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U.S.-Based Recruitment of Foreign-Educated Nurses: Implications of an Emerging Industry

FINDINGS FROM THIS QUALITATIVE STUDY SUGGEST A NEED FOR ACCOUNTABILITY.

ABSTRACT

Objectives: Despite an increase in the number of foreign-educated nurses (FENs) working in U.S. hospitals and nursing homes, very little is known about the industry that brought them here. Our objectives were to learn more about the size and scope of the international nurse recruitment industry, its business models, and the range of countries where companies actively recruit. Based on reports from focus groups of FENs in New York City, we also sought to identify some of the problems that have occurred in the areas of contracting and clinical orientation.

Methods: We used a combination of qualitative methods and secondary data sources, which included U.S.-based international nurse recruitment company Web sites, interviews with 20 executives from international nurse recruitment companies, two focus groups with FENs in New York City, and letters sent to the Philippine Nurses Association of America by FENs seeking legal advice.

Results: Through a July 2007 Internet search, we found that at least 273 U.S. companies were actively recruiting FENs. While most such companies focused on the Philippines and India, about 20 companies were active in Africa. (A second search revealed that, as of January, at least 211 U.S. companies were actively recruiting FENs abroad.) Within the industry there is growing use of the staffing-agency model, which typically requires nurses to sign 18-to-36-month contracts and imposes high breach-of-contract fees. The focus group discussions with FENs in New York City revealed inadequate orientation programs and several types of labor abuses.

Conclusions: Concerns about recruitment practices, which were expressed by many industry executives and FENs, reveal the need for accountability within the industry.

Keywords: Foreign-educated nurses, recruitment, migration, labor rights, voluntary code of conduct

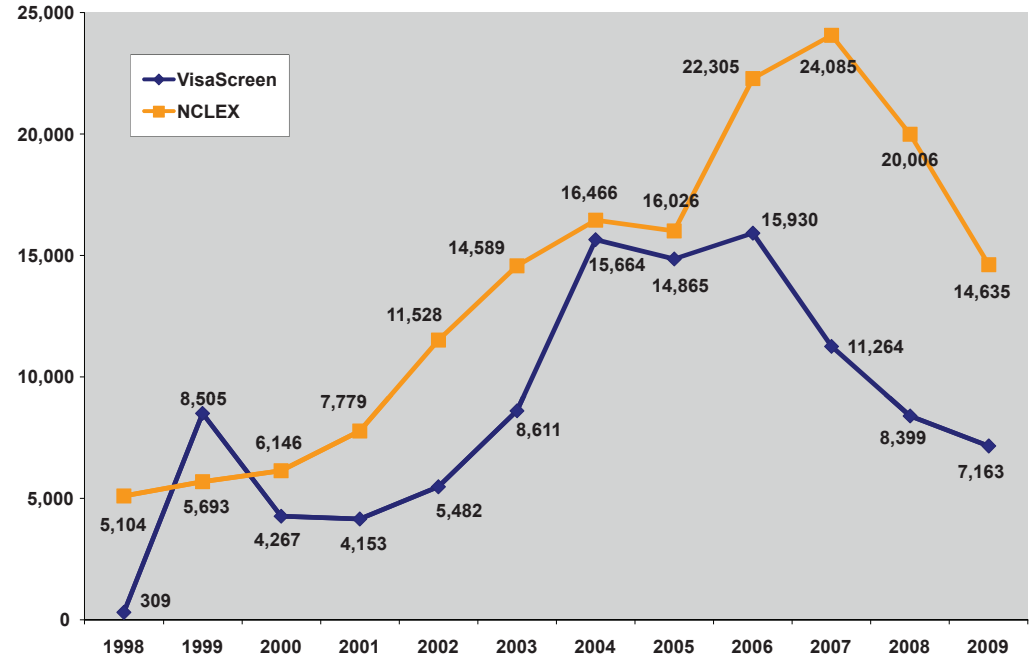
The increase in the number of foreign-educated nurses (FENs) employed by U.S. health care organizations has been well documented in the literature. Buerhaus and colleagues have estimated that of the 476,000 full-time RNs added to the U.S. workforce from 2001 through 2008, fully one-third are foreign-born.[1] How these nurses arrived in the United States and the conditions under which they're employed, however, are less well understood. We posit that the process of international recruitment of nurses has important implications on at least three policy fronts: the labor situation of the FENs; the cultural competency of the care they provide; and the impact of different international recruitment strategies on poorer source countries, where severe nursing shortages already exist.

