

A Healthcare Staffing Agency Required Employees to Stay at the Company For 3 Years or Pay Back Wages, Department of Labor Says in New Lawsuit

Advanced Care Staffing, an employment agency that operates in New York, Connecticut, and New Jersey, is being sued by the Department of Labor (DOL), Insider reported.

The suit, which was filed on March 20, contends that Advanced Care forced employees to enter into contracts that required them to work at least three years – or pay back their wages. And, the suit adds, Advanced Care forced employees to pay back wages, plus legal fees, if they didn't.

It was filed in the Eastern District of New York.

“Under this scheme, the pay that ACS promises its employees may be converted into nothing more than a loan that employees must repay with interest and fees,” the suit said.

In the suit, the DOL said one employee was asked to pay back what amounted to more in pay than he ever made at the company, to cover fees what Advanced Care called “future profits,” the DOL claimed.

Companies cannot, “workers as insurance, unconditionally guaranteeing a future profit stream for the employer,” the suit noted.

Advanced Care did not respond immediately to *Entrepreneur's*

request for comment.

But David N. Kelley, whose firm is acting as representation on the case, told Insider the contentions were “unsupported by either the facts or the law.”

Kelley said the company provided contracts for nurses from outside the U.S. to come to the country and work and covered things like immigration and housing costs, with the contractual bargain being employees would stay with Advanced Care for three years.

“To be clear, ACS has never demanded – and no nurse has ever repaid – their earned wages to ACS,” Kelley added to the outlet.

Kelley is an attorney at the firm Dechert with experience with high-power litigation with regulators, per his company bio.

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