

US Nursing Corp./Fastaff

Scab Nurses, Military Style

The inspiration came from the US Army Nursing Corps, the military's regiment of nurses who have served on the front lines of every armed conflict since the Civil War. Their hierarchy includes former military and law enforcement personnel. They respond to emergency situations nationwide with massive mobilizations carried out with surgical precision. While on active duty, they reside in secret locations, escorted by a former Secret Service agent in buses with tinted windows.

Soldiers of fortune? Anti-terrorist troops? SWAT teams? No, they are the scab nurses of US Nursing Corp., and they have a near monopoly on the lucrative hospital strike market.

Unlike some of the other unionbusters profiled here, we are providing a blueprint for doing battle with US Nursing Corp (USNC). The tactics described here have been effective in the past, and we recommend that you follow them if you ever run into USNC – and if you are involved in a nursing strike, chances are good that you will.

Important – Please note that, for all intents and purposes, US Nursing Corp. and Fastaff are one and the same. For time and space reasons we generally refer only to US Nursing Corp. and not Fastaff in this section, but this is similar to saying either “rat” or “vermin,” or either “pig” or “hog,” etc. Two names, same bucket of slime.

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1. Boot Camp – US Nursing Corp. Background

US Nursing Corp. – www.usnursing.com

3888 E. Mexico Ave. #120

Denver, CO 80210

Phone 800-726-8773 (**please note that this 800 number has an automated listing of states with current and potential strikes, which are referred to as “terrific financial opportunities).”**)

Federal Tax ID Number 841108544

Although they do not reveal much, scanned images of the articles of incorporation and several annual reports are available on the Colorado Secretary of State’s website beginning at <http://www.sos.state.co.us/index.html>. Click “Business Center” then “Searchable Database.”

Daniel Mordecai – President, Director (Mordecai’s bio, from Dun & Bradstreet: Born 1932. 1966-83 owner of Professional Practice Consultants, Denver, CO. 1962-66 owner of Daniel Mutual Insurance Co. Also previously active with Airport Communications Corporation, Denver, CO. 1960-62 agent with Northwest Mutual Insurance Co. 1955-60 attended the Massachusetts Institute of Technology and Denver University). Quote: “The nature of our business is one that requires a lot of pressure. So we try to find people who enjoy traveling. There’s a certain type of person who likes to be on the go. Our nurses like to travel, and they are very well reimbursed.” *“Business of Replacing Nurses a Profitable One, Says Owner,” Barre-Montpelier, VT Times-Argus, May 10, 1998* <http://www.angelfire.com/vt/nursestrike/copleya58.html>.

Janet R. Mordecai – Stockholder, Director (Janet, Dan’s wife, is a registered nurse)

Pat Matusiak – Corporate Secretary on most legal documents up to 1999

Victoria Albright – Corporate Secretary on most legal documents since June 1999

Gregory L. Mikkelsen – Chief Operating Officer. Quote: Mikkelsen said US Nursing plays an important role in leveling the playing field between hospital owners and striking staff. The company this week helped Genesys Regional Medical Center in Grand Blanc, MI, avoid a strike by letting nurse labor unions know their jobs would be filled by US Nursing staff if they walked out. “The partnership with US Nursing allowed (the hospital) to have a level playing field in negotiations. That strike was averted two days before it was scheduled to begin,” said Mikkelsen. *“Nurses Group Renews Attack on Temp Firms,” Denver Post, June 9, 2000. Article available for \$1.95 beginning at* <http://www.denverpost.com/archive/simple.htm>.

Richard M. Green – Chief Counsel. Quote (defending the grueling hours worked by USNC scabs): “Most women work more than 12 hours a day. They take care of their children and husbands and also work. If you have a bed made for you, you’re around friends and staying in a hotel, and you’re eating meals that you don’t have to prepare, working a 12-hour shift is not onerous – it is an adventure.” “*Imported Nurses Step In For Strikers*,” *Washington Post*, September 24, 2000. Article available for \$1.95 beginning at <http://washingtonpost.com/wp-adv/archives/>

Fastaff – www.fastaff.com
3888 E. Mexico Ave. #123
Denver, CO 80210
Phone 800-736-8773
Fax 800-743-6877

Fastaff’s corporate records are also available on the Colorado Secretary of State website beginning at <http://www.sos.state.co.us/index.html>.

Fastaff has a branch office at 100 Spear St., Suite 700, San Francisco, CA, 94105, Phone 415-495-1809. This is the same exact address as the Law Offices of Richard M. Green, and the law firm Green & Feldman, although Green’s phone number is 415-546-3111. Green has a website (which mentions US Nursing Corp. and his background as a hospital administrator) at <http://www.lawyers.com/green&freedman/>.

Nurse Recruiting Center, Inc.
One Market Street
Steuart Street Tower, #1010
San Francisco, CA 94105

Little is known about this company, as it does not seem to have a Web presence and has very few public filings. The California Secretary of State lists Richard M. Green of San Francisco as its registered agent and Daniel Mordecai of Denver, CO as its President. The company was incorporated in 1996 and remains in good standing as of January 2001. A listing for this company can be found on the CA Secretary of State site at <http://kepler.ss.ca.gov/corpdata/ShowAllList?QueryCorpNumber=C1959948> (this listing does not list Mordecai, although a Lexis search of the CA SOS does list him as President).

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The federal law requiring health care professionals to give ten days notice before striking has made Daniel Mordecai a rich man. Since 1988 Mordecai has transformed a small temporary nurse agency in Denver, CO, into US Nursing Corp. and its subsidiary, Fastaff. With the help of a highly decorated Air Force major general (Jerrold P. Allen, currently commandant of cadets at Virginia Tech), Mordecai turned USNC into a military style operation. When a hospital receives notice of a strike, a call to USNC can bring in hundreds of scab nurses, ready to go at a moment’s notice.

US Nursing Corp. flies nurses in, puts them up in a secret location, and transports them to and from the hospital in vans with tinted windows. Their drivers include a retired Secret Service agent. USNC relies on a database of thousands of scabs, who call themselves “travel nurses” and are willing to go anywhere in the country to cross picket lines. US Nursing Corp. pays big bucks – from \$2,000 per week to \$4,000 per week for each scab (see a recruiting pitch at www.healthcareers-online.com/usnursing.htm) plus all travel and housing expenses.

In theory, everyone wins. If Mordecai can pay nurses such big salaries and bonuses, plus their airfare and hotel bills, imagine what he is making. The hospitals get the personnel they need within the ten-day notice period. The “travel nurses” get to see the country while they make good money. Quality patient care is uninterrupted. And believe it or not, unionized nurses win too! According to USNC scabs interviewed by the *Washington Post* during the Washington Hospital Center strike in the fall of 2000, they provide a valuable service to unions by taking over their duties, allowing labor to step aside and focus on settling their differences with management.

Here’s the reality: the only clear winners are the Mordecais, who proudly boast that they have cornered 90% of the strike market, and their cronies at US Nursing Corp. The hospitals pay enormous amounts of money for scab nurses, and can suffer significant fallout over patient care problems and an affiliation with a company with a long list of questionable business practices. The scab nurses, although well paid, endure grueling schedules that can negatively affect their performance, and even their own health. Patient care often suffers at the hands of USNC personnel, whose license applications are rushed through by government agencies. And just look at US Nursing Corp.’s website to see if they truly believe they are a neutral party in labor disputes.

In the following sections we will provide you with a history of USNC’s questionable business and safety background, and show how this history was used against USNC during a strike in Washington, DC. These past business practices and patient care issues should be brought to the attention of the hospital, the media, the community and local leaders if USNC ever brings scab nurses to your town. We’ll also list public records searches you need to perform to find out if USNC is again ignoring and breaking licensing laws and regulations. But first, let’s take a look at the life of a scab nurse...

2. Troops – The Traveling Scabs

“There hasn’t been a day when I haven’t learned something new,” a scab nurse who crossed picket lines at the Washington Hospital Center told the *Washington Times*.¹ That’s something patients want to hear from their healthcare provider!



The cartoon shouldn’t offend the scab nurses at USNC. They are so thick skinned, they have created a website for themselves called www.scab.org! At Scab.org, scab nurses who “work as replacement staff during labor disputes” share war stories, travel tips and job leads. The message boards and chat rooms at Scab.org can be a valuable source of information – the scabs know where the labor dispute hot spots are. The messages are also entertaining, as the scabs try to rationalize their existences.

USNC advertisements feature pictures of \$100 bills and promises of “up to” \$4,000 per week in pay. Scab nurses are expected to work 60 hours per week during the first week of the strike and 48 hours per week each week thereafter, although we have seen plenty of cases of scabs working many more hours.