The primary objective of our study was to explore the size, structure, and business practices of international nurse recruitment companies. In particular, we were interested in learning about the industry's business models, the kinds of companies engaged in recruitment, and the ways they viewed the effects of their business on the source countries. As the investigation unfolded, many of the recruiters we interviewed expressed concerns about their competitors, whom they thought might be taking advantage of FENs. As a result, we expanded the study to include a preliminary characterization of the types of problems reported by FENs.

BACKGROUND

As in other developed countries, the nursing shortage in the United States has led to an increasing reliance

FIGURE 1. The Number of VisaScreen Certificates Issued and Foreign-Educated Nurses (RNs and LPNs) Who Passed the NCLEX, 1998-2009



on FENs. Several experts have reported that health care organizations view international recruitment not only as a partial, short-term solution to filling vacancies, but also as a means of keeping hiring and retention costs down over the long run.[2-4] One study estimated that a health care organization could save $40,000 to $50,000 in two years by hiring a FEN instead of a per-diem nurse.[5]

The precise number of FENs who are recruited for positions in the United States each year is unknown. We sought an estimate of how many FENs are entering the United States each year. Although the U.S. Department of Homeland Security tracks the number of employment-based visas issued annually, these data are not broken down by profession. We chose to use numbers from two other sources to serve as proxies for the number of FENs who enter each year: the number of VisaScreen certificates issued to nurses by the Commission on Graduates of Foreign Nursing Schools (CGFNS), since such certification is required for nurses (and other health care professionals) to obtain an employment-based visa to the United States[6]; and the number of FENs passing the National Council of State Boards of Nursing (NCSBN)-issued National Council Licensure Examination (NCLEX), since passing this test is required to practice nursing in the United States.[7] The number of FENs with VisaScreen certificates is likely a slight undercount, as it doesn't include FENs who enter with a student, spouse/dependent, or lottery visa. The number of FENs who pass the NCLEX—which is currently administered in 13 countries—might yield a slight overcount, since not all FENs who take the test come to the United States. That said, an examination of both VisaScreen and NCLEX data, which we obtained from CGFNS and NCSBN databases, shows that from 1998 through 2006, there was an upward trend in the number of FENs coming to the United States. The number of VisaScreen certificates issued began to decline in 2007; the number of nurses passing the NCLEX began to decline in 2008 and continued to do so in 2009, the last year for which data are available (see Figure 1). (NCLEX data also include the proportion of newly licensed nurses in the United States who are foreign educated. The data revealed an upward trend from 1998 to 2007, with this proportion of nurses rising from 4% to about 13%, respectively; it decreased to 11% in 2008 and to 7% in 2009.)

The recent decline in the number of FENs entering the United States is probably the result of two factors. First, delays in visa processing occur when more applications have been accepted than there are visas available (this is known as *retrogression*); and second, the nursing shortage in this country has temporarily eased as nurses have sought more work hours. But despite cutbacks at some hospitals, in 2009 the

American Hospital Association reported that, nationwide, hospital jobs were still growing[8]; and experts agree that the recent alleviation of the nursing shortage is temporary.[1] Several earlier legislative attempts to increase the number of visas issued have failed, largely because of calls for broader legislation that would address other immigration issues. Last December, a bill (H.R. 4321) aimed at providing comprehensive immigration reform was finally introduced in the House of Representatives, with the support of 94 cosponsors. The bill calls for the lifting of visa quotas for foreign nationals seeking to work in "shortage occupations," which includes nursing.[9] Should retrogression be eased through passage of this reform bill (or another mechanism), the number of FENs recruited to work in the United States will likely rise.

We also wondered how many of the FENs coming to the United States have been actively recruited. Active recruitment, such as through job fairs and advertisements, probably increases such numbers by promising to facilitate the complex and costly immigration, certification, and licensure processes, as well as the identification of a sponsor and employment. A 2003 NCSBN survey found that, among FENs, about 35% of RNs and 17% of LPNs and vocational nurses had used a recruiter.[10] Barbara L. Nichols, the chief executive officer (CEO) of CGFNS International, told us in November 2008 that she estimated that, as the number of companies active in this area has grown, the proportion of FENs using recruiters has also risen, to a little more than half of the nurses that the CGFNS certifies.

Information on where foreign-educated RNs work is available through the National Sample Survey of Registered Nurses (NSSRN) as well as NCSBN data. The 2004 NSSRN survey found that 65% of foreign-educated RNs work in hospitals, with the rest mainly employed in nursing homes or other long-term or community care settings.[11] This survey also found that more than two-thirds of foreign-educated RNs live in six states: California, Florida, Illinois, New Jersey, New York, and Texas. The 2003 NCSBN survey included data not only for foreign-educated RNs, but also for foreign-educated LPNs and vocational nurses.[10] It found that 72% of foreign-educated RNs work in hospitals, with the rest mainly employed in nursing homes or other long-term or community care settings. In contrast, only 26% of foreign-educated LPNs and vocational nurses work in hospitals, with the rest mainly employed in nursing homes or other long-term or community care settings.

