**In training programs (Responded Yes to Q1)**	**In TRAP (Responded Yes to Q1a)**
A training or residency program	253	233
Housing	3	3
Relocation costs	31	27
Immigration application or international recruitment fees	2	2
Non-immigration related recruitment costs	0	0
Scrubs	23	17
Respirators	2	1
Other equipment required for my job	13	12
Hiring bonus	103	87

RNs or APRNs/CCRNs at hospitals				
Q6. Has an employer ever asked you to sign a contract stating that if you quit or are fired prior to working a minimum amount of time with the employer, you would owe money to your employer or related entity?	**In training programs (Responded Yes to Q1)**		**In TRAP (Responded Yes to Q1a)**	
	Frequency	Percent	Frequency	Percent
Other (please specify)	17	2.9	6	1.8
Yes, I was required to as a condition of employment	330	56.0	292	89.6
Yes, but I was not required to do so as a condition of employment	24	4.1	15	4.6
No	197	33.4	9	2.8
I don't know	21	3.6	4	1.2
Total	589	100.00	326	100.0

RNs or APRNs/CCRNs at hospitals				
Q7. Has an employer ever asked you to sign a promissory note, loan, lease, or any other forms promising to repay a work-related expense (e.g., a training program, necessary equipment, scrubs)?	**In training programs (Responded Yes to Q1)**		**In TRAP (Responded Yes to Q1a)**	
	Frequency	Percent	Frequency	Percent
Other (please specify)	6	1.0	5	1.5
Yes, I was required to as a condition of employment	139	23.6	124	38.0
Yes, but I was not required to do so as a condition of employment	17	2.9	13	4.0
No	362	61.5	135	41.4
I don't know	65	11.0	49	15.0
Missing	--	--	--	--
Total	589	100.0	326	100.0

RNs or APRNs/CCRNs at hospitals						
Q8. Did you know you were taking on debt before accepting or continuing employment with your employer?	**In training programs (Responded Yes to Q1)**			**In TRAP (Responded Yes to Q1a**		
	Frequency	Percent	Valid Percent	Frequency	Percent	Valid Percent
Yes	146	24.8	49.2	132	40.5	51.2
No	115	19.5	38.7	93	28.5	36.0
I don't know	36	6.1	12.1	33	10.1	12.8
Total	297	50.4	100.00	258	79.1	100.0
Missing	292	49.6	--	68	20.9	--

RNs or APRNs/CCRNs at hospitals						
Q9. Did your employer explain the terms of the debt before you signed the contract?	**In training programs (Responded Yes to Q1)**			**In TRAP (Responded Yes to Q1a)**		
	Frequency	Percent	Valid Percent	Frequency	Percent	Valid Percent
Yes	133	22.6	44.8	121	37.1	46.9
No	132	22.4	44.4	111	34.0	43.0
I don't know	32	5.4	10.8	26	8.0	10.1
Total	297	50.4	100.0	258	79.1	100.0
Missing	292	49.6	--	68	20.9	--

RNs or APRNs/CCRNs at hospitals						
	In training programs (Responded Yes to Q1)			In TRAP (Responded Yes to Q1a)		
Q10. Who did/do you owe money to?	Frequency	Percent	Valid Percent	Frequency	Percent	Valid Percent
My employer	231	39.2	77.8	211	64.7	81.8
An entity other than my employer	23	3.9	7.7	19	5.8	7.4
I don't know	43	7.3	14.5	28	8.6	10.9
Total	297	50.4	100.0	258	79.1	100.0
Missing	292	49.6	––	68	20.9	--

RNs or APRNs/CCRNs at hospitals						
	In training programs (Responded Yes to Q1)			In TRAP (Responded Yes to Q1a)		
Q11. Have you had to pay your employer or another entity back?	Frequency	Percent	Valid Percent	Frequency	Percent	Valid Percent
Yes	60	10.2	20.2	54	16.6	20.9
No	222	37.7	74.7	192	58.9	74.4
I don't know	15	2.5	5.1	12	3.7	4.7
Total	297	50.4	100.0	258	79.1	100.0
Missing	292	49.6	--	68	20.9	--

RNs or APRNs/CCRNs at hospitals						
	In training programs (Responded Yes to Q1)			In TRAP (Responded Yes to Q1a)		
Q12. Why did you have to start paying back your employer or related entity?	Frequency	Percent	Valid Percent	Frequency	Percent	Valid Percent
Other (please specify)	4	.7	6.7	4	1.2	7.4
I left my job	47	8.0	78.3	43	13.2	79.6
I was terminated or laid off	2	.3	3.3	1	.3	1.9
I relocated to another facility of the same employer	1	.2	1.7	1	.3	1.9
I began paying off my debt while I was working	6	1.0	10.0	5	1.5	9.3
Total	60	10.2	100.0	54	16.6	100.0
Missing	529	89.8	--	272	83.4	--

RNs or APRNs/CCRNs at hospitals						
	In training programs (Responded Yes to Q1)			In TRAP (Responded Yes to Q1a)		
Q13. Why did you not have to pay back your employer or related entity?	Frequency	Percent	Valid Percent	Frequency	Percent	Valid Percent
Other (please specify)	39	6.6	17.6	30	9.2	15.6
I am still under contract	107	18.2	48.2	96	29.4	50.0
I completed the contract	62	10.5	27.9	56	17.2	29.2
I don’t know	14	2.4	6.3	10	3.1	5.2
Total	222	37.7	100.0	192	58.9	100.0
Missing	367	62.3	--	134	41.1	--

RNs or APRNs/CCRNs at hospitals						
	In training programs (Responded Yes to Q1)			In TRAP (Responded Yes to Q1a)		
Q14. What was the amount of debt you incurred?	Frequency	Percent	Valid Percent	Frequency	Percent	Valid Percent
Less than $1,000	8	1.4	2.7	4	1.2	1.6
$1,000 to $4,999	81	13.8	27.3	75	23.0	29.1
$5,000 to $9,999	39	6.6	13.1	31	9.5	12.0
$10,000 to $14,999	55	9.3	18.5	50	15.3	19.4
$15,000 or more	53	9.0	17.8	48	14.7	18.6
I don't know	61	10.4	20.5	50	15.3	19.4
Total	297	50.4	100.0	258	79.1	100.0
Missing	292	49.6	--	68	20.9	--

RNs or APRNs/CCRNs at hospitals						
	In training programs (Responded Yes to Q1)			In TRAP (Responded Yes to Q1a)		
Q15. Were you charged any fees, penalties, or interest charges for your debt?	Frequency	Percent	Valid Percent	Frequency	Percent	Valid Percent
Yes	16	2.7	5.4	15	4.6	5.8
No	197	33.4	66.3	171	52.5	66.3
I don’t know	84	14.3	28.3	72	22.1	27.9
Total	297	50.4	100.0	258	79.1	100.0
Missing	292	49.6	--	68	20.9	--