In 1998 USNC paid \$25 per hour to most nurses, and up to \$35 per hour plus bonuses for intensive care nurses. However, **nurses were encouraged to work as many as 75 hours per week to receive the highest pay and bonuses.**²

The *Detroit News* reported that USNC scabs worked an average of 67 hours per week during a 1993 strike at Cadillac Mercy Hospital.³ In July 2000, the chief financial officer of Dameron Hospital in Stockton, CA, said they paid scab nurses \$35 to \$41 per hour during a one-day strike.⁴

As previously mentioned, scab nurses try to justify their existence on the basis of their concern for patients who are “victims” during strikes (despite the careful pre-strike patient care preparations made by nurses, and the countless incidents of striking nurses being allowed to cross picket lines to care for patients, and/or oversee their transfers to other facilities). But many scabs harbor negative feelings towards unions, and it’s not hard to guess their true motivation for crossing picket lines.

For example, scab RN Tim Conner told *Nurseweek* that his real interest in crossing picket lines is not money, but taking care of patients who might otherwise be endangered by a strike. “I just see a strike as a struggle in which the patient cannot be left out. Somebody’s got to be their advocate,” Conner said. But he also mentioned that he quit taking non-labor related “travel nursing” jobs in 1998 after discovering he could earn nearly twice as much working exclusively as a strike nurse. And Conner thinks that by going on strike, nurses “are not acting like professionals.”⁵

During the 2000 strike at the Washington Hospital Center a scab nurse who would not give her name told the *Washington Times* that her favorite thing about working for USNC is the “freedom.” “I like the autonomy and I’ve seen most of America for free,” she said, explaining that she can refuse or leave assignments whenever she wants. But she also noted that she earns 30 to 40 percent more with USNC than she would as a full-time regular nurse. According to the article, her salary at a hospital would average between \$50,000 to \$65,000 annually.⁶

A *Washington Post* article on the same strike gave the three main types of justifications used by scab nurses: **Defiant** – Cas Szymoniak, who said, “The nurses back home are grumpy and unhappy and stuck in this life. I’m making things work for me instead of working for someone else;” **Defensive** – David Pointer, who said, “If your

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mother was in this hospital and the nurses walked out, wouldn't you want another nurse to come in and take care of her?" and **Dumb** – Robert Sampson, who said, "We allow them to get their point across," explaining that he sees his role as enabling the union nurses to express themselves without endangering public health. Of course, Defiant Cas also mentioned that when he returned to Birmingham, AL after the strike, he would only need to work one day a week for the rest of the year because of the fat paychecks he would score in Washington.⁷

Another scab nurse, Melody Higel, combined defiance and dumbness with conceit when she told the *Albany Times Union*, "Do doctors strike? The nursing profession should be at that same level."⁸

The scabs of US Nursing Corp. use the same justifications in every strike. Here are some ways to counter what may appear to be logical statements to the average newspaper reader:

"We are in it for the freedom/excitement/travel/etc." – They are in it for the money. Use the dollar amounts provided throughout this section to estimate what a given hospital is paying USNC, as well as what the scabs are making. Use the quotes from USNC scabs, as well as the company's recruitment ads, to show what the real motivation is. An example of cost estimates is given in the "Battle Plan" section.

"We are a neutral party in labor disputes" – You already know the obvious answer: scabs take the pressure off the employer, allowing the appearance of "business as usual" despite the strike. But USNC's website makes it clear whose side they are on. Furthermore, documents obtained by the California Nurses Association show the truth. A USNC advertising packet sent to a California hospital urges the prospective client to avoid scaling down services prior to a strike, provides economic incentives to lock out nurses, and offers assistance with contract talks and "security" arrangements. USNC also tries to sell its services as a downsizing consultant "on your current staffing levels and the possibilities for cost control."

A letter by Greg Mikkelsen, US Nursing's Chief Operating Officer, promises a discount if the hospital will lock out its nurses, offering this economic analysis: "If you have a one-day strike, the cost (of USNC nurses) would amount to three times your regular budgeted payroll. If you had a five-day strike, the cost would amount to 1.25 of your regular budgeted payroll costs. It would therefore be economically equitable for you to take a one-day strike and lock them out for five days. Please do not execute your negotiating plan without allowing US Nursing Corporation the opportunity to provide the in-depth analysis that has served so many facilities," Mikkelsen wrote.

Note: This information appeared in an excellent USNC article, "Scabs That Don't Heal," in the May-June 2000 issue of the California Nurses Association's *Revolution* magazine. Back issue information is available at www.revolutionmag.com. See also the CNA's "US Nursing Corp. Watch" page, which includes many news articles quoted throughout this section www.calnurse.org/cna/usnursing.html.

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“Without us, patient care would suffer during the strike” - This argument is too important to address in just a few sentences. When mercenary, unscrupulous, greedy scabs, with little or no personal commitments to make them unavailable for traveling at a moment’s notice, are whisked away to unfamiliar hospitals, to work on unfamiliar patients with unfamiliar doctors for extremely long hours, the results are predictable. See the next section for the sordid patient care history of US Nursing Corp.

Notes:

1. “Replacement Nurses Say They Love Freedom,” *Washington Times*, November 13, 2000. Article available for \$1.95 beginning at <http://www.washtimes.com/archives.htm>.
2. “Temp Nurses Praised, Decried,” *Worcester Telegram & Gazette*, March 23, 2000. Available for \$1.95 beginning at <http://www.telegram.com/archives/index.html>.
3. “Big Bucks Lure Nurses to Strike-Breaking Jobs,” *Detroit News*, July 14, 1993. Article not available online.
4. “Nurses Return to Work at Stockton Hospital After One Day Strike,” *The Record*, Stockton, CA, July 25, 2000. Article not available online.
5. “Crossing the Line,” *Nurseweek*, June 24, 2000. www.nurseweek.com/news/features/00-06/strike.html.
6. “Replacement Nurses Say They Love Freedom,” *Washington Times*, November 13, 2000. Article available for \$1.95 beginning at <http://www.washtimes.com/archives.htm>.
7. “Imported Nurses Step In For Strikers,” *Washington Post*, September 24, 2000. Article available for \$1.95 beginning at <http://washingtonpost.com/wp-adv/archives/>.
8. “Company Quickly Farms Out Nurses Willing To Cross The Picket Line,” *Times Union*, March 12, 1995. Article available online for \$1 beginning at <http://www.timesunion.com/library/>.

3. Casualties of War

There are two main reasons why patient safety is always a concern when US Nursing Corp. is on the scene:

1. Licensing issues – Anyone remotely familiar with the nursing profession knows that nurses must meet strict license requirements. But USNC never sends local nurses to cross picket lines. Rather, they bring in out-of-state scabs, who supposedly are less hesitant to burn bridges with their unionized peers.

So how does USNC get as many as 700 nurses licensed by a state within a few days? Complicit government agencies, under pressure from elected officials who fear the political effects of a hospital shutdown, rush through licensing applications. Hospitals bend rules to get the scabs on the job as quickly as possible. See below for some of the unfortunate consequences when government regulators and hospital administrators and supervisors cut corners.

2. Capability issues – Registered nurse Candyce Fox, USNC employee-turned-whistleblower, held a press conference during the 1992 strike at Summit Medical Center in Oakland, CA to shed some light on USNC's hiring practices: "They were very careless about ensuring that their nurses were competent, or even licensed," Fox said. "To staff a strike, US Nursing would call you and give you a test over the phone on very, very basic things like NG tubes and Foley tubes. Then, after a few test questions, they would say, 'We have a strike situation in California, are you willing to go?' When you arrive, they have a big meeting, and someone comes into the room and says, 'Who can work pediatrics?' You raise your hand and you go. You don't need to have any experience, no questions are asked. Conceivably anyone could walk in that room and get a job in a hospital." *"Scabs That Don't Heal," Revolution Magazine, May-June 2000.*

If you are involved in a strike in which USNC is supplying the scabs, it is important that you (or, preferably, the local media) ask the hospital about the qualifications of the scab nurses. It seems difficult enough for USNC to fly in up to 700 nurses within a few days. But can they also match the areas of expertise for the nurses they replace within this limited time frame? How many of them are pediatric nurses? How many are ICU nurses? Does this number match regular staffing levels at the hospital?

There are many other issues to raise. Any non-scab nurse can explain the intangible aspects of their qualifications over those of scab nurses: familiarity with doctors, hospital procedures, patients, and equipment, plus a personal commitment to the hospital and the community, which includes their own family and friends, as opposed to the scab's commitment to the almighty dollar.