METHODS

In exploring the structure and practices of international recruitment companies that arrange for the testing, hiring, and migration of a large proportion of FENs in the United States, we used a combination of qualitative methods and secondary data sources. Data sources were as follows:

- U.S.-based international nurse recruitment company Web sites. To find them, we searched the Internet using the terms "international recruiters," "international nurse recruiters," "international recruitment," "international nurse recruitment," "international recruitment agencies," "international nurse recruitment agencies," "recruitment agencies," "nurse recruitment," "nurse staffing," "nurse immigration," and "international staffing agencies." We developed an extensive database that includes, in some instances, information on where companies are actively recruiting.
- interviews with 20 executives from international nurse recruitment companies. We constructed a purposeful sample of recruiters to capture a range of experiences and perspectives. To achieve a balanced sample, we included both staffing and placement agencies and both small and large firms. Preliminary contacts were provided by the project's advisory committee, in particular an immigration law firm representing some of these companies and the CGFNS. Subsequent contacts were made directly through the growing database. Most of the executives we interviewed were owners or CEOs (or both) of their companies; all interviews took place during July 2007. For a summary of the key features of the 11 placement agencies and nine staffing agencies that we studied, see Table 1 online: http://links.lww.com/AJN/A7. We asked the executives about the history of the industry and of their agencies, their business models, and where they recruited, as well as what problems they'd noticed in relation to recruitment practices and which practices they believed should change.

The proportion of FENs using recruiters has risen to a little more than half of the nurses that the CGFNS certifies.

- two focus groups with FENs in New York City conducted in partnership with the CGFNS. We used CGFNS records to randomly select nurses who had immigrated to the United States during or after 2004. We had planned to conduct four additional focus groups in two more cities with large FEN populations, but cancelled this effort because of low response rates. The two New York City focus groups, which were held in February 2007, included 22 FENs: 10 from the Philippines, six from India, two from Nigeria, and one each from Montserrat, South Korea, Israel, and the United Kingdom (UK). The participants were all RNs between 23 and 50 years of age; two-thirds were female. We asked them to describe their personal recruitment stories and to tell us what they believe are the positive and negative aspects of different recruitment companies and business models.
- letters sent to the Philippine Nurses Association of America by FENs seeking legal advice, and made available to us by the association's president at the time, Rosario May Mayor.

STUDY FINDINGS

Number and characteristics of companies. Since the current U.S. nursing shortage began in the late 1990s, the number of recruitment companies specializing in bringing FENs to this country appears to have grown nearly tenfold. According to industry leaders we interviewed, the industry began to expand around the year 2000, after several decades of being what one CEO described as "a cozy niche" of about 30 to 40 companies. Our Internet search, conducted in July 2007, indicated that there were at least 273 active U.S.-based firms specializing in FEN recruitment. (To assess the impact of retrogression and the current economic recession on the industry, this past January we conducted a second review of Internet advertising. We found that 87 of the original 273 firms were no longer active and that 27 new companies had emerged in the interim, for a total of 211 active companies. However, we didn't have time to redo our analysis before this article went to press.)

It's important to note that these figures do not include a large number of health care organizations that recruit FENs directly, without intermediaries. Determining how many such organizations practice direct recruitment is difficult because they don't publicly advertise their activity. The only estimate available comes from an American Hospital Association survey of hospital leaders, which found that, during 2006, 17% of respondents reported recruiting FENs from abroad.[12]

Plans to expand recruitment generally focus on moving to new source countries.

Interviews revealed that recruitment companies range in size from small mom-and-pop businesses that bring in just a few FENs each year to large publicly traded firms that recruit as many as 800 FENs annually. For the 20 firms we studied in depth, the median number of FENs recruited annually was 100.

All of the 20 recruitment agency executives whom we interviewed indicated that they hoped to expand their business in the next several years. For example, one large firm reported that it now brought 500 FENs to the United States annually and expected this number to rise to 1,200. While retrogression and the economic recession have probably lowered both the level of each agency's activity and the number of agencies doing business, the recruiters we interviewed in January said they anticipated a return to 2007 activity levels by 2011 at the latest.

Plans to expand recruitment generally focused on moving into new source countries. Recruiters said they were exploring new business opportunities in the UK, Israel, India, China, Poland, Russia, Ukraine, Norway, Sweden, Colombia, Brazil, Argentina, the Czech Republic, and South Korea. This is in keeping with the historic growth in the number of source countries suggested by NCLEX test data. In 1983, nurses from 57 countries were listed as first-time test passers[13]; by 2006, nurses from 121 countries were so listed.[14]

The size of the international nurse recruitment industry is also reflected in its participation in the broader health care staffing industry. In 2004, five of the 15 largest health care staffing companies so identified by *Modern Healthcare* magazine had an international component.[15] Using MarketWatch (www.marketwatch.com), we determined that, as of mid-2007, four of these five companies were publicly traded.