RNs or APRNs/CCRNs at hospitals						
Q16. Did your employer or their agent file a lawsuit against you in order to collect the debt?	**In training programs (Responded Yes to Q1)**			**In TRAP (Responded Yes to Q1a)**		
	Frequency	Percent	Valid Percent	Frequency	Percent	Valid Percent
Yes	10	1.7	3.4	10	3.1	3.9
No	247	41.9	83.2	213	65.3	82.6
I don't know	40	6.8	13.5	35	10.7	13.6
Total	297	50.4	100.0	258	79.1	100.0
Missing	292	49.6	--	68	20.9	--

RNs or APRNs/CCRNs at hospitals						
Q17. Has your employer, the finance company, or any other third party associated with the debt told you that they may furnish negative credit reporting information about you?	**In training programs (Responded Yes to Q1)**			**In TRAP (Responded Yes to Q1a)**		
	Frequency	Percent	Valid Percent	Frequency	Percent	Valid Percent
Yes	49	8.3	16.5	44	13.5	17.1
No	185	31.4	62.3	157	48.2	60.9
I don't know	63	10.7	21.2	57	17.5	22.1
Total	297	50.4	100.0	258	79.1	100.0
Missing	292	49.6	--	68	20.9	--

RNs or APRNs/CCRNs at hospitals						
Q18. Do you believe information about your debt has affected your ability to get subsequent employment, obtain credit, get rental housing, or caused other problems?	**In training programs (Responded Yes to Q1)**			**In TRAP (Responded Yes to Q1a)**		
	Frequency	Percent	Valid Percent	Frequency	Percent	Valid Percent
Yes	31	5.3	10.4	27	8.3	10.5
No	192	32.6	64.6	166	50.9	64.3
I don't know	74	12.6	24.9	65	19.9	25.2
Total	297	50.4	100.0	258	79.1	100.0
Missing	292	49.6	--	68	20.9	--

RNs or APRNs/CCRNs at hospitals		
Q1. What have the effects of this debt been on your employment experience, professional mobility, workplace health and safety, and compensation? (Select all that apply)	**In training programs (Responded Yes to Q1)**	**In TRAP (Responded Yes to Q1a)**
	Frequency	Frequency
I refrained from looking for other jobs or felt locked in my job	213	193
I felt restrained from complaining about unsafe staffing or other unsafe working conditions	124	110
I had to accept low wages during the term of the contract	146	129
I refrained from joining a union or becoming active in a union	35	32
I refrained from taking leave, making scheduling requests, or asking for other changes to my working conditions	71	61
I felt restrained from advocating for my patients	37	31
I was worried about my immigration status	2	2

All Respondents			
1What is your current occupation?	Frequency	Percent	Valid Percent
Other (please specify)	97	5.7	7.5
RN	1126	66.3	87.4
APRN/CCRN	32	1.9	2.5
LPN/LVN	26	1.5	2.0
CNA/STNA/NA/LNA	7	.4	.5
Total	1288	75.9	100.0
Missing	410	24.1	--

All Respondents			
How long have you been employed in your current occupation?	Frequency	Percent	Valid Percent
Other (please specify)	97	5.7	7.5
Less than 1 year	334	19.7	25.9
1 – 5 years	398	23.4	30.9
6 – 10 years	125	7.4	9.7
11 – 20 years	152	9.0	11.8
21 or more years	182	10.7	14.1
Total	1288	75.9	100.0
Missing	410	24.1	--

All Respondents			
What type of facility do you work at?	Frequency	Percent	Valid Percent
Other (please specify)	126	7.4	9.8
Hospital	975	57.4	75.7
Home care hospice	15	.8	1.2
Skilled nursing facility	17	1.0	1.3
Call center	9	.5	.7
Outpatient clinic (not affiliated with a hospital)	33	1.9	2.6
Outpatient surgery (not affiliated with a hospital)	7	.4	.5
Medical offices	23	1.4	1.8
Retired	83	4.9	6.4
Total	1288	75.9	100.0
Missing	410	24.1	--

Appendix B:
NNU Employer-Driven Debt Survey, Summary Data, HCA Healthcare
(RN and APRN/CCRN Respondents Working in HCA Healthcare Hospitals Only)

RNs or APRNs/CCRNs at hospitals, HCA Healthcare		
Q1. Have you enrolled in or been required to enroll in a training, residency, or apprenticeship program in order to start or keep a job as a nurse or other health care worker? (Not including any educational degree program needed for your professional license).	Frequency	Percent
Yes	92	91.1
No	9	8.9
Total	101	100.0

RNs or APRNs/CCRNs at hospitals, HCA Healthcare			
Q1a. Do you know if your current or past employer expects you to pay the costs of your training, residency, or apprenticeship program if you quit or are fired before the end of the program or before working a minimum amount of time?	Frequency	Percent	Valid Percent
Yes, they expect me to pay the costs	79	78.2	85.9
No, they don't expect me to pay the costs	2	2.0	2.2
I don't know	11	10.9	12.0
Missing	9	8.9	--
Total	92	91.1	100.0

RNs or APRNs/CCRNs at hospitals, HCA Healthcare		
Q2. In the course of your job as a health care worker, or after leaving a job as a health care worker, has your employer ever demanded that you repay an alleged work-related debt (including any expenses, fees, penalties, or other alleged financial obligations)	**HCA Healthcare Respondents**	**HCA Healthcare Respondent in TRAP (Responded Yes to Q1a)**
	Frequency	Frequency
Yes, my current employer asserts that I owe or owed them money	29	28
Yes, my previous employer asserts that I owe or owed them money	11	8
Yes, an entity other than my employer asserts that I owe or owed money for work-related debt or other alleged financial	5	4
No	38	23
I don't know	4	2

RNs or APRNs/CCRNs at hospitals, HCA Healthcare		
Q3. Has your current or past employer ever asked you to sign a contract or enter an arrangement to pay work-related expenses, fees, penalties, or other alleged financial obligations in the course of your job or after leaving your job as a health care worker	**HCA Healthcare Respondents**	**HCA Healthcare Respondent in TRAP (Responded Yes to Q1a)**
	Frequency	Frequency
Yes, I was required to do so as a condition of employment	67	60
Yes, but I was not required to do so as a condition of employment	4	4
No	17	7
I don't know	8	5