Use the following sad track record to let your community know what to expect at the hands of the scabs of US Nursing Corp.:

July 2000: The California Labor Commission was asked to investigate allegations that Stanford University hospitals and US Nursing Corp. endangered patients by illegally overworking temporary employees. The investigation was sought after one replacement nurse died at her motel after working 20 consecutive days. “*Stanford Nurses OK Contract,*” *San Francisco Chronicle*, July 28, 2000. <http://www.sfgate.com/cgi-bin/article.cgi?file=/chronicle/archive/2000/07/28/MN94986.DTL>.

The California Department Of Health Services received 18 complaints regarding USNC scabs at Stanford Hospital and 15 complaints at Lucile Packard Children’s Hospital. “*Tentative Agreement Struck in Nurses’ Strike,*” *San Francisco Chronicle*, July 22, 2000. www.sfgate.com/cgi-bin/article.cgi?file=/chronicle/archive/2000/07/22/MN28638.DTL.

After a one-day strike at Dameron Hospital in Stockton, CA, nurses return to work to find that USNC scabs left the hospital in disarray. “Things weren’t stocked,” said Debbie Wanatabe, RN. “I guess they were too busy.”

“Things were in pretty poor shape when we came back,” said Lois Horton, RN, adding that scab nurses either didn’t replace medicine they had used up or failed to put them back in the right places.

Also, patient Sarah Hayes of Stockton said she was treated so rudely by labor and delivery scab nurses that she broke down and cried. “They were very, very rude, uncaring and very unprofessional,” said Hayes, who was admitted to Dameron for early labor pains. “We were asking a question (about) the fetal (monitoring) machine...and they told me, ‘its none of your business. Pay no attention.’” Hayes received no medicine to ease the pain and was sent home after spending at least five hours at the hospital. Hayes returned to the hospital a few days later to have her baby, when the regular nurses were back on staff. “I was so happy the regular nurses were there,” she said. “*Nurses Return to Work at Stockton Hospital After One Day Strike,*” *The Record*, Stockton, CA, July 25, 2000 (Article not available online).

May 2000: Three USNC nurses at Worcester Medical Center are fired after patient care mistakes were discovered. Two of the scabs were let go after leaving a surgical patient unattended in a post-operative recovery room; the other gave a newborn baby to the wrong mother for nursing. “*Three Replacement Workers Fired After Mistakes,*” *Boston Herald*, May 2, 2000, http://www.bostonherald.com/news/local_regional/nurses05022000.htm.

The *Worcester Telegram* learned that the baby mix-up was not discovered until the misidentified baby’s real mother went to the hospital’s nursery and found her child missing. The mistake was made when the scab nurse failed to match the identification bracelet attached to the baby with the one worn by the mother. The hospital announced, “We very much regret the emotional distress caused to both mothers and their families.” The hospital gave the cause of the postoperative patient being left alone for an hour as a “misunderstanding” between the two nurses. “Each left the room thinking the other was

still there,” a hospital official explained. “ ‘Unfortunate’ Mistakes Cause Strikers to Question Care,” *Worcester Telegram*, May 2, 2000, http://www.telegram.com/special_sections/nurses/strike502.html.

In response to the patient care mistakes by scabs in the Worcester Medical Center strike, Massachusetts Secretary of State William F. Galvin calls for a state investigation into whether state licensing officials recklessly accelerated their review of USNC employees’ credentials. “Galvin Asks If State Rushed Licensing,” *Worcester Telegram*, May 3, 2000, http://www.telegram.com/special_sections/nurses/strike503.html

January 1993: The state of Illinois investigates USNC for operating a nursing agency without a license, failing to demonstrate its financial solvency, and failing to properly train and verify the credentials of several of its nurses. Later the state orders St. Joseph’s Medical Center to cease doing business with US Nursing Corp. USNC responds by suing St. Joseph’s for non-payment. *US Court of Appeals, 7th Circuit, Case 94-1452, Decision issued December 9, 1994* <http://www.kentlaw.edu/7circuit/1994/94-1452.html>

July 1993: Judy Zorn, nurse recruiter at Minneapolis Children’s Medical Center, told the *Detroit News*, “We were very disappointed” in the 40 resumes she received from US Nursing Corp. to staff a four week strike. Zorn hired only four of the 40 nurses recommended by US Nursing Corp. “Big Bucks Lure Nurses to Strike-Breaking Jobs,” *Detroit News*, July 14, 1993 (Article not available online).

December 1993: The New Jersey Department of Health investigates the death of a patient during a strike at Jersey Shore Medical Center. According to the complaint filed with state health officials, scab nurses supplied by USNC administered an improper dose of a sedative to a cardiac patient, leading to his death. “State to Probe Death at Hospital,” *Asbury Park Press*, December 19, 1993 (Article not available online).

The Department of Health eventually finds that the scab nurses administered 10cc per hour (twice the correct dosage of 5cc per hour) of the sedative for 27 hours. The department cited the hospital for three patient care violations, and referred the three scab nurses involved to the state Board of Nursing for disciplinary action. *New Jersey Department of Health, Health Facilities Evaluation C#1820-93/#18, December 13, 1993 through January 12, 1994. (Investigation file not available online).*

Also, in a separate citation, the New Jersey Department of Health found that a USNC scab nurse pricked his finger with a needle and then inserted the same needle into a patient’s IV tubing. “Scabs That Don’t Heal,” *Revolution Magazine*, May-June 2000.

October 1992: California state health authorities cited Summit Medical Center for “serious patient care violations” by USNC scabs and hospital management during a strike. Violations included overcrowding in the emergency room that led to patients waiting in a hallway without privacy; insufficient documentation of temporary nurses’ credentials; ICU patient rooms that couldn’t be viewed from the nursing station; and the hospital’s improper method of staffing its various medical units. “Summit Cited for

'Serious' Patient Care Violations,” *Oakland Tribune, October 25, 1992 (Article not available online)*. The Health Department found 400 instances of incomplete documentation of nurses’ basic credentials during the Summit strike. *“Board Urges Nurse Accord,” Santa Cruz Sentinel, June 9, 1993 (Article not available online)*.

June 1992: Oversight hearings on poor patient care by USNC scabs during a strike at Summit Medical Center are held by the California Assembly Ways and Means Subcommittee on Health and Human Services and by a special Congressional field hearing conducted by U.S. Rep. Ron Dellums. The following patients testified before the subcommittee:

David Hilliard – Mr. Hilliard testified on behalf of an unnamed relative whose labor was uncomplicated, but for some reason a USNC scab administered morphine to the mother. The baby was born anoxic and with no vital signs. The scab nurse attempted to revive the baby with a malfunctioning Ambubag, and was unable to locate another Ambubag due to her unfamiliarity with the unit. At the time of the hearing, the infant was on a respirator at another hospital.

Eva Dodd – Mrs. Dodd suffered a fall and went to the Summit emergency room with a large hematoma on the back of her head. Mrs. Dodd suffers from several conditions, including a blood clotting disorder, which made her head trauma potentially life threatening. She was not asked about pre-existing conditions, and when she attempted to inform the scab nurse of her conditions was told, “tell the doctor, I’ve been here 12 hours and want to go home.” After spending one hour in the waiting room, Mrs. Dodd sat in the examining room for two more hours before being seen.

Calvin Davis – Scab nurses allowed Mr. Davis’ IV to run dry several times (he had to notify them it was dry), and his physician’s order to decrease his medication was never implemented.

Vera Hopkins – When visiting her father at Summit, Ms. Hopkins found needles used in a blood sugar test left on a bed in his room by a scab nurse. Ms. Hopkins placed the needles on a newspaper and carried them to the charge nurse, who told her to “just leave it on the desk.”

Catherine Miamoto – Ms. Miamoto, suffering an asthma attack that left her unable to speak, went to another hospital after standing at the triage desk for 30 minutes while the scab nurses chatted and triaged other patients.

Dr. Bob Scott – After being told by a scab nurse that his 83 year old patient unexpectedly died, Dr. Scott broke the bad news to his patient’s wife, only to learn the next morning that it was actually his patient’s roommate who died.

Joseph Allen Banks – Mr. Banks entered the Summit emergency room with blood in his urine and sharp pains in his back, and was told to wait by a scab nurse because “everybody else is in pain too.” Mr. Banks left for Alta Bates Hospital, where he was seen within five minutes.

