

# STATE OF NEW YORK

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2705

2021-2022 Regular Sessions

## IN SENATE

January 22, 2021

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Introduced by Sen. ORTT -- read twice and ordered printed, and when printed to be committed to the Committee on Health

AN ACT to amend the public health law, in relation to imposing a nursing home purchase moratorium on those who own or have owned failing facilities

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The legislature recognizes the importance of holding nursing  
2 homes accountable in order to ensure a high quality of care. This  
3 body acknowledges department of health inspections as the method of  
4 holding nursing homes to our state's standards. The legislature also  
5 recognizes that nursing home operators who receive poor inspection  
6 grades are not meeting our state's standards.

7 The legislature intends to bar failing nursing home owners from  
8 acquiring additional nursing homes in this state until they have demonstrated  
9 an ability to keep their existing facilities up to standard.

10 § 2. The public health law is amended by adding a new section 2808-e  
11 to read as follows:

12 § 2808-e. Nursing home purchasing moratorium. 1. For the purposes of  
13 this section, the term "owned facility" shall mean any facility  
14 disclosed under subdivisions two and three of this section.

15 2. Any individual attempting to purchase a nursing home shall disclose  
16 to the department which existing medical facilities that individual or  
17 that individual's spouse owns within the state. Additionally, such indi-  
18 vidual shall disclose whether any partnership, corporation, firm, socie-  
19 ty, or other entity of which that individual or that individual's spouse  
20 owns more than ten percent of or by which the individual or that indi-  
21 vidual's spouse is employed owns existing medical facilities in the  
22 state.

23 3. Any partnership, corporation, firm, society, or other entity  
24 attempting to purchase a nursing home shall disclose to the department

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 any ownership of existing medical facilities in the state. Addi-  
2 tionally, such partnership, corporation, firm, society, or other entity  
3 shall disclose to the department which medical facilities are owned by  
4 all individuals or spouses of individuals who own more than ten percent  
5 of such entity.

6 4. The department shall review standard health inspection and life  
7 safety health inspection records for all of an applicant's owned facili-  
8 ties.

9 5. In the event that one or more of an applicant's owned facilities  
10 has been cited for noncompliance in a standard health inspection or life  
11 safety health inspection, that applicant shall not be permitted to  
12 purchase a nursing home within the state until the owned facility or  
13 facilities in violation have been proven to be in compliance for twen-  
14 ty-four consecutive months.

15 6. In the event that one or more owned facilities has been cited for  
16 noncompliance in a standard health inspection or life safety health  
17 inspection and the owning individual, partnership, corporation, firm,  
18 society, or other entity sells the cited owned facility or relinquishes  
19 its ownership stake in the cited owned facility, that individual, part-  
20 nership, corporation, firm, society, or other entity shall not be  
21 permitted to purchase a nursing home within the state until twenty-four  
22 months have elapsed since the change in ownership status and the indi-  
23 vidual or firm pays to the department a compliance fee equal to the  
24 amount of fines imposed at the time of citation.

25 7. All monies collected by the department under the provisions of this  
26 law shall be made available for use by the department for the purposes  
27 of executing this law.

28 § 3. This act shall take effect immediately.