RNs or APRNs/CCRNs at hospitals, HCA Healthcare		
Q4. Do you know of any coworkers whose employer ever asserted they owe or owed money for work-related expenses, fees, penalties, or other alleged financial obligations in the course of their job or after leaving their job as a health care worker? (Select all that apply)	**HCA Healthcare Respondents**	**HCA Healthcare Respondent in TRAP (Responded Yes to Q1a)**
	Frequency	Frequency
Yes, I know my current employer has asserted my coworkers owe or owed them money	41	35
Yes, I know my coworker's previous employer has asserted that my coworker owes or owed them money	27	23
Yes, but an entity other than their employer asserted that my coworker owes or owed them money	2	1
No	34	22

RNs or APRNs/CCRNs at hospitals, HCA Healthcare		
Q5. What is/was the alleged debt or financial obligation for? (Select all that apply)	**HCA Healthcare Respondents**	**HCA Healthcare Respondent in TRAP (Responded Yes to Q1a)**
	Frequency	Frequency
A training or residency program	66	62
Housing	0	0
Relocation costs	11	10
Immigration application or international recruitment fees	2	2

RNs or APRNs/CCRNs at hospitals HCA Healthcare Respondent in TRAP (Responded Yes to Q1a)		
Q6. Has an employer ever asked you to sign a contract stating that if you quit or are fired prior to working a minimum amount of time with the employer, you would owe money to your employer or related entity?	Frequency	Percent
Other (please specify)	1	1.3
Yes, I was required to as a condition of employment	73	92.4
Yes, but I was not required to do so as a condition of employment	3	3.8
No	2	2.5
Total	79	100.0

RNs or APRNs/CCRNs at hospitals HCA Healthcare Respondent in TRAP (Responded Yes to Q1a)		
Q7. Has an employer ever asked you to sign a promissory note, loan, lease, or any other forms promising to repay a work-related expense (e.g., a training program, necessary equipment, scrubs)?	Frequency	Percent
Other (please specify)	1	1.3
Yes, I was required to as a condition of employment	41	51.9
Yes, but I was not required to do so as a condition of employment	3	3.8
No	25	31.6
I don’t know	9	11.4
Total	79	100.0

RNs or APRNs/CCRNs at hospitals HCA Healthcare Respondent in TRAP (Responded Yes to Q1a)			
Q8. Did you know you were taking on debt before accepting or continuing employment with your employer?	Frequency	Percent	Valid Percent
Yes	37	46.8	55.2
No	21	26.6	31.3
I don't know	9	11.4	13.4
Total	67	84.8	100.0
Missing	12	15.2	--

RNs or APRNs/CCRNs at hospitals HCA Healthcare Respondent in TRAP (Responded Yes to Q1a)			
Q9. Did your employer explain the terms of the debt before you signed the contract?	Frequency	Percent	Valid Percent
Yes	29	36.7	43.3
No	33	41.8	49.3
I don't know	5	6.3	7.5
Total	67	84.8	100.0
Missing	12	15.2	--

RNs or APRNs/CCRNs at hospitals HCA Healthcare Respondent in TRAP (Responded Yes to Q1a)			
Q10. Did your employer explain the terms of the debt before you signed the contract?	Frequency	Percent	Valid Percent
My employer	50	63.3	74.6
An entity other than my employer	7	8.9	10.4
I don't know	10	12.7	14.9
Total	67	84.8	100.0
Missing	12	15.2	--

RNs or APRNs/CCRNs at hospitals HCA Healthcare Respondent in TRAP (Responded Yes to Q1a)			
Q11. Have you had to pay your employer or another entity back?	Frequency	Percent	Valid Percent
Yes	11	13.9	16.4
No	54	68.4	80.6
I don't know	2	2.5	3.0
Total	67	84.8	100.0
Missing	12	15.2	--

RNs or APRNs/CCRNs at hospitals HCA Healthcare Respondent in TRAP (Responded Yes to Q1a)			
Q12. Why did you have to start paying back your employer or related entity?	Frequency	Percent	Valid Percent
Other (please specify)	1	1.3	9.1
I left my job	8	10.1	72.7
I relocated to another facility of the same employer	1	1.3	9.1
I began paying off my debt while I was working	1	1.3	9.1
Total	11	13.9	100.0
Missing	68	86.1	--

RNs or APRNs/CCRNs at hospitals HCA Healthcare Respondent in TRAP (Responded Yes to Q1a)			
Q13. Why did you not have to pay back your employer or related entity?	Frequency	Percent	Valid Percent
Other (please specify)	4	5.1	7.4
I am still under contract	41	51.9	75.9
I completed the contract	7	8.9	13.0
I don’t know	2	2.5	3.7
Total	54	68.4	100.0
Missing	25	31.6	--

RNs or APRNs/CCRNs at hospitals HCA Healthcare Respondent in TRAP (Responded Yes to Q1a)			
Q14. What was the amount of debt you incurred?	Frequency	Percent	Valid Percent
Less than $1,000	1	1.3	1.5
$1,000 to $4,999	16	20.3	23.9
$5,000 to $9,999	5	6.3	7.5
$10,000 to $14,999	20	25.3	29.9
$15,000 or more	15	19.0	22.4
I don't know	10	12.7	14.9
Total	67	84.8	100.0
Missing	12	15.2	--

RNs or APRNs/CCRNs at hospitals HCA Healthcare Respondent in TRAP (Responded Yes to Q1a)			
Q15. Do you believe information about your debt has affected your ability to get subsequent employment, obtain credit, get rental housing, or caused other problems?	Frequency	Percent	Valid Percent
Yes	9	11.4	13.4
No	35	44.3	52.2
I don’t know	23	29.1	34.3
Total	67	84.8	100.0
Missing	12	15.2	--

RNs or APRNs/CCRNs at hospitals HCA Healthcare Respondent in TRAP (Responded Yes to Q1a)	
Q16. What have the effects of this debt been on your employment experience, professional mobility, workplace health and safety, and compensation? (Select all that apply)	Frequency
I refrained from looking for other jobs or felt locked in my job	57
I felt restrained from complaining about unsafe staffing or other unsafe working conditions	33
I had to accept low wages during the term of the contract	36
I refrained from joining a union or becoming active in a union	9
I refrained from taking leave, making scheduling requests, or asking for other changes to my working conditions	21
I felt restrained from advocating for my patients	8
I was worried about my immigration status	0

RNs or APRNs/CCRNs at hospitals HCA Healthcare Respondent in TRAP (Responded Yes to Q1a)	
Q17. What have the effects of this debt been on your employment experience, professional mobility, workplace health and safety, and compensation? (Select all that apply)	Frequency
I refrained from looking for other jobs or felt locked in my job	57
I felt restrained from complaining about unsafe staffing or other unsafe working conditions	33
I had to accept low wages during the term of the contract	36
I refrained from joining a union or becoming active in a union	9
I refrained from taking leave, making scheduling requests, or asking for other changes to my working conditions	21
I felt restrained from advocating for my patients	8
I was worried about my immigration status	0