Hanna Tatmon – Mrs. Tatmon went to the Summit emergency room at 6:30 PM because of suspected congestive heart failure, and was admitted after 11:00 PM. Scab nurses were unable or unwilling to direct Mrs. Tatmon’s niece to her bedside, instead sending her to a non-working telephone to call the hospital operator. Mrs. Tatmon’s niece finally located her aunt by wandering around the cardiac care unit, which she described as deserted.

Marge Finicum – Ms. Finicum, a cancer patient, noticed that a replacement nurse brought her the wrong medicine and refused to take it. The replacement nurse tried to persuade Ms. Finicum to take the incorrect medication until she a pharmacist rebuked her.

Antoinette Watson – Ms. Watson’s father was released from Summit with his IV still in place, which Ms. Watson noticed as her father was being helped into her car. Replacement staff removed the IV at curbside. *Transcript of the Ways and Means Subcommittee on Health and Human Services hearing, June 17-24, 1992 (Hearing not available online).*

Also in June 1992, The California Department of Health Services’ licensing division announces additional citations against Summit Medical Center. All of the citations involved a lack of evidence on file to document credentials, training or required medical exams of USNC scab nurses, including: two scab nurses working in the coronary care unit without evidence of advanced cardiac life support training; and various cases of a lack of evidence of required TB tests, employment histories and physical exams. “*Bills From Strike Cut Into Summit Hospital Reserves*,” *Oakland Tribune*, June 27, 1992 (Article not available online).

4. Intelligence Report – Legal and Financial History

**“We are in full compliance with all the laws”
- Daniel Mordecai, May 10, 1998**

Almost as sordid as the patient care history of US Nursing Corp. is the company's record of bankruptcies, IRS troubles, state tax liens, lawsuits, heavy debt, flaunting of business licensing laws – let's just say that you won't be seeing Dan Mordecai's face on the cover of *Forbes Magazine's* “Entrepreneur of the Year” issue.

Here are the results of a nationwide public records search on US Nursing Corp., Fastaff and related entities:

1979 – 1988

Prior to the founding of US Nursing Corp, **Daniel Mordecai was sued four times** by a bank, business associates and others. The lawsuits follow:

November 15, 1979 – Hindry & Meyer, Inc. sues Daniel Mordecai and Southeast Denver Medical Center. *Denver District Court Record Number D01679CV008018.*

January 19, 1982 – Southwest State Bank sues Daniel Mordecai. *Denver District Court Record Number D01682CV000402.*

February 26, 1982 – Cody Dental Group, Ray R. Hailey and Wilma J. Hailey sue Daniel Mordecai. *Denver District Court Record Number D01682CV001563.*

May 14, 1982 – Daniel P. Archer sues Daniel Mordecai. *Denver District Court Record Number D01682CV003985.*

1989

January 30 – **Daniel Mordecai personally is sued** by the State of Colorado and a **distrainment warrant** is issued. (In general, distrainment warrants allow the state to seize property on behalf of employees who are owed money, or when the state is owed employment-related money such as unemployment insurance contributions). *Denver District Court Record Number D01689CV001608.*

March 2 – Janet R. Mordecai Nursing Projects, Inc., located at the same address as US Nursing Corp., is incorporated in Colorado. *Colorado Secretary of State Record Number 19891013354.*

March 2 – US Nursing Corp. is incorporated in the state of Colorado. The company is **suspended** by the Secretary of State on September 1, 1991, reinstated on January 24, 1992, and remains in good standing as of January 2001. *Colorado Secretary of State Record Number 19891013353.*

October 18 – Arapahoe Industrial Bank **sues Daniel Mordecai** in state court. *Denver District Court Record Number D01689CV014352*

1990

April 9 – **Daniel Mordecai personally** is hit by the Internal Revenue Service with a giant **\$401,973 federal tax lien**. *IRS vs. Daniel Mordecai, 3212 S. Josephine St., Denver, CO 80210, SSN/TAX ID #025-24-6125. Denver County Recorder's Office Record Number 30332.*

August 10 - **Daniel Mordecai personally** is hit by the Internal Revenue Service with another lien, this time an **\$85,901 federal tax lien**. *IRS vs. Daniel Mordecai, 3212 S. Josephine St., Denver, CO 80210, SSN/TAX ID #025-24-6125. Denver County Recorder's Office Record Number 82167.*

September 13 – US Nursing Corp. registers with the Oregon Secretary of State, but in January 2001 its status is listed as **inactive** with no explanation listed. *Oregon Secretary of State Record Number 21751680.*

November 15 – **Daniel Mordecai personally** is nailed again by the Internal Revenue Service with a **\$2,010 federal tax lien**. *IRS vs. Daniel Mordecai, 3212 S. Josephine St., Denver, CO 80210, SSN/TAX ID #025-24-6125. Denver County Recorder's Office Record Number 105190.*

1991

January 31 - **Daniel Mordecai personally** is hit with a **\$12,226 federal tax lien** by the IRS. *IRS vs. Daniel Mordecai, 3212 S. Josephine St., Denver, CO 80210, SSN/TAX ID #025-24-6125. Denver County Recorder's Office Record Number 7184.*

April 14 – USNC **sues three former employees** for starting a competing business, Advance Professionals. “*From Operating Room To Courtroom: US Nursing In Poor Condition,*” *Denver Business Journal, August 11, 1991. (Article not available online).*

April 17 – **Daniel Mordecai personally** is hit with another **federal tax lien** by the IRS, this time for **\$3,443**. *IRS vs. Daniel Mordecai, 3212 S. Josephine St., Denver, CO 80210, SSN/TAX ID #025-24-6125. Denver County Recorder's Office Record Number 31836.*

June 10 – USNC is nailed with a **\$39,000 state tax lien** by the state of Colorado. *Arapahoe, CO County Recorder's Office Record Number 44277.*

July 12 – The Internal Revenue Service hits US Nursing Corp. with a **\$35,512 federal tax lien**. It takes US Nursing Corp. nearly two years to pay its past due federal taxes, as the lien is released on April 29, 1993. *Arapahoe, CO County Recorder's Office Record Number 50774.*

July 15 – US Nursing Corp. **files for bankruptcy** in federal court in Denver. The company's creditors included the Colorado Department of Revenue (\$21,847), the Colorado Unemployment Fund (\$48,534), the IRS/FUTA (\$10,896), the Minnesota Department of Revenue (\$28,835), the Oregon Department of Revenue (\$40,288), the Colorado State Compensation Authority (\$14,888) and the Texas Employment Commission (\$3,327). *US Bankruptcy Court, Denver, CO Record Number 91-19439-PAC*. But its largest liability was **\$199,333 owed to the IRS**. The IRS began penalizing the company in early 1991 for **filing federal tax returns late, failing to pay taxes and paying taxes with a bad check**. The IRS filed motions requesting that the court liquidate USNC in order to pay off its debts. "*US Nursing Retreats To Bankruptcy To Escape IRS – Again,*" *Denver Business Journal, June 3, 1994 (Article not available online)*. "*From Operating Room To Courtroom: US Nursing In Poor Condition,*" *Denver Business Journal, August 1, 1991 (Article not available online)*.

July 15 - A company named US Nursing Corporation of Colorado Springs, Inc., incorporates in the state of Colorado. This company, run by Terry and Christy Whitlow of Colorado Springs, was originally a branch office of US Nursing Corp. In order to raise money to pay off its tax bills and other debts during its bankruptcy proceeding, the parent company sold the branch office to the Whitlows. The branch became an independent business on October 1, 1992, changing its name to QS Nurses Corp., which is still active in Colorado. QS is also a "travel nurse" company, although it does not promote itself as a specialist in scabbing. The QS website is available here <http://home.att.net/~guardtn/> (they operate under the name Guarding Care Travel Nurses) and their corporate filings history is available here <http://www.sos.state.co.us/index.html> (follow the links to the business records database). *Colorado Secretary of State Record 19911054165, and US Bankruptcy Court, Denver, CO Record Number 91-19439-PAC (Disclosure Statement)*.