The ways in which recruiting companies are created vary. Among the recruiters we interviewed, there were at least four types of founders. A first group consisted of foreign-born Americans, in particular

people from the Philippines, Ireland, India, and China. A second group consisted of U.S. nurse executives who had previously worked in domestic recruiting and saw international recruiting as a growth opportunity. A third group had previously worked in international recruiting ventures that focused on other highly skilled professionals, such as information technology engineers and airplane pilots, and shifted to international nurse recruiting following the late-1990s collapse of the "dot-com" bubble. A fourth group emerged when several large domestic staffing agencies expanded their businesses to include international recruitment. Interestingly, these larger companies treat international recruitment as a separate subsidiary, using a different business model.

and FENs manage the two groups separately; U.S. (and Canadian) nurses are not bound by contract.

There are also important differences in how recruiters operate, including whether they contract with FENs directly or act as intermediaries between FENs and health care organizations; and, if the latter, what type of intermediary they are. There are three primary categories of recruiters: health care organizations that recruit FENs directly; third-party placement agencies; and staffing agencies that employ and then lease FENs to health care organizations for extended periods.

In the *direct model*, health care organizations use their own resources to carry out most recruitment and immigration functions, hiring the FENs themselves. In the Philippines even direct recruiters are required

FENs are usually bound by contract to work for the same employer for between 18 months and three years.

Business models. Although business models vary, there were general similarities across the 20 companies we examined. Recruiters reported that they generally cover a set of up-front costs for FENs, including costs associated with testing (CGFNS VisaScreen, NCLEX, and English examinations), visa and immigration processing, credentialing, and travel to the United States. Some recruiters also offer benefits such as training and orientation. They must also ensure that FENs' wages meet U.S. Department of Labor prevailing wage requirements by region.

While most recruiters don't charge nurses for such services, through the focus groups we held with FENs we learned that some companies—probably a small proportion—collect fees from nurses in addition to the fees they charge employers. It's worth noting that this practice has been disputed in U.S. courts as it relates to farmworkers[16]; in the UK it's prohibited under the Code of Practice for the International Recruitment of Healthcare Professionals.[17]

FENs are usually bound by contract to work for the same employer for between 18 months and three years (although recruiters reported that they didn't require Canadian candidates to sign contracts). Such contracts usually stipulate that, in the event of breach of contract, the FEN must repay a fee equal to all expenses incurred by the recruiter and an additional amount often described as a buy-out, breach, or penalty fee. Recruiters reported penalty fees of between $15,000 and $20,000; FENs reported penalty fees of between $8,000 and $50,000. It's worth noting that even staffing companies that employ both U.S. nurses

to engage a local agent registered with the Filipino Overseas Employment Administration. This practice has become common in other source countries as well, especially if the cultural and language challenges for those seeking U.S. jobs are great. We found that a few hospitals and health care systems intentionally recruit more FENs than they need, serving as a placement or staffing agency for other facilities. Large teaching hospitals with international name recognition and multifacility health care systems or companies may find it more efficient to recruit directly. For health care organizations that recruit directly, recruitment costs range from $5,000 to $12,000 per nurse.

In the *placement model*, the health care organization contracts with one or more vendors to perform most of the recruitment and immigration functions. These vendors serve as placement agencies and facilitate the process of placing FENs with employers. The agencies usually sign short-term contracts with the FENs they recruit; once a FEN has been placed, she or he is then under contract to the employing organization.

Placement agencies typically charge health care organizations a flat negotiated fee of between $15,000 and $20,000 per FEN recruited. This includes direct costs (usually between $5,000 and $10,000 per nurse) and agency fees, which range from approximately $5,000 to $15,000 per nurse. Although the placement model is generally considered to be less lucrative than the staffing model, most employers and FENs prefer it. According to the recruiters we interviewed, chief nurse officers prefer the placement model because

they can invest in training and integration from the outset. The FENs in our focus groups reported that they favor it because they're more likely to be paid and treated the same as U.S.-educated staff.

In the *staffing model* (sometimes called a "lease" model), the staffing agency performs most of the recruitment and immigration functions on its own behalf, although in some cases it may contract with one or more vendors to perform specific services; and, as noted earlier, in the Philippines all recruiters must engage a local registered agent. FENs work at health care organizations as employees of the staffing agency. Staffing agencies' contracts with FENs tend to run from 18 to 36 months, but often include a provision under which a health care organization can buy out the FEN's contract for a price that varies according to the time remaining on the contract. Most of the large and publicly traded recruitment companies are staffing agencies.

