

KENNETH P. KERR, Ed.D
Legislative District 3
Frederick County

Health and Government Operations
Committee

Subcommittees

Chair, Government Operations and
Health Facilities

Insurance and Pharmaceuticals



THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

Annapolis Office
The Maryland House of Delegates
6 Bladen Street, Room 209
Annapolis, Maryland 21401
410-841-3240 · 301-858-3240
800-492-7122 Ext. 3240
Ken.Kerr@house.state.md.us

District Office
4539 Metropolitan Court, Suite 257
Frederick, Maryland 21704
301-360-3505

**House Bill 1122: Maryland Health Care Commission – Nursing Homes -
Acquisitions**

Testimony of Delegate Ken Kerr

Date: March 7, 2024

- Thank you for the opportunity to present **House Bill 1122: Maryland Health Care Commission – Nursing Homes - Acquisitions.**
- This is a continuation of a bill from the 2023 Session to tighten the process used for approving a nursing home acquisition.
- This interim, the Maryland Health Care Commission convened a workgroup to discuss changes to the acquisition process to ensure that the approvals are not simply a rubber stamp.
- The changes in House Bill 1122 will ensure greater accountability but at the same time are not overly restrictive to discourage acquisitions, especially for nursing homes that need to be sold for financial or quality of care reasons.
- There are amendments to the bill that address timeframes, the appeal processes and make other technical and clarifying changes.
- The first major change is that this bill grants authority to the Maryland Health Care Commission to approve or disapprove an acquisition rather than only being able to make a recommendation to the Office of Health Care Quality. Under the bill, the Office of Health Care Quality will continue to have responsibility for licensing and survey activities.
- As part of the approval process, the bill provides notice to residents, staff and the resident representatives and requires a comment period for them on the acquisition.

- The second major change is that, in approving an acquisition, it allows the Commission to approve with conditions for one year. This is important because it will ensure greater accountability following an acquisition.
- Along that same line, the bill also requires the acquiring entity to submit an annual report for three years to the Commission, the Office of Health Care Quality and other state partners which will allow the State to continue to monitor the post-acquisition.
- Lastly, the bill establishes a process for beginning to reduce multi-bed units following an acquisition.
- I appreciate the stakeholders for their work throughout the interim, and I am grateful that these changes will ensure that those who are acquiring a nursing home have appropriate qualifications to ensure that residents are staff are well cared for.
- Thank you for your time, and I appreciate a favorable vote on House Bill 1122.