July 25 – Less than two weeks later the IRS is back for more, slapping US Nursing Corp. with a **\$152,080 federal tax lien**. *Denver County Recorder's Office Record Number 69547.*

August 21 – **Daniel Mordecai personally** is hit with a Colorado **state tax lien of \$1,642**. *Denver County Recorder's Office Record Number 78825.*

December 17 – USNC's authority to do business in Minnesota is **revoked** by the MN Secretary of State. The company is reinstated on January 22, 1992. *Minnesota Secretary of State Record Number FCX52691.*

July 1 – US Nursing Corp., registered in California since April 16, 1990, has its authority to do business **revoked** by the Secretary of State for **failure to pay franchise taxes**. *California Secretary of State Record Number 1662989.*

December 15 – US Nursing Corp. registers to do business in the state of Connecticut, and remains in good standing as of January 2001. *Connecticut Secretary of State Record Number 280992.*

1993

February 2 – USNC's **charter is forfeited** due to **failure to pay franchise tax** in Texas. *Texas Secretary of State Record Number 00084872-06.*

February 2 – The Illinois Department of Labor informs St. Joseph Medical Center that it is in violation of the Illinois Nurse Agency Licensing Act for using the services of US Nursing, an unlicensed agency. The state finds that USNC was **operating a nursing agency without a license, and failed to demonstrate its financial solvency**. See May 19, 1993 below and the January 1993 entry in the "Casualties of War" section for related information. *US Court of Appeals, 7th Circuit, Case 94-1452, Decision issued December 9, 1994* <http://www.kentlaw.edu/7circuit/1994/94-1452.html>

February 11 - Daniel Mordecai personally is sued by Patricia Perez in small claims court. *Arapahoe County, CO Court Record Number C07093S 200151*

March 23 – **Daniel Mordecai personally** is hit with yet another lien by the IRS, this one a **\$267,573 federal tax lien**. This tax lien is released over four years later, on June 16, 1997. *IRS vs. Daniel Mordecai, 3212 S. Josephine St., Denver, CO 80210, SSN/TAX ID #025-24-6125. Denver County Recorder's Office Record Number 36145.*

May 19 – USNC sues St. Joseph Medical Center in Chicago federal court. USNC loses the case fairly quickly, when St. Joseph's motion for summary judgment is granted on January 26, 1994. USNC appeals the case and loses again when the 7th Circuit Court of Appeals issues its opinion on December 8, 1994. *US District Court, Chicago, Record Number 93C-0003035.*

June 11 – USNC **pays its past due franchise taxes**, hires a new registered agent and is reinstated by the Texas Secretary of State. *Texas Secretary of State Record Number 00084872-06.*

June 18 – USNC **pays its past due franchise taxes** and is reinstated by the California Secretary of State. *California Secretary of State Record Number 168712.*

June 21 – USNC **sues another competitor**, Favorite Nurses, **and loses** when a federal judge in Chicago grants the defendant's motion for summary judgment on December 13, 1994. *US District Court, Chicago, Record Number 1:93cv03699.*

June 22 – USNC registers with the Michigan Department of Consumer and Industry Services. The company has managed to stay in good standing in Michigan through January 2001. *Michigan Department of Consumer and Industry Services Record Number 841108544.*

August 16 – US Nursing Corp.'s business license is **cancelled** by the New Mexico Secretary of State. *New Mexico Secretary of State Record Number 1627330.*

September 1 – US Nursing Association, the legal name of the California branch of US Nursing Corp., has its business license **suspended** by the California Secretary of State for **failure to pay franchise taxes**. *California Secretary of State Record Number 1489713.*

September 1 – Janet R. Mordecai Nursing Projects, Inc., is **suspended** by the Colorado Secretary of State. The company is reinstated on December 3. *Colorado Secretary of State Record Number 19891013354.*

September 2 – The Montana Secretary of State **revokes the certificate of authority** of US Nursing Corp. *Montana Secretary of State Record Number FO24446.*

September 8 – The state of Washington files a **\$3,014 state tax warrant** against US Nursing Corp. The warrant is released on April 24, 1995. *King County, WA Superior Court Record Number 932218915.*

September 17 – The Washington Secretary of State downgrades USNC's status to **inactive**. *Washington Secretary of State Record Number 909614.*

1994

January 10 – Stephan C. Pardi, creditor, wins a **\$5,000 small claims judgment** against debtor US Nursing Corp. *Sacramento, CA Municipal Court Record Number 93SC13419.*

February 17 – US Nursing Corp. is hit with a **\$9,000 state tax lien** in its home state of Colorado. USNC pays its back taxes on March 20, 1996 and the lien is released. *Denver County Recorder's Office Record Number 37116.*

April 21 – US Nursing Corp. **files for bankruptcy again** in federal court in Denver, CO. The company reorganizes and emerges from bankruptcy on November 4, 1994. *US Bankruptcy Court, Denver, CO Record Number 94-13928-CEM.* This bankruptcy was filed by USNC after it **failed to make required payments of back taxes to the IRS** as it agreed to during its first bankruptcy. *"US Nursing Retreats To Bankruptcy To Escape IRS – Again," Denver Business Journal, June 3, 1994 (Article not available online).*

July 1 – Stephan C. Pardi (see January 10, 1994 entry) **sues US Nursing Corp.** in Denver federal court to collect a judgment won in California. The case is closed June 7, 1995. *US District Court, Denver, CO, Record Number D01694CV003309.*

November 1 – Again Daniel Mordecai personally is hit with a tax lien, this time a **\$34,524 Colorado state tax lien**. *State of Colorado vs. Daniel Mordecai, 3212 S. Josephine St., Denver, CO 80210, SSN/TAX ID #025-24-6125. Denver County Recorder's Office Record Number 165567.*

November 7 – Jeffrey Kline sues US Nursing Corp. in federal court in Denver. The case is closed November 21, 1995. *US District Court, Denver, CO, Record Number D01694CV005554.*

November 28 – USNC registers with the Florida Secretary of State and remains in good standing as of January 2001. *Florida Secretary of State Record Number F94000006067.*

December 8 – US Nursing Corp. and Jersey Shore Medical Center are **sued for medical malpractice** by Mulford M. Hagerman. *Monmouth County, New Jersey Superior Court Record Number SL-00006724-1994.*

December 12 – US Nursing Corp.'s authority to do business in the state of Rhode Island is **revoked** by the RI Secretary of State. *Rhode Island Secretary of State Record Number 82908.*

December 14 - US Nursing Corp. and Jersey Shore Medical Center are again **sued for medical malpractice**, this time by Septimo and Eleanor Cacioppo. *Monmouth County, New Jersey Superior Court Record Number SL-00006832-1994.*

1995

March 28 – USNC registers to do business in Massachusetts. As of January 2001, the company is active and in good standing with the MA Secretary of State. *Massachusetts Secretary of State Record Number 841108544.*

May 17 – The California Employment Development Department files a **state tax lien** against US Nursing Corp. and Janet Mordecai Nursing Projects. The tax lien is finally terminated on September 14, 1998. *California Secretary of State Record Number 9513960340.*

May 30 – USNC is **sued** by the Washington Department of Employment Security over **state tax warrants**. *King County Superior Court Record Number 95-2-13790-3.*

June 2 – Patricia Anderson sues US Nursing Corp. in Arapahoe County Small Claims Court. The case is closed on February 2, 1995. *Arapahoe County Court Record Number CO7192S-100427.*

June 16 – More fun in California for USNC as it is hit with a whopping **\$216,487 state tax lien**. Almost four years later (March 8, 1999) the lien is released. *Los Angeles County Recorder's Office Record Number 990376915*.

September 27 – US Nursing Corp.'s certificate of authority, originally issued on June 21, 1993, is **dissolved** by the New York Secretary of State. The company is reinstated on September 2, 1997, and remains in good standing as of January 2001. *New York Secretary of State Record Number DP-1229278*. The company was dissolved for **failure to pay franchise taxes**, putting a strike breaking deal with Long Island College Hospital in jeopardy. Read about the shifty legal maneuvering USNC planned to deal with this issue here www.citylimits.org/archives/week84.htm. "*Tax Bill May Lock Scab Nurses Out Of Brooklyn Strike*," *City Limits Weekly*, July 21, 1997.

October 13 – The Oregon Department of Human Resources files an **employment warrant lien** against US Nursing Corp. You can view this lien by going to <http://www.sos.state.or.us/cgi-bin/uccsrch.htm> and entering "S73805" in the "Old Lien Number" field. *Oregon Secretary of State Record Number S73805*.

1996

March 26 – Six days after catching up on its Colorado state taxes (see the February 17, 1993 listing), USNC is in tax trouble again. This time it's with the feds, again, as the IRS hits USNC with a **\$13,723 federal tax lien**. *Denver County Recorder's Office Record Number 39385*.

September 27 – USNC's business standing is changed to **bad** and the company is declared **inactive** by the Kentucky Secretary of State, thus losing its authority to do business in Kentucky. *Kentucky Secretary of State Record Number 421987*.

October 31 – The Wisconsin Department of Financial Institutions **revokes** USNC's certificate of authority. The company registered in Wisconsin on October 9, 1995. *Wisconsin Department of Financial Institutions Record Number UO14718*.