RNs or APRNs/CCRNs HCA Healthcare Respondent		
How long have you been employed in your current occupation?	Frequency	Percent
Other (please specify)	4	3.7
Less than 1 year	39	35.8
1 – 5 years	53	48.6
6 – 10 years	3	2.8
11 – 20 years	2	1.8
21 or more years	8	7.3
Total	109	100.0

RNs or APRNs/CCRNs HCA Healthcare Respondent		
What type of facility do you work at?	Frequency	Percent
Other (please specify)	4	3.7
Hospital	101	92.7
Home care hospice	1	.9
Skilled nursing facility	--	--
Call center	--	--
Outpatient clinic (not affiliated with a hospital)	1	.9
Outpatient surgery (not affiliated with a hospital)	1	.9
Medical offices	1	.9
Retired	--	--
Total	109	100.0

Appendix C:
NNU Employer Driven Debt Survey, Respondent Comments

Open Ended-Responses to "Is there anything else you would like to share with us?"[69]

	Comment	Short Description	City, State
1	$4000 + $130 interest 2 year contract Low staffing - unit is short on providing A charge nurse, resource nurse and Patient Care Technicians almost every shift I've been assigned	- Unfair/deceptive origination – Required contract period of labor - Negative effects – Understaffing - Negative effects – Unsafe working conditions	San Jose, CA
2	A coworker in my department resigned from her position before the designated time on her contract and was forced to pay back a hiring bonus of $15,000.	- Unfair/deceptive origination – Required contract period of labor - Negative effects – Job lock	Rancho Mirage, CA
3	A lot of my coworkers are trapped in predatory contractual obligations and are subject to mistreatment especially since they aren[']t unionized	- Unfair/deceptive origination – Condition of employment - Negative effects – Cannot join/be active in union	Inglewood, CA
4	As a new grad, a lot of us don't know if working at a hospital environment is indeed for us. I felt forced to complete my contract in order to avoid repayment for training that was not from an accredited residency program.	- Unfair/deceptive preorigination – Target vulnerable group - Unfair/deceptive preorigination – Low-quality training program/cost unjustified - Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Required contract period of labor - Negative effects – Job lock	Lancaster, CA
5	As new nurses we are offered hiring bonuses. Hospitals take time to explain that but they don't explain in full detail what happens if you want resign or just don't like the hospital and want to go transfer some where else. If I decide to end my contract it can me[an] anywhere from $10,000 in debt	- Unfair/deceptive preorigination – Target vulnerable group - Unfair/deceptive origination – Confusing contract terms - Negative effects – Job lock	–

[69]Comments are included here as written by respondents with employer names omitted as well as minor edits and additions noted in brackets for clarity.

	Comment	Short Description	City, State
6	Being locked into the contract was one of the most depressing and terrifying things about my new grad experience. I was miserable on my floor and felt like I couldn't leave. I was written up for trying to organize with other nurses which was another way to keep me from transferring. After working through my contract, I left the [ ] hospital system. I was diagnosed with clinical anxiety, depression, and PTSD due to the experience.	- Unfair/deceptive origination – Required contract period of labor - Negative effects – Cannot join/be active in union - Negative effects – Job lock - Negative effects – Unsafe/unfair working conditions	Atlanta, GA
7	Bonus requires five years of employment in order to exhaust the prorated repayment stipulation. If I left voluntarily or because of misconduct within the next year I would owe about 7,000$. I may transfer to another [hospital in the health system] without repayment but would still have the remaining 2.5 years.	- Unfair/deceptive origination – Required contract period of labor - Negative effects – Job lock	Kansas City, MO
8	Both organizations made sure the last 6 months of the contracts were very unsafe [nurse-to-]patient [staffing] ratios. There was bullying by senior charge nurses and managers to make you leave before the end of the contract so you had to pay them back. Some nurses who left ended up paying a lot of money back.	- Unfair/deceptive origination – Required contract period of labor - Negative effects – Restrained from advocating for safe patient care - Negative effects – Unsafe/unfair working conditions - Negative effects – Understaffing	Kingman, AZ
9	Contract is not clear and during the hiring process there are so many pages to sign and you can't read it all in 10 minutes.	- Unfair/deceptive origination – Confusing contract terms	Las Vegas, NV
10	[A county hospital] site [is] NOT paying the Preceptor who Orient the Agency Traveler RNS, the required Preceptor stipen[d] to add to our bimonthly earnings.	- Unfair/deceptive preorigination – Low-quality training program/cost unjustified	IL
11	Employer asserted that employees were "required" to stay for a period of time (2 years?) when they were changed and were trained for a new job. I think that enforcement of this requirement was lax. The employer wanted everyone to have at least a BSN, although this was NOT required for licensure. They picked and chose who got these funds and failed to provide any accounting for who was chosen. Decisions regarding selectees vs those denied funds gave the appearance of being suspiciously discriminatory. Even if selected, one was required to sign a promissory note promising to work for the employer in any capacity they desired until they deemed it repaid based on some formula, which was rather	- Unfair/deceptive preorigination – Target vulnerable group - Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Confusing contract terms - Unfair/deceptive origination – Not given a copy of the contract - Unfair/deceptive debt dispute	VA

	Comment	Short Description	City, State
	unaccountable. Employer was resistant to providing copies of these documents to employees.		
12	Fairview offered these crappy up to $20,000.00 retention bonus for ICU RNs, it was based on your FTE and adjusted down for anyone not working a 1.0 FTE which they don't offer as we work 12 hour shifts so we either work a 0.6, 0.75, or 0.9 FTE. The language of the contract is such that if one doesn't stay for the required 2 years they have to pay back all the money they received, not a graduated amount based on the remaining time left on the commitment.	- Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Debt not pro-rated - Unfair/deceptive origination – Confusing contract terms	Minneapolis, MN
13	Got a certain amount for a 2yr sign on bonus, half up front, half after the first yr at [my facility]. Stayed at that job way too long cause i didn't know what was going to happen to me legally or financially if i left before my 2yr contract was up	- Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Confusing contract terms - Negative effects – Job lock	Bradenton, FL
14	[The health system] forces their nurses under contract to work FT for 2 years or owe $10,000!	- Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Condition of employment	Gainesville, FL
15	[W]e have more patients than what we [were] promised on interview day, most of the shifts we don't have techs, and with the debt that I have, I can't apply for another job till I work 2 years and done with my contract then I can leave [the health system]!! It's like I'm working in a prison and don't have any options to leave. I have 2 kids and it's not easy for me to pay back the bonus!!	- Unfair/deceptive origination – Required contract period of labor - Negative effects – Low wages - Negative effects – Unsafe patient care conditions - Negative effects – Understaffing - Negative effects – Job lock	Kansas City, MO
16	[The employer] treats nurses terrible and pay is horrendous for what we put up with. That's why I broke my contract. It was TERRIBLE	- Negative effects – Low wages - Negative effects – Unsafe/unfair working conditions	Largo, FL
17	I also teach [Associates Degree in Nursing] ADN nurses; I talk about my situation frequently with them as I was a new grad and my first job (20+ years ago) was when this was an issue for me. I was bullied regularly, did not receive raises for "my hair," etc. The only way out of the contract was to basically quit nursing and accept the debt. I stuck with it for two years and on the two-year mark got a new position - luckily with a union represented hospital.	- Unfair/deceptive origination – Required contract period of labor - Negative effects – Job lock - Negative effects – Low wages	CA

