



COMMISSION ON AGING, RESOURCES AND EMPOWERMENT

James Campbell, Co-Chair

Olivia Farrow, Co-Chair

Brandon M. Scott, Mayor

HB1122

March 7, 2024

TO: Members of the House Health and Government Operations Committee

FROM: James Campbell, Co-Chair
Olivia Farrow, Co-Chair
Baltimore City Commission on Aging, Resources and Empowerment

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

POSITION: FAVORABLE

Chair Peña-Melynk, Vice Chair Cullison, and Members of the Committee, please be advised the Baltimore City Commission on Aging, Resources and Empowerment (CARE) **supports** House Bill (HB) 1122.

HB 1122 requires that a person or entity acquiring a nursing home submit a request for acquisition to the Maryland Health Care Commission 120 days before making the necessary contractual arrangements, provide notice to the residents and staff of the nursing home of the request, and inform them that they will have an opportunity to submit comments on the request. Further, HB 1122 requires that the Executive Director of the Commission determine whether the acquisition is in the public interest before approving an acquisition. In making this determination, the Executive Director must solicit and consider input from residents, their families, and employees of the nursing home. HB 1122 is a major step toward assuring that the people most affected by nursing home acquisitions – residents, family members, and employees – have input into whether acquisitions should be approved.

CARE is concerned about the quality of care in nursing homes in our city and across the state, and notes that nursing homes are not just health care facilities, they are the homes of the residents. As a result, residents, their families, and the workers that support them should have a voice when ownership of the home changes hands. A number of observers have linked acquisition of nursing homes by private equity entities with subsequent staffing reductions, and poor care.¹ HB 1122 will enable those most affected by nursing home acquisitions to have input in these transactions.

For these reasons, CARE respectfully requests a **favorable** report on HB 1122.

¹ Guta, A. (2023). Private Equity and its growth in healthcare. University of Pennsylvania. Retrieved from https://mhcc.maryland.gov/mhcc/pages/home/workgroups/documents/nh_acq/nh_acq_Gupta_20230804.pdf