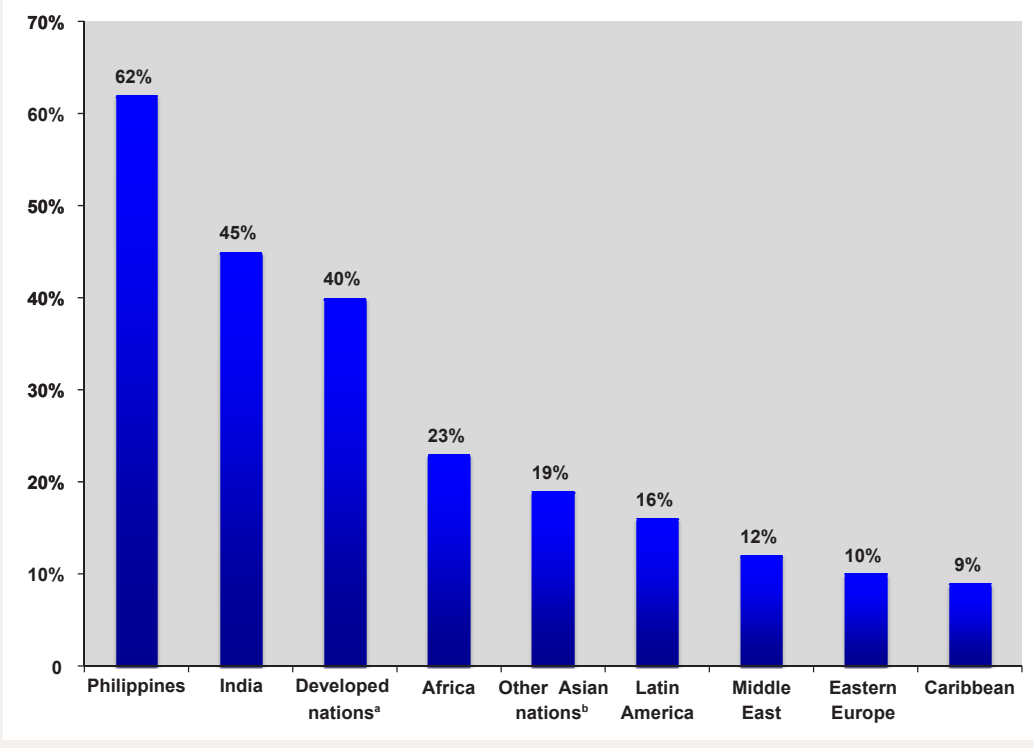
One recruiter we interviewed estimated that the staffing model is up to four times more lucrative than the placement model. Per FEN, staffing agencies charge health care organizations about twice a nurse's average salary. The agencies charge on an hourly basis at rates of about $60 to $80 per hour; of this, the FEN receives about $25 to $35 per hour. In some cases, the staffing agency might charge the health care organization an additional management fee; but in general the organizations incur no up-front costs. At one staffing agency, potential annual profits were estimated at approximately $50,000 to $55,000 per FEN.

According to recruiters, although employers generally prefer the placement model, under certain circumstances they find the staffing model more attractive. When employers need more than a few nurses at a time, the up-front costs of recruiter fees can be an impediment to using placement agencies. Staffing firms allow employers to delay financial outlays and spread out recruitment expenses over time.

Of the 273 active recruitment firms we found on the Internet, more than half use the placement model. On the other hand, several of the recruiters we interviewed in January estimated that about two-thirds of recruitment firms now operate under the staffing model.

Given the profitability of the staffing model, many placement companies are working toward becoming staffing companies. This requires significant capital, however, since for every nurse an agency sponsors, it must provide evidence to U.S. Citizenship and Immigration Services of at least one year's salary

FIGURE 2. Percentage of U.S.-Based Recruiters Active by Country, Region, or Group



[a] Including Australia, Canada, the United Kingdom, and others.
[b] Including Malaysia, South Korea, and others.

Number of U.S. Recruitment Companies Active in Countries with Critical Shortages of Health Workers

Country	Number of Active Companies
Cameroon	2
Ethiopia	1
Ghana	5
Haiti	1
India	68
Kenya	3
Nigeria	8
Pakistan	2
Peru	1
Sierra Leone	1
Zimbabwe	2

in company assets. Many of the recruiters we interviewed reported that this situation has led to a trend toward consolidation within the industry, with mergers and buyouts on the rise. Moreover, several large domestic staffing agencies have bought smaller international staffing firms.