	Comment	Short Description	City, State
18	I am aware these issues exist and specifically sought employment at a hospital where these kinds of arrangements were not had. As a result, my options as a new grad were even more limited.	- Unfair/deceptive preorigination – Monopsony/market dominance	–
19	I am still at the job where this contract is ongoing. I will be relocating to California at the end of the year, so I will be cutting my contract short shy of six months to completion. Colleagues that have previously broken their contracts say it's a prorated amount and that unused PTO may be used to defray the cost of the prorated amount.	- Unfair/deceptive origination – Required contract period of labor	Henderson, NV
20	I applied for a Perioperative training program. I was made to sign a two-year contract to stay there or would have to pay them back. I stayed for 5 years, but they didn't have a union and I realized how low my wages were compared to other hospitals nearby. I left and my pay increased by $20 an hour	- Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Required contract period of labor - Negative effects – Job lock - Negative effects – Low wages	Newport Beach, CA
21	I completed the contract, but we were also working towards getting a union in the hospital during it. My unit manager was more lenient than others, but I feel I could have been fired for advocating for a union during that timeframe.	- Negative effects – Cannot join/be active in union - Negative effects – Fear of retaliation	Asheville, NC
22	I do see nurses from other countries hired for a certain amount of years at our hospital as well as nursing students hired as apprentice ship contracts.	- Unfair/deceptive preorigination – Target vulnerable group - Negative effects – Worry about immigration status	–
23	I don't even know how to access the so-called amount I have left to pay if I would leave.	- Unfair/deceptive origination – Confusing contract terms - Unfair/deceptive origination – Not given a copy of the contract	Kansas City, MO
24	I have known a couple of nurses that started with [my hospital] and attempted to leave and they were told they would a substantial amount of money. And those that did leave anyways were made to pay back whatever amount was told. [The hospital] attempted to block me from transferring to a sister hospital that was closer to my home. After the [Chief Nursing Officers] CNOs talked they allowed the transfer and I completed my contract with [another hospital in the health system].	- Unfair/deceptive origination – Debt not pro-rated - Unfair/deceptive debt dispute - Negative effects – Job lock	Nashville, TN

	Comment	Short Description	City, State
25	I hired an attorney to try and fight this. Left job due to mental health. Had a doctor note, and still was sent to collections for 10k. When I was a staff nurse I was making 24/hr.	- Unfair/deceptive origination – Required contract period of labor - Negative effects – Low wages - Unfair/deceptive debt dispute	Salt Lake City, UT
26	I know many of new grads I worked with legally bound to the hospitals I travel to, to work at least 2 years in residency program, I don't think that's fair, I understand there is high turnover rate because new nurses want their experience and then specialize but hospitals should address why there is high turnover rate instead of trapping new nurses in, it's manipulative and abusive.	- Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive preorigination – Target vulnerable group - Negative effects – Job lock - Negative effects – Unsafe/unfair working conditions	–
27	I know some nurses that started at my hospital [ ] who got sign on bonuses that can't leave till their contract is up because they have the sign on bonus. However, they are having issues getting their sign on bonus and all of us nurses are required to work on severely understaffed conditions where our managers and even the director of women's services go into care and we are going out of [mandatory minimum nurse-to-patient] ratio. It's been a chronic issue at [hospitals in this health system]. It's hard to keep nurses because of the poor working conditions. It's especially unsafe for our new grad nurses who don't have experience to safely provide care to the ratio of patients to nurse.	- Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Other - Negative effects – Understaffing - Negative effects – Unsafe/unfair working conditions - Negative effects – Unsafe patient care conditions	Campbell, CA
28	I left my job because that job was not allowing me to transfer units prior to finishing my new grad contract. It was a 2 year contract and I was 1.5 years in. I left for a position at a competing hospital. I paid out of my new grad contract with my final pay check and through PTO. I would not have left if they allowed me to transfer units. (For example, I was labor and delivery wanting to switch to neonatal ICU)	- Unfair/deceptive origination – Required contract period of labor - Negative effects – Restrained from asking for changes to working conditions - Negative effects – Job lock - Unfair/deceptive servicing/collections	Atlanta, GA
29	I only recently learned that nurse who I worked with for decades had labor contracts through an agent in their home country and that's why they worked back to back 16 hour shifts and missed so much time away from their family and never took sick leave. I never dreamed that they were essentially victims of human trafficking and I think NN[U] should do everything in their power to document and expose this.	- Negative effects – Fear of retaliation - Negative effects – Worry about immigration status - Negative effects – Job lock - Negative effects – Restrained from taking leave, making scheduling request	Philadelphia, PA
30	I requested a copy of my contract numerous times before quitting. HR kept pushing me back to my manager who would push me to my	- Unfair/deceptive origination – not given a copy of the contract	Madison Heights, MI

