

Nursing Home Financial Advisory Council

July 10, 2024 | 9:30-11:30am

Meeting Minutes

Members present: Nicole Godburn, Department of Social Services (DSS, Co-Chair); Barbara Cass, DPH (Co-Chair); Adelita Orefice, DPH; Lorraine Cullen, DPH; Mairead Painter, State LTC Ombudsperson; Michael Morris, CHEFA; Margaret Morelli, LeadingAge; Matthew Barrett, CAHCF.

Members absent: Claudio Gualtieri, Office of Policy and Management (OPM).

Legislators present: Sen. Matt Lesser, Rep. Tammy Nuccio.

Others in attendance: Betsy Bujwid (DSS), Owen Rood (OPM), Emily Shepard (OFA), Melissa Morton, Hillary Felton-Reid, Jonathan Fink.

Welcome and Call to Order

- Nicole Godburn called the meeting to order at 9:33 am.
- Nicole took roll call attendance of members; everyone was present except for the OPM representative, though Owen Rood was present on behalf of the agency.

Approval of the April 10, 2024 Meeting Minutes

- Matt Barrett moved to approve the minutes; Adelita Orefice seconded. The meeting minutes passed without revisions.

DPH and DSS Slideshow

- Nicole Godburn and Lorraine Cullen reviewed the slide deck with key data from the past quarter.
 - Nicole shared bed capacity and census data for the reporting period of April 1 through June 30, 2024, has remained steady at around and 86 percent.
 - Lorraine indicated that the number of nursing homes was reduced by one since the last reporting period and CT currently has 197 licensed nursing homes. The nursing home that closed this last quarter had a capacity of 46 beds.
 - Nicole reported that in SFY 2024, there have been four voluntary closures of nursing homes. There were no interim rate requests made during 2024 Q2 (April 1 through June 30, 2024)
 - Lorraine provided an overview of the Change in Ownerships (CHOWs) that have occurred in 2024. Currently, there have been 17 CHOWs, with an additional 7 pending. She then went over the top five most frequently cited federal deficiencies during the past quarter and noted that a lot of these deficiencies are all ones seen in previous quarters. Lastly, Lorraine provided information on Immediate Jeopardy (IJ) findings and provided longitudinal data since 2022. In the past quarter, the department reported 9 IJ deficiencies across 8 facilities.
- In response to the slide on CHOW activity in the past quarter, Sen. Lesser asked if DPH evaluates the ownership structure of the nursing homes that have closed.

- DPH representatives shared that the Department does track the ownership structure of nursing homes. Adelita Orefice clarified that the participation of private equity in nursing homes is complex, since there are three entry points into a nursing home for these firms: as the licensee, the real estate owner, and as the management company.
- DSS representatives shared that they require nursing homes to list out their cost reports, such as the various LLCs that may be attached to a home. DSS has also developed a cost report consumer guide to understand the different parties involved in a given nursing home.
 - They provided the following link: <https://portal.ct.gov/dss/health-and-home-care/medicaid-nursing-home-reimbursement/nursing-facility-cost-reports/cost-report>.

Presentation on Nursing Home Staffing Changes - Mag Morelli and Matt Barrett

- Mag Morelli and Matt Barret gave a high-level overview of the CMS nursing home staffing mandate, that will be coming to states in the next two years.
- Connecticut currently has a minimum of 3.0 staffing hours per patient. The CMS mandate will increase the requirements to 3.48 total hours per resident day. This is broken into 0.55 RN hours, 2.45 nurse aide hours, and an additional 0.48 hours per resident day that can be any combination of nurse staffing – these hours could be covered by an LPN, for example.
- Matt shared a preliminary evaluation of the staffing needs, based on data from the American Health Care Association (AHCA) that used Payroll Based Journal (PBJ) submissions from October through December 2023.
 - Matt indicated that based on this data, the annual cost estimate to meet all of the new CMS requirements could represent an \$88.7 million aggregate cost increase.
 - Adelita expressed concern about data on the slide indicating that on 37 percent of Connecticut nursing homes are compliant with the 24/7 RN on-site requirement, given that this requirement has been in place in Connecticut for years. Neither Mag nor Mairead Painter had heard of compliance issues with the 24/7 RN requirement, so there was discussion about the accuracy of the data analysis presented.
 - The numbers shared are preliminary, and estimates will shift, but Mag and Matt believed it was important to share current projections with the Committee.
 - Mag indicated that the new rule would precipitate the rearranging of staff hours, in addition to hiring more staff.
 - From a Medicaid perspective, Nicole shared that DSS will be working in partnership with nursing homes to understand all of the nuances before they publish a price tag from a Medicaid perspective, since a lot of times the costs of these types of programs get passed onto Medicaid programs.
 - In response to the discussion of Connecticut's 24/7 RN requirement, Barbara Cass added that Connecticut currently has no waivers out for this requirement, and the Facilities Licensing and Investigations Section (FLIS) receives a monthly report from CMS that flags any nursing homes which may have concerns. FLIS does immediate follow up or selects homes for a survey to assess staffing.

Discussion

- Matt clarified data that DPH presented on slide 9, the CHOW activity from 4/1/24-6/30/24. This slide contains nine CHOWs, and Lorraine confirmed that there are seven additional pending CHOWs in addition to the ones listed on the slide.
- Matt also commented on the trend of closing nursing homes across New England, noting that there is an increasing access issue with the closures, as well as a strong need for a vibrant skilled nursing facility infrastructure. Mairead commented that it is important to talk to nursing home owners and patients to design and maintain a robust system of long-term services and supports.

Closing

- The next meeting will take place on Wednesday, October 9, from 9:30 AM to 11:30 AM.
- Nicole called for a motion to end the meeting, and Adelita moved to adjourn.
- The meeting adjourned at 10:28am.