Despite the profitability of the staffing model, executives at two placement agencies indicated that they had no plans to change their agency's model. They believe that the staffing model delays the integration of FENs into the domestic workforce, and this in turn can leave FENs in disadvantageous working conditions. One CEO went so far as to characterize the international staffing model as unethical.

Source countries. Of the 273 active recruitment firms we found on the Internet, 147 firms specified the countries in which they actively recruit, either directly or by listing the locations of their offices or those of partner companies, or the locations of job fairs. From this information, we identified a total of 74 countries. Figure 2 shows the percentage of firms that report being active recruiters by country, region, or group. Further analysis suggests that most recruitment companies target either developed countries or those that support the emigration of nurses, such as the Philippines, India, and China.

Seventy-four companies revealed that they actively recruit in 11 of the 57 countries the World Health Organization (WHO) has identified as experiencing critical shortages of health workers.[18] For the number of companies active in each of these countries, see *Number of U.S. Recruitment Companies Active in Countries with Critical Shortages of Health Workers*.

Recruiters' perceptions of the impact of international nurse recruitment. The recruitment executives we interviewed were acutely aware of all the bad publicity their industry has received, starting with Nelson Mandela's 1997 call for the UK to "stop poaching" South Africa's physicians and nurses. At that time, the National Health Service was actively recruiting health care professionals from other countries; Mandela's protest led to a shift in UK policy and to the development of its Code of Practice for the International Recruitment of Healthcare Professionals. The code goes so far as to ban recruitment from less developed countries, unless the two countries involved have reached an explicit agreement supporting recruitment.[17]

Most of the recruiters disagreed with the UK ban, although they agreed that active recruitment in poorer nations with severe health workforce shortages was not a good idea. Just two CEOs said that in deciding where to recruit, they didn't consider a country's level of development or whether it had a shortage of health workers. Yet all of the recruiters expressed the view that active recruitment provides people from poorer nations with opportunities to better their lives.

Several recruiters also suggested that nurses are a limited resource, one that needs to be protected. As one CEO put it, "We have learned from the fishing industry that it is important to think about sustainability of our supply. We need to look at whether new nurses are being trained in these countries." Perhaps as a result of this view, several recruiters reported providing home-country scholarships for nurses they plan to recruit, and some said they'd organized continuing education seminars that were open to all nurses in the source country. In this way, they said, they were finding ways to help sustain the sources of international nurses, and even to "give back" to the less developed source countries where their firms were active.

Recruiters' reports of abuse. Several of the recruitment executives we interviewed reported what they described as misleading and dishonest practices among a small subset of "unscrupulous" recruiters. They also expressed interest in helping to document these practices so that measures could be taken to prevent them. They pointed to the need for FENs to have more and better information about their labor rights under U.S. law, as well as information about the recruitment and employment markets, so that they could make better choices.

On the other hand, several recruiters stated emphatically that most FENs are not victims of abuse and that, in some instances, they may simply have unreasonable expectations of the work environment in the United States. Several recruiters also indicated that they'd encountered FENs whom they felt had been abusive. In a few instances, a FEN had reportedly entered into a contract with a recruiter only to gain entry to the United States and, once here, had broken the contract and sought employment elsewhere.

FENs' perceptions of international recruitment. In focus groups with FENs in New York City, the

dominant theme was their enthusiasm and excitement about having made it to the United States, often after years of filing applications and other paperwork. They tended to view recruiters and employers as allies. Organizations that were perceived as having the power to potentially obstruct immigration—such as those involved in certification and licensure—were viewed more negatively.

may have required collateral in the form of family land deeds or postdated checks. Most nurses don't have the funds to cover such a check, and when it bounces, the recruiter can press charges against the nurse for fraud.

Regarding breach-of-contract fees, the FENs didn't object to the concept, but complained that these fees were often far greater than the actual costs

Problems frequently started in the FENs' home countries, where the nurses often appeared to have little information about the recruitment and immigration processes and their rights under U.S. law.

FENs' reports of abuse. About half the nurses in the focus groups complained about problems that occurred during the recruitment process, many of which caused them to feel that their rights as workers weren't adequately respected. Because our study was qualitative, we can't quantify the frequency of such problems; but we can identify a set of issues that FENs experienced and mentioned with regard to several different recruiters.

Problems frequently started in the FENs' home countries, where the nurses often appeared to have little information about the recruitment and immigration processes and their rights under U.S. law. In some instances, nurses signed up for jobs at job fairs and were later uncertain about what they'd signed; some were denied a copy of the contract, while others forgot to ask for one.