	Comment	Short Description	City, State
	recruiter. They did not tell me I would have to pay back the partial sign on bonus I got but my coworkers said I would have to. Still waiting to see what I hear.	- Unfair/deceptive debt dispute - Unfair/deceptive origination – confusing contract terms	
31	I thought that contract was so restricting and kept me in a job where I felt miserable and got severe burn out. Not worth it!	- Negative effects – Job lock	Aurora, CO
32	I took a sign on bonus of $20,000 but am expected to pay back in full if leaving before one year and half of leaving after one year. Requirement is to stay with company for 2 years to keep total amount.	- Negative effects – Job lock - Unfair/deceptive debt dispute - Unfair/deceptive origination – Condition of employment	Orange Park, FL
33	I want to leave my job but can't because I can't pay back the contract amount so I Have to by force stay the 2 years I signed for.	- Negative effects – Job lock - Unfair/deceptive origination – Condition of employment	El Paso, TX
34	I was a new grad when I signed a 3 yr contact commitment with a hospital in order to get a job and gain experience.[ ]I completed my contract and I'm with another employer now.	- Unfair/deceptive origination – Condition of employment - Negative effects – Job lock	–
35	I was employed for almost 9 years at [a hospital] as a [certified nursing assistant]. When I graduated I was told I had to join the new grad residency program or they would not employ me. When the environment became dangerous I spoke up and then I was told if I leave before 2 years I have to pay the hospital back $4000. I left before the 2 years. All my pto time and my last paycheck was garnished.	- Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Confusing contract terms - Unfair/deceptive origination – Required contract period of labor - Negative effects – Unsafe/unfair working conditions - Negative effects – Restrained from complaining about unsafe working conditions - Unfair/deceptive servicing/collections	Lagrange, IL
36	I was never obligated to pay because I fulfilled my three year commitment, but knew I would have to pay a portion of the contract was broken.	- Unfair/deceptive origination – Required contract period of labor	Victorville, CA
37	I was pulled off orientation when I went to both [the intermediate care unit] IMC and [intensive care unit] ICU bc my previous units were short, and I didn't get any extra time in orientation. When I moved to ICU I worked on my own quite a bit, with no preceptor (just under the charge nurse) due to short staffing. I worked 4-5 days every single week since	- Unfair/deceptive preorigination – Low-quality training program/cost unjustified - Negative effects – Understaffing - Negative effects – Unsafe/unfair working conditions	Henderson, NV

	Comment	Short Description	City, State
	the unit was short-staffed during Covid. The beginning of 2022 everyone from my unit started leaving, I was sick of being short so I started looking elsewhere. As soon as I turned in my resignation I started being harassed by HR about paying off my contract.	- Negative effects – Unsafe patient care conditions - Unfair/deceptive servicing/collections	
38	I was required to sign a $10,000 promissory note for the nurse residency program	- Unfair/deceptive origination – Condition of employment	Asheville, NC
39	I was required to sign a statement agreeing to pay a severe penalty for not staying 2 years with this employer. It was called [a different name] at the time.	- Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Required contract period of labor	Los Angeles, CA
40	I was told I WASN'T required to be part of a nurse residency program. Then two months after I was hired, I was told I WAS required to participate. The requirements do not feel helpful and feel like busy work. I've heard from other nurses that the fee used to be $10,000, but a recruiter said it is now "only" $4,000	- Unfair/deceptive preorigination – Low-quality training program/cost unjustified - Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Confusing contract terms - Unfair/deceptive origination – Not given a copy of the contract - Unfair/deceptive origination – Other	Asheville, NC
41	I worked with a Filipino nurse who was in some kind of contract to work as a (brutal) wound care nurse for x number of years, she was the only wound care nurse for 120 residents in a Nursing home	- Unfair/deceptive preorigination – Target vulnerable group - Unfair/deceptive origination – Required contract period of labor - Negative effects – Understaffing - Negative effects – Unsafe/unfair working conditions - Negative effects – Unsafe patient care conditions - Negative effects – Job lock	MI
42	If we left before our Contract is completed, we would be blacklisted at any [facility in the health system].	- Unfair/deceptive origination – Required contract period of labor - Negative effects – Job lock - Negative effects – Fear of retaliation	San Jose, CA

	Comment	Short Description	City, State
43	In 2016, I was told if I quit or went PRN [per diem registered nurse] at any point during my three-year new grad RN residency contract, I would owe the hospital for every month of the contract not completed.	- Unfair/deceptive origination – Required contract period of labor - Negative effects – Restrained from taking leave, making scheduling request	Jacksonville, FL
44	It was not presented as debt but as a bonus and education that would have to be returned if not fulfilling my contract. I Made a department change due to contract obligations and unsafe [nurse-to-patient staffing] ratios, speaking up and not being heard, unsafe conditions on the [unit] floor, ie PCU [progressive care unit] and CVICU [cardiovascular intensive care unit] patients on med[ical] surg[ical] floor. My choice was pay back 14000$ or move within the company.	- Unfair/deceptive origination – Confusing contract terms - Unfair/deceptive origination – Required contract period of labor - Negative effects – Job lock - Negative effects – Restrained from complaining about unsafe working conditions - Negative effects – Understaffing - Negative effects – Unsafe/unfair working conditions - Negative effects – Unsafe patient care conditions	FL
45	It went on my credit report and negatively affected my life for many years.	- Unfair/deceptive servicing/collections - Negative effects – Negative credit report	Orlando, FL
46	It's unfair because I can go somewhere else to make more money but I will owe the hospital money due to a 3 year contract I signed.	- Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Condition of employment - Negative effects – Job lock - Negative effects – Low wages	DC
47	[The hospital] as to my knowledge only asked for reimbursement of sign on bonuses if you quit/leave before the agreed timeframe.	- Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Debt not pro-rated	Bethlehem, PA
48	My experience was having to sign a 3 year contract for a $3000 sign on bonus and if I leave before the 3 years I have to pay it back	- Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Condition of employment - Negative effects – Job lock	Kirkland, WA

	Comment	Short Description	City, State
49	My job does not do this. But my old employer started doing it for the new nurses. And my daughter is working there and was forced to sign one to be hired. A nurse resident program. They claim she will owe them $10,000 if she left before 2 years. This training is exactly the same training I got there but mine was in the mid 90's. I think this is terrible!	- Unfair/deceptive preorigination – Low-quality training program/cost unjustified - Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Debt not pro-rated - Negative effects – Job lock	–
50	My previous employer had me sign a two year contract. When I resigned after one year I was expecting to buy out of the reminder, which I would gladly have done. They put the work into training me as a brand new nurse and I signed the contract. However, I think due to the poor working conditions and high turnover on my unit, and the lack of the hospital to help facilitate my move to another unit even when they knew I was unhappy (even though my contract states I could move units after 6 months) they really couldn't justify doing so. I loved my demographic, and my unit leader but administration has their minds in the wrong place.	- Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Condition of employment - Negative effects – Restrained from taking leave, making scheduling request - Negative effects – Restrained from asking for changes to working conditions - Negative effects – Unsafe/unfair working conditions	Las Vegas, NV
51	My situation was in 2006. The contract required a pro-rated payback of the cost of the new grad training program if I quit within 2 years. I believe the cost of training was stated as $60K? At the time, RNs had to purchase scrubs/stethoscope of their own choosing (no official uniform, color, etc.) so there was no other work related expense/debt that the hospital incurred. I left almost 3 years later and had fulfilled my contract obligation so I didn't owe anything.	- Unfair/deceptive preorigination – Low-quality training program/cost unjustified - Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Condition of employment	Los Angeles, CA
52	New grads at our hospital have been asked to sign promissory contracts that bind them to the given institution for a certain length of time. Like three years.	- Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Condition of employment - Negative effects – Job lock	–
53	New nurses need better training. I was required to work for them for 2 yrs or pay them 5k. And I left after 3yrs due to lack of good training. Would have left sooner but waited because of covid and my own health . Now sadly working outside of patient care.	- Unfair/deceptive preorigination – Low-quality training program/cost unjustified - Unfair/deceptive origination – Required contract period of labor	Punta Gorda, FL

