

## **Bill: HB 702 and SB 509 – Health Care Facilities – Nursing Homes – Acquisitions and Licensure**

**Position: Support**

**March 9, 2023**

The Maryland Long-Term Care Ombudsman program advocates for residents in nursing homes and assisted living facilities in Maryland. Ombudsmen work to resolve complaints that can have adverse effects on the quality of care, safety, health, and quality of life of the citizens that reside in these facilities. In Maryland, ombudsmen provide these services to the over 50,000 citizens that live and receive services in nursing homes and assisted living facilities.

There have been a significant number of facilities in Maryland that have had a change of ownership in last few years. These nursing homes are often part of a nursing home company or chain that have acquired nursing home licenses and have gone through the current change of ownership or CHOW process.

How were these providers vetted prior to licensure? Would additional information and requirements have ensured better resident care?

For many years, the Ombudsman program's number one complaint in nursing homes was discharge and discharge related complaints. For the last three years, the highest number of complaints have been related to nursing home care. Care related issues are often related to lack of continuity of care, lack of individualized care, and staffing concerns. When companies change hands, often there are changes in staff, policy, and leadership. These changes are often implemented in every nursing home operated by that corporation. As result, the quality of care may change in all facilities affiliated with that corporation. Lately, the complaints indicate that care concerns are related to issues with staffing. It is not uncommon for the Ombudsman Program to receive complaints related to call bell response time and the resulting issues related to long waits. This leads to a host of care concerns that affect the quality of care, quality of life, dignity, and the overall health and well-being of the residents.

It is the hope of the Ombudsman Program that the closer scrutiny of nursing home companies that want to do business in Maryland will help prevent these and other care concerns. Many nursing homes are linked with REITs and private equity companies. For those companies that have a financial model and obligation to their owners, studies and recent news reports indicate that that care suffers, there is higher staff turnover and both result in poor outcomes for residents.

I ask the Committee to consider my comments and offer a favorable report for this bill.

Sincerely,

Stevanne Ellis

Maryland State Long-Term Care Ombudsman

References:

<https://www.advisory.com/daily-briefing/2021/03/16/nursing-homes-ratings>

<https://www.gao.gov/products/gao-23-104813>

<https://skillednursingnews.com/2023/02/cms-proposes-rule-requiring-more-nursing-home-ownership-transparency-including-reit-and-private-equity-disclosures/>

Change of ownership information:

<https://app.smartsheet.com/b/publish?EQBCT=94a019649f3649e68af14c6f81fb25a7>