Several FENs also reported that their contracts committed them to an exclusive relationship with one recruiter, with high penalty fees for breach of contract, even if that recruiter failed to honor her or his promises. Some FENs spoke of recruiters who charged fees for help in navigating the immigration and job placement processes and then either disappeared or never followed through. This is a particularly common problem in the Philippines, a major source country of FENs seeking entry to the United States—and it's exacerbated during periods of retrogression.

Some FENs described cases in which nurse colleagues tried to break recruitment contracts even before leaving their home countries, so that they could seek out better or faster recruiters or go to another country. They said that such breaches of contract can result in a lawsuit brought by the first recruiter, who the recruiter incurred. In some cases, they said, nurses pay for all of their own expenses yet high breach-of-contract fees are still included in their contracts.

Once FENs arrive in the United States, other types of problems can arise. Several FENs reported that although their contracts indicated they'd be sponsored by and work directly for a health care organization, upon arrival they were sent to a staffing agency. Conversely, one FEN who'd been sponsored by a staffing agency was "sold" to a hospital upon arrival. She was unhappy because she hadn't been given the opportunity to opt out of the new contract. When she tried to object, she was told she would either have to pay the high breach-of-contract fee or return to her home country.

Some FENs with staffing agency contracts complained that, when working at a given health care facility, they were paid less than were employees who were hired directly. In contrast, American travel nurses are typically paid at much higher rates than are regular staff nurses. Several FENs reported being paid up to $10 less per hour (or about 25% less) than direct-hire nurses. In New York City, the prevailing wage from mid-2007 to mid-2008 for level I RNs (the lowest level) was $25.17 per hour, according to the Foreign Labor Certification Data Center's Online Wage Library. Most FENs we interviewed earned between $20 and $28 per hour and reported that direct hires at the same level earned between $30 and $38 per hour. One Filipino nurse who had been promoted to supervisor said that he was still paid less than the U.S. nurses he supervised.

Other complaints included excessive demands to work overtime (in some cases with no differential pay) and denial of paid sick leave. Several FENs stated

that supervisors or recruiters had threatened to report them to immigration authorities if they refused to work overtime and warned that they could be deported if they didn't honor their contracts. One participant said he'd been told, "All the new recruits will be placed in a night duty." Another said,

> They assume Filipinos don't have lives. . . . We were paid less [than the other agency nurses] and were not as expensive, so we were always mandated to stay, even if we didn't want to. They call us if we are on our off days. They would still call us and make us go to work.

Although several recruitment executives we interviewed emphasized the importance of developing-country–specific clinical and cultural orientation programs for arriving FENs, many of the FENs in the New York focus groups felt they'd received insufficient clinical and cultural orientation. Some even reported that during the first few weeks on the job they lived in fear of harming patients and losing their licenses.

> The facility knows that I have no hospital experience in the Philippines and during my orientation they only . . . trained me twice, then they left me on my own.

> I was afraid to go to work, because I was afraid that I would do more harm than good to my patients, because I am unfamiliar with these procedures. I felt like I needed more orientation, but they wouldn't give it because they needed people on the floor.

While in theory FENs who feel the circumstances warrant it can choose to end their contracts, many of those we interviewed were afraid of being deported or penalized financially if they did. One FEN recounted, "I couldn't fight because I was still waiting for the petition to go through. So because they have this weapon to grab you, they can just stop everything." Two FENs said their employers were unwilling to prorate the breach-of-contract fee and required lump-sum payment upon resignation.

All of the FENs in the focus groups said they had entered into an agreement with their placement or staffing agency out of necessity and would have preferred to be directly recruited by a hospital. Many also said they preferred placement agencies to staffing agencies because with a placement agency they would eventually be hired directly, just like their American counterparts.

DISCUSSION

Our study has two limitations. First, because there is no central registry of international recruitment agencies in the United States, we relied on Internet advertising to estimate the size of the industry. Our count doesn't include health care organizations and systems that recruit directly. Second, although we tried to hold focus groups in two other cities, we only found enough FENs willing to participate in New York City. Our findings related to the problems experienced by FENs therefore aren't generalizable. We also acknowledge that holding individual interviews might have been a more successful strategy in areas outside of New York where FENs may be fearful of participating in focus groups.

Despite these limitations, the study provides information on the size and nature of the recruitment industry and characterizes problems experienced by a group of FENs in New York City. We found that the number of companies recruiting FENs increased dramatically from the start of the current nursing shortage in the late 1990s to July 2007; the number of countries in which these firms operated also rose substantially. While retrogression has taken a toll on the industry, the emergence of new companies between July 2007 and January 2010, as reflected in our later count, speaks to an expectation that Congress will make more visas available in the future. The recruitment executives we interviewed reported seeing a consolidation of capital under way, with well-financed staffing companies buying up small placement firms.

