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Nursing Home Acquisition Workgroup
MEETING SUMMARY
Friday, August 25, 2023
2:30-4:30 pm

Recording Link: <https://youtu.be/EytK6JFGDok>

Attendees

In Person

Ben Steffen	Joe DeMattos
Howard Sollins	Julie Beard
Jeanne-Marie Gawel	Stacy Howes
	Wynee Hawk

Virtual

Allison Ciborowski	Daniel Shattuck	Kevin Heffner
Amanda Celentano	Danna Kaufman	LaWanda Edwards
Aneena Patel	Delegate Samuel Rosenberg	Liam McGivern
Ann MacKay	Dorinda Adams	Linda Cole
Anna Palmisano	Erin Davis	Lou Grimmel
Bob Kramer (Speaker)	Heather Forsyth	Nancy Crawford
Bonnie DiPietro	Heather Reed	Paul Miller
Claudia Balog	Hope Morris	Stevanne Ellis
	James Forsyth	Teresa Brown
	Joshua Auerbach	Theressa Lee

1. Welcome
2. Meeting Minutes: August 4, 2023

Stacy Howes opened the meeting and reviewed the agenda and minutes from the last meeting. Jeanne Marie Gawel introduced Mr. Robert Kramer.

3. Robert Kramer, Founder, Chair and Fellow at Nexus Insights - Question and Answer Session

During his question-and-answer session, Mr. Kramer spoke about the changing landscape of the nursing home industry, how it has been impacted since the pandemic, and what Maryland could put in place to prevent bad actors. He also discussed red flags to look for in investments. Mr. Kramer also spoke about private equity and how it is different than REITS and explained why

Maryland has been so heavily infiltrated with private equity firms. He also stated Maryland should remain neutral about private equity and focus on transparency. During the session, he gave examples of what lawmakers did in Oregon.

Joe DeMattos stated he agreed with Mr. Kramer and that care should be at the right place and time. He also stated he was familiar with what was done in Oregon and how nursing home beds were reduced using incentives. Erin Davis agreed with Mr. Kramer about looking into the future. Howard Sollins stated that Opco and Propco belonging to different owners was common and questioned earlier remarks made about private equity causing an increase in mortality. Ben Steffen asked Mr. Kramer about dual advantage products. Mr. Kramer shared that he is an advocate of PACE programs. James Forsythe commented on how the pandemic impacted the nursing home industry. Mr. Steffen closed the question-and-answer session with final thoughts.

4. Review of Workgroup-Identified Concerns

Ms. Gawel then discussed previous workgroup-identified concerns. Mr. DeMattos said it would be difficult to identify all nursing homeowners. He also stated that using contracted staff is a common practice. Mr. Sollins agreed. Mr. DeMattos stated mortality would be higher in facilities with more long-term care because the residents are sicker. Josh Auerbach stated that the Opco/Propco concern was related more to Opco/Propco being used to hide ownership. Ms. Davis stated she wanted to add her concern that the lack of staffed nursing home beds was impacting the ER wait times in hospitals. Stevanne Ellis stated that corporations need to be held accountable for their actions instead of passing the blame. Anna Palmisano added that staffing shortages are not the only problem but salaries and benefits, too.

Ms. Gawel then discussed possibilities for increased oversight. Claudia Balog stated if we wanted to look at a percentage of patient care, we would first need a benchmark based on data. Ms. Davis stated we should focus on getting surveys done on time. Mr. Forsythe said we should look at reducing triples and quads in all the Maryland facilities, not just through acquisitions. Mr. Sollins reiterated keeping a neutral view.

5. Possibilities for Robust Quality Oversight

Dr. Howes then discussed the current MHCC quality standard for nursing homes and the possibilities for robust quality oversight. Ms. Kauffman added that only infection control was looked at during the pandemic, and a decline in 5-star ratings is inevitable. Mr. Sollins stated not all CONs are alike and a 5-star rating should not be a moratorium. Dorinda Adams asked if the Nursing Home Family Survey is on our website, and Dr. Howes confirmed it was.

6. Next Steps: Next meeting will be September 15, 10 am-12 pm

In conclusion, Mr. Steffen asked how we would address concerns and suggested a ranking system. He also thanked everyone, and Dr. Howes closed the workgroup meeting.