1	H.921
2	Introduced by Committee on Human Services
3	Date:
4	Subject: Human services; nursing homes; transfer of ownership; Department
5	of Disabilities, Aging, and Independent Living
6	Statement of purpose of bill as introduced: This bill proposes to establish a
7	working group to examine the oversight of nursing homes in Vermont. It
8	would also eliminate a requirement for a certificate of need prior to the transfer
9	of ownership of a nursing home.
10	An act relating to nursing home oversight
11	It is hereby enacted by the General Assembly of the State of Vermont:
12	Sec. 1. NURSING HOME OVERSIGHT WORKING GROUP; REPORT
13	(a) Creation. There is created the Nursing Home Oversight Working Group
14	to examine the oversight of nursing homes in Vermont, including financial
15	stability and licensing criteria, in order to ensure the provision of high-quality
16	services and a safe and stable environment for nursing home residents.
17	(b) Membership. The Working Group shall be composed of the following
18	eight members:
19	(1) the Commissioner of Disabilities, Aging, and Independent Living or
20	designee, who shall be the Chair;

1	(2) the Director of the Division of Licensing and Protection in the
2	Department of Disabilities, Aging, and Independent Living or designee;
3	(3) the Director of the Division of Rate Setting in the Agency of Human
4	Services or designee;
5	(4) the Vermont Attorney General or designee;
6	(5) the State Long-Term Care Ombudsman or designee;
7	(6) a representative of the Vermont Health Care Association;
8	(7) a member of the Department of Disabilities, Aging, and Independent
9	Living Advisory Board selected by the Board; and
10	(8) a nursing home owner or administrator appointed by the
11	Commissioner.
12	(c) Powers and duties. The Working Group shall:
13	(1) identify procedures to monitor nursing homes' ongoing financial
14	stability and to provide for early identification of nursing homes in financial
15	distress, including:
16	(A) reviewing the types and frequency of the financial data currently
17	reported by nursing homes, including data reported pursuant to statutes, rules,
18	and procedures, as well as to whom the data are reported and how the recipient
19	uses the information; and
20	(B) developing a process for addressing circumstances in which
21	nursing homes are determined to be in financial distress;

1	(2) determine whether and what types of additional financial data may
2	be necessary to evaluate nursing homes' ongoing financial stability, including
3	cost data related to real estate lease agreements with related or other parties
4	resulting from the separation of the entity owning the real estate from the entity
5	operating the facility;
6	(3) review, in consultation with the Green Mountain Care Board, the
7	criteria that the Board considers in its review of applications for transfers of
8	nursing home ownership and determine how those criteria should be addressed
9	in the future, by whom, and as part of what process;
10	(4) determine the appropriate regulatory entity or entities and the
11	resources needed to monitor the quality of care and financial stability of
12	nursing homes on an ongoing basis; and
13	(5) review current nursing home application and licensure requirements
14	and identify any necessary changes, including any changes that are needed to
15	ensure that:
16	(A) for the transfer of ownership of a nursing home, the purchaser
17	has obtained the necessary financing for the transaction prior to the issuance of
18	a license;
19	(B) appropriate and objective criminal background, abuse registry,
20	regulatory, and quality information are considered prior to issuance of initial
21	and renewal licenses; and

1	(C) appropriate information is disclosed through the application
2	process to enable the identification of the ownership, controlling, and
3	management interests in both the real estate and operations components of the
4	nursing home.
5	(d) Assistance. The Working Group shall have the administrative,
6	technical, and legal assistance of the Department of Disabilities, Aging, and
7	Independent Living.
8	(e) Report. On or before January 15, 2019, the Working Group shall
9	submit a written report to the House Committee on Human Services and the
10	Senate Committee on Health and Welfare that includes its findings and any
11	recommendations for legislative action.
12	Sec. 2. 18 V.S.A. § 9434 is amended to read:
13	§ 9434. CERTIFICATE OF NEED; GENERAL RULES
14	(a) A health care facility other than a hospital shall not develop or have
15	developed on its behalf a new health care project without issuance of a
16	certificate of need by the Board. For purposes of this subsection, a "new
17	health care project" includes the following:
18	* * *
19	(3) The offering of any home health service, or the transfer or
20	conveyance of more than a 50 percent ownership interest in a health care
21	facility other than a hospital or nursing home.

1	* * *
2	Sec. 3. EFFECTIVE DATES
3	(a) Sec. 1 (Nursing Home Oversight Working Group) and this section shall
4	take effect on passage.
5	(b) Sec. 2 (18 V.S.A. § 9434) shall take effect on July 1, 2018 and shall
6	apply to all transfers of ownership initiated on or after that date.