Many of the abusive practices reported by FENs were corroborated by recruiters concerned about the behaviors of their colleagues. Some of these recruiters expressed interest in finding ways to expose those

Several FENs stated that supervisors or recruiters had threatened to report them to immigration authorities if they refused to work overtime.

companies acting in bad faith and to better educate FENs about their rights.

FENs also reported problems with the clinical and cultural orientation programs in their new work settings. Several recruiters also shared this concern and said they'd developed their own orientation programs in order to address such problems and distinguish themselves from competitors.

FENs felt breach-of-contract fees diminished their ability to object to abusive situations.

The practice of using 18-to-36-month contracts coupled with high breach-of-contract fees appears to be nearly universal in the industry. Recruiters described the practice as necessary and fair, given the investments they make in bringing nurses to the United States. But some FENs felt it diminished their ability to object to abusive situations. In such cases, fear of reprisals such as deportation—warranted or not—as well as the high cost of retaining legal counsel have led some FENs to feel trapped.

The study revealed several important information gaps. To start with, there is a need for better data on how many FENs enter the United States annually, which countries they call home and where they were educated, how they were recruited, and where they've been employed. This will likely require collaboration among the U.S. Department of Health and Human Services' Health Resources and Services Administration, the U.S. Department of Homeland Security, the U.S. Department of Labor, and credentialing and licensure organizations. Additional research is needed, including

- a representative survey of FENs that provides information on the nature and frequency of problems FENs experience, both during recruitment and as new immigrants.
- evaluations of the effectiveness of different clinical and cultural orientation programs for FENs and of the extent to which such programs might be associated with quality of care.
- rigorous research that asks whether and under what circumstances U.S.-based recruitment adversely affects health care services in source countries. Some research suggests that there are long-term economic benefits to source countries when health workers emigrate, particularly when they send money home.[19] But other studies suggest that such recruitment can disrupt health services in the source country.[20] More research is needed to understand to what degree the "pull" of active recruitment results in emigration of health workers, how international recruitment affects nursing labor in the source country, and which effects of emigration have short- versus long-term impact or are felt locally versus nationally.
- an evaluation of the potential benefits of international recruitment for less developed source countries. We identified several ways in which recruiters strive to "give back" to source countries, such as through scholarship and exchange programs. Research is needed to determine which efforts, if any, favorably affect the health workforce capacity in source countries.

National and international initiatives. Two important initiatives are under way to help bring consensus to matters of international nurse recruitment and ensure that such recruitment is conducted in an ethical manner.

Spurred in part by the UK's Code of Practice for the International Recruitment of Healthcare Professionals, in 2004 the WHO's World Health Assembly noted that "highly trained and skilled health personnel from the developing countries continue to emigrate at an increasing rate to certain countries, weakening health systems in the countries of origin."[21] At its prompting, an intergovernmental code of practice has been developed and revised, and the current draft will likely be considered at the 2010 World Health Assembly.[22] Although the draft WHO code doesn't ban recruitment in less developed countries, it urges all nations to work toward creating a self-sufficient health workforce that will reduce the need to recruit migrant health workers.

Industry leaders in the United States have also made significant strides toward self-regulation. With support from the John D. and Catherine T. MacArthur Foundation, in 2006 AcademyHealth, a health services research association, convened a task force composed of representatives of unions, hospitals, educational and licensure organizations, and recruiters, which developed the *Voluntary Code of Ethical Conduct for the Recruitment of Foreign-Educated Nurses to the United States* (www.fairinternationalrecruitment.org/index.php/the_code). The code defines a set of standards aimed at protecting FENs from abusive practices and fostering adequate orientation programs,

and offers recruiters guidance on how to ensure that their activities benefit source countries.[23, 24] Earlier this year, the same task force members launched the nonprofit Alliance for Ethical International Recruitment Practices.[25] Its mission is to "promote and track compliance of recruitment and employment organizations that subscribe to the [Voluntary] Code" over time.

Despite the recent decline in this country's nursing shortage and the resultant drop in demand for FENs, most experts believe that international recruitment will continue to play a role in U.S. health care staffing. Codes such as those created by the WHO and the AcademyHealth task force are essential to ensuring that FENs are adequately prepared for their new work environments, that their rights are protected, and that the interests of less developed source countries are also served. ▼

Author Patricia M. Pittman has conducted many interviews with foreign-educated nurses (FENs) outside of the focus groups discussed in this article, including some Filipino nurses who resigned to protest unfair working conditions in U.S. nursing homes managed by Sentosa Care, LLC (see *In the News*, April 2009). To learn more about one FEN's experiences with recruitment and employment in the United States, visit http://links.lww.com/AJN/A8.

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