

HOUSE No. 606

The Commonwealth of Massachusetts

PRESENTED BY:

Sean Garballey

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying resolve:

Resolve to examine cost trends and financial performance among nursing facilities.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Sean Garballey</i>	<i>23rd Middlesex</i>
<i>Carole A. Fiola</i>	<i>6th Bristol</i>

HOUSE No. 606

By Mr. Garballey of Arlington, a petition (accompanied by resolve, House, No. 606) of Sean Garballey and Carole A. Fiola for an investigation by the Center for Health Information and Analysis of cost trends and financial performance among nursing facilities. Elder Affairs.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-First General Court
(2019-2020)**

Resolve to examine cost trends and financial performance among nursing facilities.

1 **Resolved**, Notwithstanding any special or general law to the contrary, the Center for
2 Health Information and Analysis, in consultation with MassHealth, the Department of Elder
3 Affairs, and the Health Policy Commission, shall conduct an examination of cost trends and
4 financial performance among nursing facilities, as defined by 957 CMR 7.02. The information
5 shall be analyzed on an institution-specific, provider organization, and industry-wide basis and
6 shall include, but not be limited to: (i) gross and net patient service revenues; (ii) other sources of
7 operating and non-operating revenue; (iii) trends in relative price, payer mix, case mix,
8 utilization, and length of stay dating back to 2010; (iv) affiliations with other health care
9 providers, including, but not limited to, preferred clinical relationships and partnerships; (v)
10 categories of costs, including, but not limited to, general and administrative costs, nursing and
11 other labor costs and salaries, building costs, capital costs, and other operating costs; (vi) total
12 spending on direct patient care as a percent of total operating expenses; (vii) operating and total
13 margin; (viii) occupancy rates, and (ix) other relevant measures of financial performance and

14 service delivery. These measures should distinguish long-term from short-stay residents where
15 possible.

16 The report and any policy recommendations shall be filed with the clerk of the House of
17 Representatives, the clerk of the Senate, the House Committee on Ways and Means, the Senate
18 Committee on Ways and Means, and the Joint Committee on Elder Affairs no later than June 30,
19 2020.