	Comment	Short Description	City, State
		- Unfair/deceptive origination – Condition of employment - Negative effects – Job lock	
54	Sign on bonus that will be required to be paid back if I do not stay for 1 year.	- Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Debt not pro-rated - Negative effects – Job lock	–
55	Some hospitals don't make you pay your contract but blacklist you from working at their facility again	- Negative effects – Fear of retaliation	–
56	The [ ] contract for the bonus required reimbursement of interest. They didn't come after me for this. The contract did note collections agencies if not repaid in 60 days. I didn't spend the $ in case I didn't stay. But I'm 60. The young RNs used the $ to get a car or to get into housing. They felt compelled to stay.	- Unfair/deceptive origination – Confusing contract terms - Negative effects – Job lock	Milwaukee, WI
57	The bonus contract impacts nurses when it binds then to a unit they might not be able to stay longer due to the emotional stress..	- Unfair/deceptive origination – Required contract period of labor - Negative effects – Unsafe/unfair working conditions - Negative effects – Restrained from asking for changes to working conditions	Chicago, IL
58	The cohort that was hired before mine had to sign an agreement to stay for 2 years upon hire. They were offered a sign on bonus that they would have to pay back if they left before that time.	- Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Debt not pro-rated	–
59	The old hospital had an employment contract I signed as a new grad, that stated if I left or was fired before the end of the 2 year term I would pay them a fee. I can't recall the exact amount. But I was with that hospital for ten years, so it was never an issue	- Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Debt not pro-rated	Glendale, CA
60	The only way a hospital would hire a new grad RN was if we signed 2yr contracts with low base pay of $20/hr back in 2012. After 3 months probation of new nurse orientation, we finally had a raise to $23/hr. If we were to leave earlier, we had to pay a certain amount back. Same goes for	- Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Required contract period of labor	Miami Beach, FL

	Comment	Short Description	City, State
	sign on bonuses for experienced RNs, work 2 - 5yrs, if not, pay certain amount back.	- Negative effects – Low wages - Negative effects – Job lock	
61	There were lots of residencies and positions I passed up because they required an agreement that if I left before x amount of time, I would have to pay the hospital back.	- Unfair/deceptive preorigination – Monopsony/market dominance - Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Required contract period of labor - Negative effects – Job lock	Los Angeles, CA
62	These companies that make you repay your debt for training make life miserable as they don't inform you of the harsh working conditions and terrible staffing they already have Due to poor management	- Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Required contract period of labor - Negative effects – Understaffing - Negative effects – Unsafe/unfair working conditions - Negative effects – Unsafe patient care conditions	Stockton, CA
63	They have gone after multiple nurses for ending their contracts early. As an [emergency room] ER RN that went through critical care residency, I was required to sign a NON-PRORATED contract that stated I would owe them $20,000 if quit or was fired at any time before the 3 years. They have since made it pro-Rated. I quit a few weeks after my 3 years was up. Oh. And the 3 years doesn't start until your 5 month training ends. So it's more like 3.5 years.	- Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Confusing contract terms - Unfair/deceptive origination – Debt not pro-rated - Negative effects – Job lock - Unfair/deceptive servicing/collections	Dallas, TX
64	They use new nurses for cheaper staff and cut the nurses with experience to save money and than patients die.	- Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Required contract period of labor - Negative effects – Low wages - Negative effects – Unsafe patient care conditions	Boynton Beach, FL

	Comment	Short Description	City, State
65	They use this tactic with all their new nurses and they have very unsafe staffing ratios. They threaten u if you call in sick due to Covid exposure or call in for any sickness. They burn out all of their nurses.	- Negative effects – Unsafe/unfair working conditions - Negative effects – Unsafe patient care conditions - Negative effects – Fear of retaliation	San Antonio, TX
66	This contract to pay back 20,000 if we leave before two years in order to pay for our 12 week training was never mentioned during interviews or in the job offer. It was only mentioned in one of the many many pages I signed when I was about to start the job, by then I had turned other offers down and already accepted the job so I felt I had to accept and sign.	- Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Confusing contract terms - Unfair/deceptive origination – Not given a copy of the contract	Reno, NV
67	This hospital seems to be staffed with mostly new RNs hired through the [hospital's] residency program. Immediately off of orientation, we are given unsafe patient assignments with seemingly no regard for level of patient acuity or RN experience. Patients are not safe. Nurses are suffering and unable to do our jobs well. I will never work for [the health system] again, once I can finally leave and protect myself and my license.	- Negative effects – Unsafe/unfair working conditions - Negative effects – Unsafe patient care conditions - Negative effects – Job lock - Negative effects – Restrained from complaining about unsafe working conditions - Negative effects – Restrained from advocating for safe patient care	St. Petersburg, FL
68	This is happening everywhere- large sign on bonuses offered, small print is if you don't stay a year-you must pay it back.	- Unfair/deceptive preorigination – Monopsony/market dominance - Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Confusing contract terms - Unfair/deceptive origination – Debt not pro-rated	Fox Lake, IL
69	This is a very stressful situation when wanting to look else where for work.	- Negative effects – Job lock	Corpus Christi, TX
70	This predatory practice is becoming all too common and is using a program (new grad residency) as a guide to entrap new nurses to work in	- Unfair/deceptive preorigination – Monopsony/market dominance - Negative effects – Unsafe patient care conditions	–

