

JUSTICE IN AGING
FIGHTING SENIOR POVERTY THROUGH LAW



November 22, 2021

Lindy Harrington, Deputy Director
Health Care Financing
California Department of Health Care Services
1501 Capitol Avenue, Suite 71.6016, MS 4050
Sacramento, CA 95814-5005

RE: Reforming the AB 1629 reimbursement system for skilled nursing facilities

Dear Deputy Director Harrington:

CANHR and the undersigned organizations are submitting the attached recommendations to the Department for purposes of reforming Medi-Cal's payment system for skilled nursing facilities, known as AB 1629.

AB 1629 is a failed system. Since enactment in 2004, it has not met any of its stated goals to ensure individual access to appropriate care, promote quality resident care, advance decent wages and benefits for nursing home workers, and support provider compliance with all applicable state and federal requirements. Instead, the extraordinarily expensive payment system has produced billionaire nursing home owners, scandalously poor care, and rampant discrimination against Medi-Cal beneficiaries. Annual payments to SNFs now exceed \$5 billion.

The pandemic exposed the magnitude of AB 1629's failures. Nearly ten thousand California nursing home residents died from COVID-19 and over 64,000 residents have been infected in crowded, understaffed facilities with long histories of violating infection control standards. Nursing home workers have suffered immensely too, with hundreds dying and over fifty thousand becoming infected due to dangerous working conditions. Due to low pay and benefits, nursing home employees are often forced to work two to three jobs to make a living, spreading the virus as they moved from facility to facility. From the safety of their luxury mansions, wealthy operators have put the lives of residents and their caregivers at high risk.

Major payment reforms are desperately needed. It is time to start over and create a reimbursement system that puts the interests of residents and workers first.

Together we stand ready to work with the Department and the Legislature for this purpose. Please consider our recommendations and work with us to advance them.

Sincerely,



Patricia L. McGinnis
Executive Director, CANHR

Kim Valentine, Valentine Law Group

Long Term Care Services of Ventura County

Senior Advocacy Services

Disability Rights California

Long Beach Gray Panthers

Geriatric Circle

Senior Advocacy Network

Long Term Care Ombudsman Services of San Luis Obispo County

Justice in Aging

California Alliance for Retired Americans

Foundation Aiding the Elderly

Gray Panthers of San Francisco

Area 1 Agency on Aging - Long Term Care Ombudsman Program