January 19th, 2022

The Honorable Chris Holden, Chair
Assembly Appropriations Committee
State Capitol Room 2114
Sacramento, CA 95814

CC: The Honorable Al Muratsuchi

RE: AB 1502 (Muratsuchi) The Nursing Home Ownership & Management Reform Act _ SUPPORT

Chair Holden,

The California Alliance for Retired Americans, a statewide network of hundreds of organizations and 1 million members representing the interest of older Californians and retirees, strongly urge you and the members of the Assembly Appropriations Committee to support AB 1502 (Muratsuchi), the Skilled Nursing Facility Ownership and Management Reform Act of 2022.

The pandemic has brought tragedy and death to nursing home residents throughout California and exposed severe problems in the State’s oversight of these facilities. One of the gravest dangers to residents is from the ownership and operation of skilled nursing facilities by unsuitable, unapproved, and unaccountable persons and entities. No factor has more impact on the quality of care in a nursing home than its owner. Operators are continuing to own or run nursing homes in California without proper licensure.

Nursing home chain operators have acquired and are operating skilled nursing facilities without obtaining licenses and approvals from the California Department of Public Health (CDPH), yet CDPH allows them to continue operating facilities even after denying licenses due to findings that they are unfit. Anyone is able to buy and operate nursing homes in California, no matter how terrible their performance history may be.

AB 1502 will bring overdue reforms that will give CDPH strong authority to disqualify unfit applicants, set suitability standards for operators, require prior approval to operate a skilled nursing facility, close licensure loopholes, give the public an opportunity to comment on pending change-of-ownership applications, and sanction non-compliant operators. All of these functions can be performed without costs to the State. AB 1502’s clear standards for completing and approving license applications will improve the efficiency of our change of ownership process and will save lives and money by blocking unfit operators from taking over nursing homes.

Affording Seniors viable resources to age with grace, dignity and independence - such as protecting/enhancing consumer choice - not only represent CARA’s foundational principles but we believe will ensure a safer, more accessible and inclusive California for our aging community; AB 1502 (Muratsuchi) codifies these aspirations into law by protecting the health and safety of our seniors in nursing homes.

CARA respectfully urges your AYE vote on AB 1502 (Muratsuchi).

Sincerely,

Hene Kelly
Chair, Legislative Committee
California Alliance for Retired Americans (CARA)

Keith Umemoto
Co-Chair, Legislative Committee
California Alliance for Retired Americans (CARA)