1997

April 17 - Janet R. Mordecai Nursing Projects, Inc., changes its name to JRM Nursing Projects Corporation in Colorado. *Colorado Secretary of State Record Number 19891013354*.

August 18 – USNC's authority to do business in Iowa is **revoked** by the Secretary of State for **failure to file an annual report**. The company registered in Iowa on January 20, 1995. *Iowa Secretary of State Record Number 184394*.

August 20 – USNC is hit with another **state tax lien**, this one for **\$3,181** in the state of Ohio. *Franklin County, OH Court of Common Pleas Record Number 97JG14248*.

September 24 – Apollo Credit Agency wins a **\$9,721 judgment** in a civil lawsuit against US Nursing Corp. *Denver County Court Record Number 97N25641.*

October 21 – Fastaff, Inc. registers to do business in California. Gregory L. Mikkelsen is listed as the President of Fastaff on this filing, unlike every other Fastaff filing that lists Daniel Mordecai as President. Fastaff remains in good standing as of January 2001. *California Secretary of State Record 2058933.*

November 19 – The North Carolina Employment Development Department wins a **\$178 judgment lien** against USNC. *Wake County, NC Superior Court Record 318/246.*

December 31 - USNC's authority to do business in Minnesota is **again revoked** by the MN Secretary of State. The company is reinstated on May 11, 1998. *Minnesota Secretary of State Record Number FCX52691.*

1998

February 18 – USNC's **charter is again forfeited** due to **failure to pay franchise tax** in Texas. *Texas Secretary of State Record Number 00084872-06.*

December 29 – USNC's Ohio business charter is **cancelled by the Ohio Department of Taxation**. The company originally registered in Ohio on April 21, 1995. *Ohio Secretary of State Record Number 902798.*

1999

September 1 - JRM Nursing Projects Corporation is **dissolved** and is no longer active in Colorado. Many of the company's filings are available on the Secretary of State's website beginning at <http://www.sos.state.co.us/>. *Colorado Secretary of State Record Number 19891013354.*

September 17 – The Illinois Secretary of State mails a **notice of franchise tax delinquency** to USNC. The company pays the taxes on December 2 and remains in good standing. *Illinois Secretary of State Record Number 57443286.*

December 20 – USNC **sues another competitor**. This time the defendants are Gary Barns, Gary Fanger, Leslie King, Diana Palacio and the companies they run: Healthcare Consulting & Staffing Services, Travel Nurse Data Bank and Travel Nurse International. *San Francisco County Superior Court Record Number SCV-308660.*

2000

February 14 – Irma Kaminsky **sues Fastaff** and Brookhaven Memorial Hospital for **medical malpractice**. *Suffolk County, NY Supreme Court Record Number 0234811999.*

April 25 – Dragon Travel LLC, operators of the Dragon Travel travel agency, is incorporated in the state of Colorado with the same exact address as US Nursing Corp. (suite number 120, the same as USNC, is given in legal documents, although the phone book lists the firm as suite 130). Greg Mikkelsen of USNC is listed as Dragon Travel’s registered agent. Apart from listings in online travel directories and phone directories such as this one <http://www.onsaleonline.com/yellowpage/travel1.html> the company does not have much of a presence on the Web. There is also a large company called Dragon Travel, based in Vietnam, which may or may not be related. Mikkelsen is a lawyer, so Dragon Travel may be just a business he represents which is completely unrelated to US Nursing Corp.

September 15 – The Illinois Secretary of State mails **another notice of franchise tax delinquency** to USNC. The state’s index does not indicate whether the taxes have been paid as of January 2001. *Illinois Secretary of State Record Number 57443286.*

October 6 – Fastaff, Inc. registers in the state of Wisconsin, and remains in good standing as of January 2001. *Wisconsin Department of Financial Institutions Record Number F031468.*

December 21 – Fastaff is declared **delinquent for failure to file annual report** in its home state of Colorado. Fastaff, Inc. originally incorporated in Colorado on September 26, 1996. *Colorado Secretary of State Record Number 19961125887.*

Final Report Card – Daniel Mordecai

	Lawsuits Against	State Tax Liens	Federal Tax Liens
Total Number	7	2	6
Total Dollar Amount	N/A	\$36,166	\$773,126

Final Report Card – US Nursing and Subsidiaries

	Lawsuits Against	Bankruptcy	State Tax Liens	Federal Tax Liens	Business Licenses Revoked
Total Number	9	2	7	3	19

Total Dollar Amount	N/A	N/A	\$270,682	\$201,315	N/A
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Grand Total – Mordecai and His Companies

	Lawsuits Against	Bankruptcy	State and Federal Tax Liens	Business Licenses Revoked
Total Number	16	2	18	19
Total Dollar Amount	N/A	N/A	\$1,281,289	N/A

5. War Games – Washington Hospital Center

In this section, we'll examine the 2000 strike at Washington Hospital Center in Washington, DC, as a model for doing battle with US Nursing Corp. The next section, "For Your Eyes Only," includes scanned images of lawsuits filed against the hospital and the scabs. Finally, the "Battle Plan" features a checklist of items "To Do" when US Nursing Corp. scabs come to your town.

In September 2000, approximately 1,200 nurses struck the Washington Hospital Center over wage, mandatory overtime and patient care issues. The nurses, members of the DC Nurses Association (<http://dcnaonline.com>, the website includes press releases and news on the strike), were on the picket lines for 47 days. But the 907-bed hospital, the largest in the Washington-Baltimore area, continued to operate with the help of hundreds of scabs from US Nursing Corp.

The American Federation of Teachers (and its Federation of Nurses and Health Professionals division), FAST, the AFL-CIO, and other individual unions got involved in the strike, assisting DCNA in various ways. This section recounts the strategies used by many people from many organizations to end the strike and get the scabs out of our backyard, so when we say "we" in this section, we are referring to a large, diverse group, not just FAST. The two main strategies involved research and public actions:

Legal Research

Upon learning that US Nursing Corp. was supplying scabs to the Washington Hospital Center, union researchers immediately went to the DC Corporations Bureau to inspect USNC's business license. At least two researchers (from two separate organizations) traveled to the Corporations Bureau on separate occasions. We were unable to locate any business license for US Nursing Corp. or Fastaff, and our searches were double checked by employees of the Corporations Bureau.

We next looked in the DC Administrative Code for the District's regulations on business licenses. We found that not only was USNC required to have a general business license, but that all companies operating as "employment agencies" needed a special license from the DC government, and had to fill out an application proving their financial solvency. A physical search of the Corporations Bureau's records, again double-checked by Bureau employees, revealed that once again USNC had not obtained a required license.

The regulations also revealed that the Mayor of DC had the power to reject any license application if a company had any history of legal violations or questionable business practices.

At this point, researchers began assembling a history of USNC's business practices in other jurisdictions, eventually compiling the master list that makes up our "Intelligence" section. It was clear that USNC had a history of failing to obtain or renew licenses in addition to its many other troubles.

Nursing Licenses

USNC's carefully crafted image is one of military style efficiency. It seems that assembling hundreds of nurses (625 in the Washington Hospital Center strike) within a few days is an impossible task, yet USNC pulls it off. However, is it possible for USNC nurses to meet every licensing requirement within a few days, and for the hospital to adequately (and legally) supervise hundreds of new employees?

Union researchers carefully reviewed the DC regulations on nursing licenses. The DC government allows nurses to practice while their license applications are pending, but they must be under the "general or immediate supervision" of a licensed nurse at all times (general supervision meant that the licensed nurse/supervisor was on the premises or in vocal contact at all times). Also, all out-of-state nurses had to submit a "Supervised Practice Form To Be Completed By Supervisor." The supervisor who signs this form is required to be on the premises at all times that the out-of-state nurse is working.

Through a survey (see the "Battle Plan" section) and anecdotal evidence we were certain that US Nursing's out-of-state nurses were working without the supervision of the nurses that signed the Supervised Practice Form.

It is clear that having several hundred new nurses start at a hospital on the same day is a logistical nightmare. Despite the spin by USNC and the hospitals, it is virtually impossible to accomplish without cutting some (legal) corners.

News Research

Researchers then conducted extensive searches of news databases, compiling articles on US Nursing Corp.'s business practices and safety history. All relevant articles found are listed in both the "Intelligence" and "Casualties of War" sections. In addition to the questionable legal and financial history of USNC, we now had a list of numerous patient care problems, and were ready to let the people of Washington, DC know what kind of people were working in their biggest hospital.

