

1 Introduced by Committee on Human Services

2 Date:

3 Subject: Human services; nursing homes; transfer of ownership; Department
4 of Disabilities, Aging, and Independent Living

5 Statement of purpose of bill as introduced: This bill proposes to establish a
6 working group to examine the oversight of nursing homes in Vermont. It
7 would also eliminate a requirement for a certificate of need prior to the transfer
8 of ownership of a nursing home.

9 An act relating to nursing home oversight

10 It is hereby enacted by the General Assembly of the State of Vermont:

11 Sec. 1. NURSING HOME OVERSIGHT WORKING GROUP; REPORT

12 (a) Creation. There is created the Nursing Home Oversight Working Group
13 to examine the oversight of nursing homes in Vermont, including financial
14 stability and licensing criteria, in order to ensure the provision of high-quality
15 services and a safe and stable environment for nursing home residents.

16 (b) Membership. The Working Group shall be composed of the following
17 eight members:

18 (1) the Commissioner of Disabilities, Aging, and Independent Living or
19 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 is considered prior to issuance of initial and
21 renewal licenses; and

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Sec. 3. EFFECTIVE DATES

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(a) Sec. 1 (Nursing Home Oversight Working Group) and this section shall
4 take effect on passage.

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(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.