	Comment	Short Description	City, State
	unsafe conditions or risk financial ruin. It's grotesque and should be illegal.		
71	This was 9yrs ago. They didn't provided all the said training. Work environment was hostile.	- Unfair/deceptive preorigination – Low-quality training program/cost unjustified - Negative effects – Unsafe/unfair working conditions	Harrisburg, PA
72	This was at [a hospital], who made union busting moves and actively discourages unions as a part of orientation. I fulfilled my obligation, so I was not charged	- Negative effects – Cannot join/be active in union - Negative effects – Job lock	Los Angeles, CA
73	[The hospital] opened a new grad RN circulator position and if you got hired we had to pay $8000, $4000 up front at signing where we agreed to stay employed with the company for 3 years, and they took $4000 out of our paycheck the entire training which was a 1 year program. We noticed later on, they started lowering it and eventually stopped asking new grads to pay. So we complained to our union & the ones who remained, we got our money back. The ones who left before the 3 years, forfeited their money. I'm not sure if they were asked to pay additional, but I do know they lost all the money.	- Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive servicing/collections - Unfair/deceptive debt dispute	Las Vegas, NV
74	[The hospital] in Washington DC had a New Grad program and if they did not stay for a certain period of time the nurses had to repay thousands	- Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Required contract period of labor	District of Columbia
75	We had to pay $750 for a "training program" for 3 months, essentially a new grad job. We had to do the program to get an offer letter at [the hospital]. You had to have your RN license, I already had my [masters of science in nursing] MSN. Employment was not guaranteed and they loved to tell us that. I was working 40 hrs night shift as a L&D nurse unpaid.	- Unfair/deceptive preorigination – Low-quality training program/cost unjustified - Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Required contract period of labor - Negative effects – Low wages	San Francisco, CA
76	We were required to work overtime with unsafe staffing ratios.	- Negative effects – Unsafe/unfair working conditions - Negative effects – Unsafe patient care conditions	Las Vegas, NV
77	When I was hired into a nurse residency program I received a sign on bonus for agreeing to work for that company for two years, before that time period expired I decided to go part time for personal health reasons	- Unfair/deceptive origination – Required contract period of labor - Negative effects – Job lock	–

	Comment	Short Description	City, State
	and a prorated portion of my sign on bonus was deducted from my next paycheck.	- Unfair/deceptive servicing/collections	
78	Yes the work load was very heavy we was told we had to take care 23 patients a day I asked why so many in a hospital setting and I was told that's how this job go and to do my job or find something else.	- Negative effects – Understaffing - Negative effects – Unsafe/unfair working conditions - Negative effects – Unsafe patient care conditions	Evergreen Park, IL
79	You had to also have your spouse sign your condition of employment if you were married to allow them to hold both parties legally responsible to pay back money for training or hiring bonus if you quit in under 2 years	- Unfair/deceptive origination – Condition of employment - Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Other	PA
80	I work with nurses who were originally hired through a partnership with a California state university and paid (“for credits” which they didn’t need) to work at my hospital post graduation- they all were hired - I also just prevented a new nurse who trained for 2 months with me while a donor paid her university for the “credits “ so she could work and possibly get a job- she is waiting to see if she will be hired	- Unfair/deceptive origination – Required contract period of labor - Unfair/deceptive origination – Condition of employment	Apple Valley, CA

Appendix D:
NNU Employer Driven Debt Survey, Negative Effects of Employer-Driven Debt

Open-Ended Responses to "What have the effects of this debt been on your employment experience, professional mobility, workplace health and safety, and compensation?"[70]

	Comment	Short Description
1	Again this was many years ago. I was treated unfairly, bullied on a regular basis, and almost quit nursing to get out of my contract as I felt I was "stuck" for two years.	Negative effects – Unsafe/unfair working conditions
2	Anxiety	Negative effects – Unsafe/unfair working conditions
3	Can't get hired, no one will tell me why.	Negative effects – Retaliation/Fear of retaliation
4	Co-workers who signed feel very stuck in their positions!	Negative effects – Job lock
5	Contract invalid in court.	Unfair/deceptive servicing/collections
6	Had to hold on to extra money in a bank account just in case I ever needed to leave before 2 years...and I had to leave.	Negative effects – Financial anxiety
7	hospital decided following training, i wasnt ready for position they hired me for and put me in lower wage position on different unit, which i had to accept or owe the penalty. financially this has been difficult. Nothing i signed before i indicated the job suggested this was even a possibility.	Unfair/deceptive origination – Confusing contract terms Unfair/deceptive servicing/collections
8	I didn't look for promotions.	Negative effects – Job lock
9	I felt intimidated while on the job but was scared to quit	Negative effects – Retaliation/Fear of retaliation Negative effects – Job lock
10	I felt like I couldn't bring up concerns on the unit. Staffing. Equipment	Negative effects – Restrained from asking for changes to working conditions Negative effects – Unsafe/unfair working conditions

[70] Comments are included here as written by respondents with minor edits and additions noted in brackets for clarity.

		Negative effects – Unsafe patient care conditions
11	I felt pressured to remain working in a job I felt that patient safety was a concern and ca[s]e load was unrealistic and not enough ancillary support to adequately take care of patients assigned	Negative effects – Job lock Negative effects – Restrained from advocating for safe patient care Negative effects – Restrained from asking for changes to working conditions Negative effects – Unsafe/unfair working conditions Negative effects – Unsafe patient care conditions
12	I felt restrained from leaving my job if i wished [t]o without financial ruin	Negative effects – Financial anxiety Negative effects – Job lock
13	I felt trapped at a job I felt unsafe at	Negative effects – Job lock Negative effects – Unsafe/unfair working conditions
14	I lost the ability to do what I loved	Negative effects – Unsafe/unfair working conditions
15	I paid off 2/3 of the debt but then stopped for personal financial reasons. The healthcare system never went after me but I knew I could never return to work there again, one of the largest healthcare systems in my region. This limited my employment options later on.	Unfair/deceptive preorigination – Monopsony/market dominance Negative effects – Retaliation/Fear of retaliation Negative effects – Job lock
16	I was afraid that I would get fired and owe them money	Negative effects – Financial anxiety Negative effects – Retaliation/Fear of retaliation Negative effects – Job lock
17	I was forbidden from changing work hours/FTE	Negative effects – Restrained from taking leave, making scheduling request Negative effects – Restrained from asking for changes to working conditions
18	I was unable to relocate my family when my spouse had to move for work and my children had to be separated from my spouse and spend long hours in daycare. I also had to work on the worst units of the hospital and constantly float.	Negative effects – Job lock Negative effects – Unsafe/unfair working conditions
19	I was unemployed and sent to collections for that bonus. It ruined what credit I had	Unfair/deceptive servicing/collections Negative effects – Financial anxiety

20	If I needed to leave my previous employer, I was concerned that it may affect my financial record	Negative effects – Job lock Negative effects – Financial anxiety
21	it encouraged me to go to grad school so I could leave. In the process of finishing that now.	Negative effects – Job lock
22	It was not really a bonus if I needed to stay in poor safety conditions and ultimately got assaulted in less than a month of training and orientation while on night orientation. 5k not worth it so I didn't sign	Negative effects – Job lock Negative effects – Unsafe/unfair working conditions
23	Learned after I quit to pay it back	Unfair/deceptive origination – Confusing contract terms
24	No debt but I was very scared to leave until someone told me I could and the contract was illegal	Negative effects – Job lock Unfair/deceptive origination – Confusing contract terms
25	The repayment was a hardship	Negative effects – Financial anxiety