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H.635

Introduced by Representatives McFaun of Barre Town and Gamache of
Swanton

Referred to Committee on

Date:

Subject: Human services; Department of Disabilities, Aging, and Independent
Living; long-term care facilities; receivership

Statement of purpose of bill as introduced: This bill proposes to make
modifications to the laws regarding the State’s regulation of long-term care
facilities by: (1) authorizing the Department of Disabilities, Aging, and
Independent Living to take immediate enforcement action to eliminate a
condition that can be reasonably expected to cause mental harm to residents or
staff; (2) adding a definition of “insolvent” to be applied in the context of the
regulation of long-term care facilities; and (3) prohibiting any actions taken by
a court-appointed temporary receiver from being used by a long-term care
facility in support of its opposition to the Department’s request for a
receivership.

An act relating to regulation of long-term care facilities

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

2 (TEXT OMITTED IN SHORT-FORM BILLS)

Sec. 1. 33 V.S.A. § 7102 is amended to read:

§ 7102. DEFINITIONS

As used in this chapter:

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(12) “Insolvent” means:

(A) having generally ceased to pay debts in the ordinary course of business other than as a result of bona fide dispute;

(B) being unable to pay debts as they become due; or

(C) being insolvent within the meaning of federal bankruptcy law.

Sec. 2. 33 V.S.A. § 7110(b) is amended to read:

(b) The licensing agency may take immediate enforcement action when necessary to eliminate a condition ~~which~~ that can reasonably be expected to cause death or serious physical or mental harm to residents or staff before it can be eliminated through the provisions of section 7111 of this title. A licensing agency taking such action shall explain that action and the reasons for it in the notice of violation.

Sec. 3. 33 V.S.A. § 7206 is amended to read:

§ 7206. APPOINTMENT OF RECEIVER; HEARING AND ORDER

(a) After the hearing on the merits, the ~~Court~~ court may appoint a receiver from the list provided by the licensing agency if it finds that one or more of the grounds set forth in section 7202 of this chapter is satisfied, and that the person is qualified to perform the duties of a receiver as provided for in section 7205 of this chapter. The court’s determination of whether one or more of the grounds set forth in section 7202 of this chapter is satisfied shall be based on the condition of the facility at the time the complaint requesting the appointment of a receiver was filed.

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Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.