SB 34 A STAFF MEASURE SUMMARY

Senate Committee On Human Services

04/09/25
Do pass with amendments and requesting referral to Ways and Means. (Printed
A-Engrossed.)
4-1-0-0
4 - Gelser Blouin, Nash, Prozanski, Reynolds
1 - Linthicum
Fiscal impact issued
No revenue impact
Matthew Perreault, LPRO Analyst
3/11, 4/3, 4/9

WHAT THE MEASURE DOES:

The measure requires the Oregon Department of Human Services (ODHS) to study and implement policies related to regulation and ownership of long term care facilities and report to interim legislative committees. The measure requires ODHS to publish information about facility ownership on a public-facing website. The measure requires a facility to request approval from ODHS before changing the facility's ownership and management.

Required Disclosure of Long Term Care Facility Ownership (Section 1)

- Requires ODHS to study state and federal laws that require a long term care facility to disclose information about owners and operators of the facility and how to integrate the information and share it with the public.
- Requires ODHS to update its website to publish specified information about the ownership and operation of long term care facilities.
- Requires ODHS to report on progress with updating the website and recommendations about additional authority or resources that are needed to interim legislative committees by December 31, 2025.
- Sunsets on January 2, 2027.

Study on Public-Facing Online Portal (Section 2)

- Requires ODHS to study the feasibility of deploying an online portal that would collect information on licensure and other reports from long term care facilities and share that information with the public.
- Requires ODHS to report on findings and recommendations to interim legislative committees by December 31, 2025.
- Sunsets on January 2, 2027.

Approval for Long Term Care Facility Ownership Change (Section 3)

- Requires a long term care facility to apply for approval from ODHS before changing ownership or operators.
- Requires a long term care facility to notify each resident or their legal representative at least 30 days before changing ownership or operators.

Sunset and Effective Dates (Sections 4 & 5)

- Sunsets directives for studies on January 2, 2027.
- Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Facilities affected by provisions of the measure
- Timeline of reporting dates specified in the measure
- Potential fiscal impact of the measure
- Information that nursing home providers currently report to the federal government
- Comparison with requirements for providers of developmental disabilities services

SB 34 A STAFF MEASURE SUMMARY

- Ownership and corporate structure of nursing home providers
- Collaborative work currently underway in the Department of Human Services
- Recent trend of changes in ownership of nursing home facilities
- User-friendliness of existing websites that provide information

EFFECT OF AMENDMENT:

The amendment replaces the measure.

BACKGROUND:

A long term care facility is defined in Oregon law as a permanent facility with inpatient beds that provides medical services (<u>ORS 442.015</u>). Long term care facilities include skilled nursing facilities and intermediate care facilities for individuals with intellectual or developmental disabilities. Oregon law distinguishes these from residential care facilities, which assist residents with activities of daily living but generally do not provide on-site medical care (<u>ORS 443.400</u>). Long term care facilities are licensed and regulated by the Oregon Department of Human Services' <u>Aging and People with Disabilities (APD)</u> division. APD operates a <u>website</u> for consumers to search for licensing information on regulated facilities. Consumers may search for long-term care providers though the <u>Aging and</u> <u>Disability Resource Connection website</u> or contact the Office of the <u>Long Term Care Ombudsman</u>, a federally mandated and independent state agency that responds to complaints from, and advocates for the interests of, residents of long term care facilities.

In recent years, there has been growing interest in requiring transparency for ownership of nursing homes and other long term care facilities. A 2023 report from the U.S. Department of Health and Human Services (HHS) found that investment by private equity firms and real estate investment trusts in long term care facilities had increased since 2013 and corresponded with a measurable impact on staffing levels in those facilities (<u>HHS</u>). Earlier in 2023, the Government Accountability Office (GAO) issued a recommendation that the Centers for Medicare and Medicaid Services (CMS) update its consumer-facing resources to provide more transparency about the relative quality of nursing homes, including more detailed information about ownership (<u>GAO</u>). CMS subsequently published a final rule in the <u>Federal Register</u> requiring facilities that participate in Medicare and Medicaid to submit additional information about ownership to CMS for public disclosure, as authorized by section 6101 of the <u>Affordable Care Act (P.L. 111-148</u>). This additional information is now provided through the <u>Care Compare online tool</u>.