Public Actions

News media – Many of the articles from the *Washington Post* cited elsewhere in this section incorporated information supplied by union researchers. Reporters, and readers, were understandably concerned about the solvency of US Nursing Corp. and the safety of its scabs.

Government officials – Union representatives approached DC government leaders, including the Mayor, with two goals in mind: 1) to warn them of the kinds of people (the business and its employees) who were providing healthcare to their constituents, and 2) to notify them that US Nursing Corp. was violating the law by failing to obtain required licenses. Government officials were asked to investigate the situation and enforce the laws.

Public demonstrations – Some striking nurses went on hunger strikes to protest and raise awareness of the hospital's actions. On the picket lines, striking DCNA nurses now had plenty of ammunition when it came to informing patients and the community about the sad history of USNC. Public actions were held (including one in which AFL-CIO President John Sweeney, AFT President Sandy Feldman and other union leaders were arrested in nonviolent protests), and an important part of the message at these events was often the history of USNC.

Raising awareness of the cost of the scabs – The media, community and government leaders, and taxpayers were concerned about the millions of dollars Washington Hospital Center was paying scab nurses, rather than reaching a fair contract agreement with the experienced, qualified DCNA nurses. See the “Battle Plan” section for the formulas we used to estimate the hospital's expenses.

The Courts

The final strategy was a lawsuit filed by the AFL-CIO, DCNA, the American Nurses Association and individual citizens against Washington Hospital Center, US Nursing Corp. and several government officials, including the Mayor of DC. The lawsuit asked the DC Superior Court to void the contract between the hospital and the scabs, because US Nursing Corp. was operating illegally. This charge, of course, was based on the research done at the DC Corporations Bureau.

Based on the investigations of nursing license regulations in DC, the lawsuit further charged that USNC nurses were operating illegally, and that the hospital was not in compliance with DC law in its supervision of the scab nurses. The lawsuit also charged that the US Attorney for the District of Columbia, the Mayor of the District of Columbia, and the Office of the Corporation Counsel for the District of Columbia had all failed to enforce DC law under their jurisdiction at it applied to the situation at Washington Hospital Center. The complaint made several references to US Nursing Corp.'s shady history, as revealed in the news articles and public records we uncovered.

Finally, the lawsuit charged US Nursing Corp. with “tortious interference” in the longstanding business relationship between the DC Nurses Association and the Washington Hospital Center, an interesting argument that perhaps could (and should) be used against other professional strikebreakers.

Also filed in the case was an affidavit of a patient at Washington Hospital Center, which outlined his concerns about the quality of care provided by USNC scabs.

See the “For Your Eyes Only” section for copies of several documents filed in the case.

The Strike Ends

The strike ended successfully for the DCNA nurses shortly after the AFL-CIO and other plaintiffs filed the lawsuit (see a summary of the contract agreement at http://dcnaonline.com/press_release_1106.htm). There were several factors that led to this success for the DCNA:

1. Obviously, the determination of the striking nurses, who spent 47 days on the picket line (with some even going on hunger strikes), is what won the strike. The rest of this list merely helped the striking nurses. In fact, without a strong union, the rest of this list is meaningless.
2. The lawsuit provided more than just a legal hassle for Washington Hospital Center. There was now a mountain of evidence proving that the hospital had hired a disreputable company with a dangerous patient care history, which directly contradicted the hospital’s PR spin that everything was “business as usual” at Washington Hospital Center. In addition, the hospital, a recipient of extensive government funding (Medicare, Medicaid, bonds, etc.), had a hard time justifying the expenses of hiring scabs (see more about this in the “Battle Plan” section).
3. Government officials were now under pressure to do their jobs. Media and public scrutiny of government inaction on licensing law violations surely gave incentives to government officials to exert whatever influence they had to get this strike out of the headlines.
4. The media and the community became more skeptical about the quality of care at Washington Hospital Center during the strike.
5. Finally, a coincidence that could have been a nightmare for the hospital and the DC government: the Hospital Center had an application for a large public bond pending before the DC Council at the time the strike ended. Surely the hospital wanted the strike to end before DC Council members had to vote on whether to guarantee a loan to the hospital with their constituents’ tax money.

The pickets, the lawsuit, the increasing scrutiny by the media and the community, all of these and other forces led to a victory, and a good three year contract, for the DC Nurses Association. When the US Nursing Corp. scabs got on their planes, to return to their hometowns and await their next opportunity to stab their fellow nurses in the back, and the DCNA nurses went back to work, the AFL-CIO and other plaintiffs withdrew their lawsuit.

6. For Your Eyes Only – Documents

The following documents, which can be used as models if you find it necessary to go to court to get US Nursing Corp. out of your community, are presented here:

AFL-CIO et. al. Vs. The District of Columbia, et. al., Superior Court of the District of Columbia, Civil Action No. 00ca008065.

1. **Amended Complaint** - This twenty-page document spells out the charges against the DC government, Washington Hospital Center and US Nursing Corp. that are summarized above. The complaint lists in detail the sections of the DC Code that we felt were being violated.
2. **Memorandum of Law in Support of A Temporary Restraining Order** – Sixteen pages, with further details on USNC, asking the judge to order the scabs out of the Washington Hospital Center.
3. **Plaintiffs’ Supplemental Memorandum** – Twenty more pages, going ever further into the past and present law breaking history of USNC.
4. **Affidavit of Lawrence Guyot** – In two pages, a Washington Hospital Center patient relays his concerns about being treated by scabs.

Reading these documents should give even you more ideas about how to fight US Nursing Corp., and they can provide your union’s attorney with a first draft if taking legal action against USNC becomes necessary.

7. Battle Plan

You should start at least the first few steps of the Battle Plan long before US Nursing Corp. scabs invade your hospital. If a strike deadline is approaching, and/or you have any indication whatsoever that the hospital is considering bringing in USNC, you need to start on this list yesterday. Remember: US Nursing Corp. provides financial incentives for lockouts!

1. Assemble a US Nursing Corp. “safety” profile:

- Cut and copy the list of dangerous incidents in the “Casualties of War” section, and start collecting copies of the articles cited. Most of the articles not available on the Internet are available in Lexis-Nexis.
- Begin working on your physical presentation of the safety profile – news releases, fact sheets, leaflets, etc.

2. Assemble a US Nursing Corp. legal profile:

- Cut and copy the list of USNC’s legal and financial problems in the “Intelligence” section.
- Begin working on your physical presentation of the safety profile – news releases, fact sheets, leaflets, etc.

3. Prepare answers for the obvious arguments and spin you are going to get from the hospital and the scabs:

- Use the information provided in the “Troops” section and elsewhere to prepare answers to such arguments as, “If we don’t care for the patients, who will?” and “Patient care will remain at a high quality level during the strike.”

4. Issue public warnings about US Nursing Corp., and release your plan for patient care coverage in the event of a strike:

- Warn the hospital about USNC’s safety and legal history, and keep proof that you did so.
- Warn the news media, the community and local leaders about USNC’s history.
- Make sure your message of the workers’ position is clear, and make sure you have a solid plan for patient care (transfers, emergency situations, etc). before, during and after a strike.

5. Carefully review state, county and municipal regulations on business licenses:

- Search state and local regulations and ordinances for business license rules. Remember that USNC may need more than just a general business license: many jurisdictions require special licenses for general employment agencies, healthcare employment agencies, etc. California, and possibly other jurisdictions, has specific rules on companies that supply “professional strikebreakers!”
- Many state and local regulations are available online. Start with your state, county and/or city’s main website and find out if the regulations are available. The Seattle Public Library website has a good collection of regulations in major cities available at <http://www.spl.lib.wa.us/govpubs/municode.html>. Your local library, county courthouse and city hall will have copies of all regulations available to the public. If you can search the regulations online, or if an index is available in the print copy, look up every relevant key word you can think of, i.e. business license, employment agency, health care, strike, union, hospital, nurse, temporary worker (employee), replacement worker (employee), labor dispute, work stoppage, etc.
- As a back up, not a substitute, to the previous step, call the business licensing offices at the state, county and municipality. Carefully describe the type of business you own – “I have an employment agency, based out of state, that supplies out-of-state temporary nurses to hospitals during strikes. What licenses will I need to operate in this state/county/city?” Get copies of the blank forms – they make nice visuals if USNC doesn’t file them, and you can see what you’ll learn about USNC if they do file them.
- Be sure to collect the portions of the regulations that explain who enforces them, and what the penalties are for breaking them!

