



CITY OF PHILADELPHIA

CITY COUNCIL

Isaiah Thomas
 Council Member, At-Large
 City Hall, Room 330
 Philadelphia, PA 19107

TO: Pennsylvania Independent Regulatory Review Commission
 333 Market St, 14th Floor, Harrisburg, PA 17101

The regular opaque sales of nursing homes across the Commonwealth is hurting seniors, caregivers, and our communities and the sales are likely to increase in volume and frequency as average daily census have been down across the industry during the pandemic. As elected leaders, the pandemic has reinforced that it is our responsibility to ensure that nursing home owners have the experience, stability and commitment to take on the responsibility of caring for our most vulnerable citizens. We must act now, or place many more lives, jobs and communities at risk.

I support the Department of Health's proposed regulations to improve transparency and accountability in nursing home sales and ask that these regulations be further strengthened to ensure that residents, caregivers, and families have a say in who owns the facilities that care for their loved ones.

Current regulations fail to provide adequate protections. There have been a string of owners who have been a constant source of both elevated risk and demonstrated harms to older Pennsylvanians. Nursing homeowners are entrusted with the care of our elders and most receive taxpayer money to support this care. Too often, resources are diverted from care to pay interest and profits, acting against the safety and care of the residents and family members to whose care they are entrusted with.

The Department of Health's new proposed regulations would help protect both residents and workers by vetting anyone seeking to purchase nursing homes in Pennsylvania, including a far more detailed disclosure of proposed owners' regulatory history, financial capacity, and corporate structure. The new regulations also grant the Department greater authority to prevent irresponsible owners with long histories of poor care from taking over nursing homes in our Commonwealth.

However, the regulations are missing one crucial component: public transparency. Residents, families, and caregivers have a right to know in advance when a nursing home is being sold and who is planning to buy it so they can bring concerns to regulators and those of us entrusted to protect the people of PA. That's why I championed the Transparency in Healthcare Bill No. 210331 that passed unanimously in Philly City Council last year. This legislation requires:

- Potential buyers to publicly notify the City 45 days from proposed date of sale of a healthcare facility.



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- Require buyers to disclose records like audited financial reports, information about owners in the facility, documentation of financing agreements, to demonstrate proof of viability to the Philadelphia Department of Public Health and the Clerk of Council.
- Creates a 90-day transition period where new owners maintain or improve existing standards of staff, wages, and benefits to ensure that experienced staff remain at the bedside.

I am urging the Department, in its revised regulations, to reflect the important protections offered in my bill to include:

- 1) Require that notice of proposed sales and information about the new owners be posted well in advance of the sale's approval and completion.
- 2) Require this public notice be posted in the facility and published in a local newspaper as well as presented on a Department-administered website.
- 3) Give input from residents, families, caregivers and community members a formal role in the process of approving sales.

Nursing homes are not just financial assets. They're homes, entrusted with the care of our seniors. We have a unique opportunity to ensure that those entrusted with the lives of these residents are capable, responsible and focused on care. The current proposed regulations represent important steps in this direction—but only by ensuring that residents, families and caregivers are offered a voice in the ownership of long-term care facilities can we achieve real transparency and accountability here.

Sincerely,

A handwritten signature in black ink, appearing to read 'Isaiah Thomas'.

Council Member Isaiah Thomas
Philadelphia City Council, At- Large