

Receivership of Long Term Care Facilities

House Human Services Committee

January 31, 2018

Department of Disabilities, Aging and Independent Living

Purpose of Receivership:

- ▶ Ensure safe surrounding, adequate care and humane treatment of residents
- ▶ Safeguard the health, safety and continuity of care to residents
- ▶ Protect residents from the adverse health effects caused by abrupt or unsuitable transfer of residents

History: 2 Receiverships

- ▶ Both involved licensed level III residential care homes
- ▶ Most recent receivership: April, 2016
- ▶ Both receiverships resulted in transfer of residents and eventual closure

DAIL Independent Review of 2016 Receivership

- ▶ Goal: Learn from past experience and improve going forward to prevent adverse outcomes for residents and providers
 - ▶ Examine issues that led to appointment of receiver;
 - ▶ Review overall implementation of receivership;
 - ▶ Obtain recommendations to improve receiverships going forward

Independent Review

- ▶ Interview residents, Receiver, State staff, State Long Term Care Ombudsman and Community Partners
- ▶ Review relevant documentation
- ▶ Research practices in other states
- ▶ Resulted in a number of recommendations, some require legislative change

Proposed changes to current legislation:

- ▶ Allow entities, in addition to individuals to serve as receivers:
 - ▶ Responsibilities of Receiver are broad and require a variety of skills - health care, financial management, human resources.
 - ▶ Can be challenging for one individual to manage.
 - ▶ Review identified organizations that specialize in receivership and provide the broad array of capabilities needed to effectively manage.

Proposed Changes - cont'd

- ▶ Provide for information sharing:
 - ▶ State with Receiver
 - ▶ Receiver with State Long Term Care Ombudsman
- ▶ Amends §7217 - Duties of DAIL - broader than the Licensing Agency
 - ▶ Commissioner's Office, Licensing Agency and Adult Services
 - ▶ Provide technical assistance & consultation to Receiver

Proposed Changes - cont'd

- ▶ Identifies funds available to compensate Receiver:
 - ▶ Expenditures to be paid first from facility revenues
 - ▶ Other funds/fees may be used when:
 - ▶ Revenues of facility are not sufficient
 - ▶ No other source of payment available
 - ▶ If State uses funds/fees, gives the State priority over all other claims

Proposed Changes - cont'd

- ▶ Allows for Rule Making:
 - ▶ DAIL in consultation with Office of Attorney General
 - ▶ Addresses key recommendation to clarify roles and responsibilities

For more information:

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