6. Carefully review state, county and municipal regulations on nurse licensing. Follow the same procedure as above:

- Search state and local regulations and ordinances for nurse licensing rules and procedures. Pay careful attention to rules on the hospital’s duties regarding verification of credentials and supervision of nurses, especially temporary nurses and nurses with pending license applications. Again, collect regulations on enforcement and penalties.
- Contact your state Board of Nursing and any other relevant agencies. Ask about application and review procedures, get blank forms, find out how to verify whether a nurse is properly licensed, how a patient can file a complaint against a nurse, and whether the state allows “accelerated reviews” of license applications in emergency situations such as strikes.

7. Search state, county and municipal agencies for US Nursing Corp.'s business licenses:

Now that you know what licenses USNC will need, its time to start checking whether they have been filed. There are a few things to keep in mind during this step:

- **US Nursing Corp. is a tough name to search** – Search for both US Nursing Corp. and Fastaff. Search for Daniel Mordecai and other USNC bosses. If possible, search for USNC's office address, 3888 E. Mexico Ave., Suite #120, Denver, CO 80210, and Mordecai's home address, 3212 S. Josephine St, Denver, 80210, just in case they are using a name we haven't heard of yet. But the main name itself – "US Nursing Corp." – can be hard to find. As an example, take a look at the New York Secretary of State website, <http://www.dos.state.ny.us/>. Search the Corporations Database for US Nursing – nothing comes up. Next, search for U.S. Nursing ("U," Period, "S," Period) – nothing. But search for U. S. Nursing ("U," Period, Space, "S," Period), and you find the scab company's listing. Anytime you are searching for a company that uses acronyms or initials, you need to search every possible variation. By the way, there is no listing for United States Nursing, either.
- **Get a government employee's help if you can't find anything** – You probably do not need to keep your search a secret at this point. Ask a clerk, or preferably a supervisor, to double-check your search results. Explain that you are positive this company is operating in their jurisdiction, and present any proof you have that this is true, such as a newspaper article mentioning a contract between USNC and the hospital.
- **Check repeatedly** – Daily if possible. Government paperwork sometimes moves slowly, and USNC may have made a filing that is not yet showing up on indexes. Or they may just make a filing late.
- **If you cannot find any licenses that you think USNC needs, its time to talk to a lawyer** – There are several variations and loopholes that might not be spelled out in the regulations you studied. For example, does USNC need a license when it signs a contact with a hospital, when it first receives payment, when its scab nurses actually begin working, or at some other point? Is there a grace period for business licenses, i.e. you need a license within 30 days from the day you started conducting business in the jurisdiction? Its up to the lawyer, not you, to determine whether USNC is operating illegally. You should just present all the facts, which the lawyer will want to double check.
- **Decide how to use the results of your search** – Your attorney is of the opinion that USNC is operating illegally. If you run to the media, maybe USNC simply gets the required licenses and the issue

goes away. But what if you quietly complain to a government office, or file a lawsuit, asking that the contract be declared void, and the nurses be kicked out of the hospital, as the AFL-CIO did in the Washington Hospital Center strike? Whatever you and your lawyer decide, USNC and the hospital should be the last to find out what you know, and they shouldn't hear it from you. Let a bureaucrat or a process server tell them.

8. Search the state Board of Nursing to check on the status of the scab nurses' licenses, and make sure the hospital is following procedures.

- **Search the state Board of Nursing** – This can be tough due to privacy concerns, but stay on it. Sympathetic elected officials, lawyers, and the media may have better luck getting results from an agency like this. Again, you need a lawyer to interpret the results of your research, and you need to determine what to do with what you find. If you are unable to uncover any significant information about the Board's review of the license applications...what are they hiding? This is something patients, politicians and reporters will want to know.
- **Find out what's going on inside the hospital** – From your research you know that hospitals can have very strict requirements for verifying the credentials of nurses and for supervising nurses. Learn what you can from patients and sympathetic sources inside the hospital (see the survey information below). The hospital won't answer your questions on this matter, just as they won't feel a need to prove to you that they have just as many pediatric nurses during the strike as they did before the strike, etc. But they will want to answer these questions when put to them by politicians, government regulators, reporters and community leaders.

9. Develop an estimate of the cost of scab nurses, and an estimate of taxpayer support for the hospital:

We have never found a case where a hospital will announce what it is paying to US Nursing Corp., no matter how often and by whom they are asked. But it is still relatively easy to come up with an estimate, because we are certain of the following things:

1. US Nursing Corp. pays its scabs approximately \$2,000 to \$4,000 per week.
2. US Nursing Corp. pays travel expenses, usually airfare.
3. US Nursing Corp. pays for hotel rooms, transportation to and from the hospital, security, meal allowances and/or per diems, plus a variety of bonuses and incentives.
4. The hospital pays US Nursing Corp. enough to cover all of these items, plus whatever US Nursing Corp.'s markup is.

In the Washington Hospital Center strike we came up with the following cost comparison for the first six weeks of the strike:

Costs for US Nursing Corp. Nurses
600 USNC nurses for 6 weeks

Wages	600 nurses x \$3500/week x 6 weeks	\$12,600,000
USNC Markup	600 x \$875 (25% x 3500) x 6 weeks	3,150,000
Room and Board	600 x \$100/day x 42 days	2,520,000
Airfare	600 x 2 (sets of nurses) x \$200 round trip	240,000
Daily Shuttle	6 buses x \$800/day x 42 days	201,600
Security	6 guards x \$7/hr x 24hr x 42 days	42,336

Total Costs for 600 USNC Nurses for 6 Weeks **\$18,753,936**

Costs for DCNA Nurses
1100 DCNA nurses for 6 weeks at existing rates

1100 x \$25/hour (wage) x 40 hr/wk x 6 weeks	\$6,600,000
1100 x \$10/hour (benefits) x 40 hr/wk x 6 weeks	\$2,640,000

Total Costs for 1100 DCNA Nurses for 6 Weeks **\$9,240,000**

ADDED COSTS FOR USNC NURSES ***\$9,513,936***

Obviously we were more lenient than USNC deserved. Only the markup was a rough guess; everything else was a deliberate underestimate, just to be safe.

When you come up with a figure for the cost of US Nursing Corp., move on to an estimate of how much the hospital is eating at the tax trough. Using 990s, cost reports, CHIPs reports, Medicare, Medicaid and bond funding (if you need help finding any of these things, see the rest of the Fast Manual of Corporate Investigation, specifically the Healthcare Research section).

Now that you have conservative estimates of how much taxpayer money the hospital is getting and how much they are wasting on scabs rather than spending on qualified, experienced nurses, you have an issue that resonates with **everyone** in the community.

10. Conduct a patient care survey:

- Survey patients and hospital staff on the quality of care in the hospital. These are some of the questions we used in the Washington Hospital Center strike. You can prepare different questions for patients and for staff:
 1. Have the scab nurses been put to work without orientation or training?
 2. What specific bad outcomes have happened since the strike began? For example, patients coding or failing, delayed or missed medications, false charting, not following doctors' orders, etc.
 3. Are nurses in general working 8, 12 or 16-hour shifts?
 4. Are workers in your unit being asked to perform tasks outside their scope of practice? If so, what types of tasks?
 5. Have there been more or more serious worker injuries since the strike began?
 6. Has the census changed significantly since the strike began?
 7. Are there patient care horror stories, or close calls? How did you learn about them?
 8. Are there complaints from patients or families? If so, are there any similarities among the complaints? Have you heard of any malpractice suits filed since the strike began?
 9. Have there been any inspections lately? Were you asked to prepare for the inspection? Were you asked to do anything out of the ordinary?
 10. Have you heard any complaints from doctors about the scab nurses? Are any doctors moving patients to other facilities?
 11. What, if any, information has management relayed to you about the strike, written or verbal?
 12. Is there anything else you've seen or heard or otherwise been involved in that differs from the time prior to the strike?
- Constantly collect and update anecdotal evidence of patient care problems.
- Offer support to patients and staff who want to go public with complaints, or file complaints with government agencies.

11. Finally, consider a lawsuit.

US Nursing Corp.'s reliability as a healthcare provider and as a corporate citizen is clear. Chances are you'll find that they, or the hospital, are violating a law or regulation. If public pressure doesn't work, the courts may be your best solution. In consultation with your lawyer, using the documents scanned in the previous section as a template, consider this option.

As US Nursing Corp. continues to break laws and harm patients, we will continue to track them and to update this site. If you have anything you'd like to share about US Nursing Corp. and its scab employees, one of whom is pictured here as she prepares to anesthetize a patient ...



...please send us your **FEEDBACK.**