

The meeting of the Nursing Home Financial Advisory Meeting was held at the Department of Social Services, 55 Farmington Avenue, Hartford, CT on February 1, 2019 and commenced at 9:00 A.M. with following committee representatives in attendance:

Anne Foley, Office of Policy and Management (OPM)

Chris Lavigne, Department of Social Services (DSS)

Kathy Shaughnessy, DSS

David Wasch, CT Health and Education Facilities Authority (CHEFA)

Barbara Cass, Department of Public Health

Matthew Barrett, CT Association of Health Care Facilities/CT Center for Assisted Living (CAHCF/CCAL)

Chris Wright, ICare

George Thomas, CPA, Blum Shapiro/Leading Age

Mag Morelli, Leading Age via teleconference

Nicole Godburn, Department of Social Services

Hilary Fenton Reid, Robinson and Cole

David Lawlor, Leading Age

The meeting was opened by Chris Lavigne and Barbara Cass as co-chairs and the discussions are summarized as follows:

#### **Update on any pending requests for Interim Rate Relief**

No requests have been received since the group last met.

#### **Long Term Care Mutual Aid Plan (LTC-MAP)**

Currently, Connecticut Medicaid payment rules direct if a nursing home facility should experience an incident that requires an evacuation, the facility must discharge the individual and the receiving facility admits the resident to the receiving facility. This process can be cumbersome and reimbursement can be challenging when the discharge is of short duration. The Medicare reimbursement process permits the facility to develop a MOA with the receiving facility and if the nursing home can reopen within 30 days, they do not discharge their residents. This decision must be made within 14 days (by Day 15). If it is determined that the nursing home will not be able to re-open, the discharge process and the long-term placement process commences with no disruption to reimbursement. The Receiving nursing homes consider this concept as “sheltering” of residents as opposed to admitting residents – whether exceeding licensed/certified beds to accept the evacuees or within licensed/certified beds.

The goal of the LTC-MAP is to request DSS approve a Guidance or Policy Document to support one consistent Medicaid payer process in a nursing home evacuation aligning the Medicaid process with the Medicare process.

A Medicaid memo from the Virginia Medicaid Agency summarizing reimbursement for individuals evacuated from a disaster struck facility due to temporary emergencies has been shared with the Department of Social Services (DSS) and is circulating throughout the agency to all appropriate individuals.

**Group Proposal/Recommendation:**

Continue to monitor the progress of this process as there is a clear consensus that to the extent possible, aligning the Medicaid reimbursement process with Medicare will reduce challenges in a situation that in many cases is very complicated.

**Nursing homes in receivership or bankruptcy:**

The DSS indicated that a public hearing was being conducted today for a 25 bed nursing home voluntary closure.

**Additional discussion included the following:**

The group had a lengthy discussion with regards to exploring mechanisms to economize nursing home costs. The certificate of need process was discussed in great detail with a focus on the closure process. The closure process is very expensive and protracted in some cases. In Bankruptcy proceedings the lenders interests are protected, and in some cases this is the issue that leads to receivership to ensure that all interests are protected.

The group concluded that the voluntary nursing home facility closure process can be cumbersome and while the DSS has provided for a close down rate to the affected facility, the process requires a Certificate of Need filing, followed by a public hearing. The group agreed that simplifying a voluntary closure process will also align with rebalancing and reducing unnecessary nursing home facility beds in the State. Additional discussion included

**Group Proposal/Recommendation:**

Develop proposed legislation this 2019 session which modifies the CON process, when specific characteristics exist and closure is determined to be an eventuality and there is a robust supply of beds within a certain radius of the nursing home facility that is voluntarily requesting to terminate services.

**Next steps:** The DSS will provide criteria that must be met to consider voluntary closure and the Trade Associations will work together to develop language for the state agencies to review. .

**Change of Ownership Process:**

Discussion included the change of ownership process and new models that are emerging when a buyer has been prohibited from further acquisitions in accordance with Connecticut General Statutes section, 19a-528a. It was noted that there may be federal laws that are developed to prevent further acquisitions when a potential buyer cannot demonstrate financial solvency.

**Group Proposal/Recommendation:**

Continue to monitor this process exploring the concept and definition of related parties.

**Intermediate Care Facilities (ICF):**

The concept of bringing back/increasing the ICF/Rest Home with Nursing Supervision (RHNS) beds was discussed. ICF/RHNS nursing home facility beds is a licensure category that exists within the Chronic and Convalescent Nursing Home (CCNH) regulations and while has many of the same requirements, the staffing requirements are less as it is a lower level of care. The discussion included potential concerns that could be raised with conditions of participation required by the CMS and it was determined that the acuity based payment system should correct or balance the concerns that may have existed.

The meeting concluded at 11:00 with the next meeting scheduled for February 22, 2019