

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 **nine 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) **the Executive Director a representative** of the Vermont Health  
8           Care Association **or designee;**

9           (7) a member of the Department of Disabilities, Aging, and Independent  
10          Living Advisory Board **appointed by the Commissioner selected by the**  
11          **Board; and**

12          (8) a nursing home owner or administrator appointed by the  
13          Commissioner; **and**

14          **(9) a nursing home resident appointed by the State Long-Term Care**  
15          **Ombudsman.**

16          (c) Powers and duties. The Working Group shall:

17               (1) identify procedures to monitor nursing homes' ongoing financial  
18               stability and to provide for early identification of nursing homes in financial  
19               distress, **including:**

20                       **(A) reviewing the types and frequency of the financial data**  
21                       **currently reported by nursing homes, including data reported pursuant to**

1 statutes, rules, and procedures, as well as to whom the data are reported  
2 and how the recipient uses the information; and

3 (B) developing a process for addressing circumstances in which  
4 nursing homes are determined to be in financial distress;

5 (2) determine whether and what types of additional financial data may  
6 be necessary to evaluate nursing homes' ongoing financial stability, including  
7 cost data related to real estate lease agreements with related or other parties  
8 resulting from the separation of the entity owning the real estate from the entity  
9 operating the facility;

10 (3) review the types and frequency of the financial data currently  
11 reported by nursing homes to the Division of Rate Setting;

12 (4) evaluate the processes by which the Division of Rate Setting  
13 currently reviews nursing home financial data;

14 (5) develop methods to address circumstances in which nursing  
15 homes are determined to be in financial distress;

16 (3) review, in consultation with the Green Mountain Care Board,  
17 the criteria that the Board considers in its review of applications for  
18 transfers of nursing home ownership and determine how those criteria  
19 should be addressed in the future, by whom, and as part of what process;

1           (4) **determine** the appropriate regulatory entity or entities and the  
2           resources needed to monitor the **ongoing quality of care and** financial  
3           stability of nursing homes **on an ongoing basis**;

4           ~~(7) identify any changes to current rules that are needed to support~~  
5           ~~nursing homes' ongoing financial stability to ensure the provision of high-~~  
6           ~~quality services and a safe and stable environment for nursing home~~  
7           ~~residents, and estimate the amount of associated increased costs to the~~  
8           ~~Medicaid program, if any~~; and

9           (5) review current nursing home application and licensure requirements  
10          and identify any **necessary changes, including any** changes that are needed to  
11          ensure that:

12                (A) for the transfer of ownership of a nursing home, the purchaser  
13                has obtained the necessary financing for the transaction prior to the issuance of  
14                a license;

15                (B) appropriate and objective criminal background, abuse registry,  
16                regulatory, and quality information is considered prior to issuance of initial and  
17                renewal licenses; and

18                (C) appropriate information is disclosed through the application  
19                process to enable the identification of the ownership, controlling, and  
20                management interests in both the real estate and operations components of the  
21                nursing home.



- 1        (b) Sec. 2 (18 V.S.A. § 9434) shall take effect on July 1, 2018 and shall
- 2        apply to all transfers of ownership initiated on or after that date.