



Written Submission
Rest Home Task Force, Meeting #1
January 10, 2025
Submitted by:
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MARCH is the trade association representing all for profit, not-for-profit, private, religious order homes and those multi-level facilities with rest home beds. MARCH was also the main proponent of the legislative language creating this task force.

Rest homes play an important role on the Massachusetts healthcare continuum as we care for an aged, infirm and indigent population with many who have previously been homeless. Rest homes offer a unique medical and housing model by providing medical management, medication management, and room and board in community-based settings.

Sadly, since 1998, 107 Rest Homes have closed (more than 60% of the total) primarily due to financial concerns and rate inadequacy. This has resulted in over 4,000 aged residents losing their homes and subjected to the trauma associated with involuntary transfer in the loss of their living arrangements.

We would like to take this opportunity to recognize and thank Senator Jehlen, and Representative Stanley, for their efforts to pass the long-term care bill last session and for their ongoing efforts to examine the challenges in the rest home industry. In addition, we want to thank Representative O'Day who crafted the amendment to the long-term care bill on behalf of MARCH, thereby creating this Rest Home Task Force. We also want to thank Senator O'Connor for his previous support and his willingness to serve on the Task Force. Senator Jehlen and Senator O'Connor know first-hand the trauma caused by a rest home closure as each has had a home close in their respective district.

MARCH comes to this Task Force with a sense of cautious optimism, a myriad of questions, but also a sense of skepticism based on a series of unfulfilled commitments from multiple state agencies over the years. Unresolved issues associated with rest homes have existed for decades as the Commonwealth has never developed a long-term strategy that fully utilizes the core competencies rest homes provide from a medical and housing standpoint.

Given the charge of the Task Force, there are many policies that warrant discussion. It is MARCH's hope that the following questions are addressed through this forum:

Licensing, Regulatory and Reporting Structure

- What agency oversees rest homes and is responsible for the overall strategic direction of the industry?
- What are the roles DPH, DTA, and MassHealth are fulfilling with respect to rest homes and are those roles the most appropriate for those agencies and the overall governance of the industry?
- Is there sufficient training and resources available to the industry relative to regulatory compliance and reporting?

Rest Home/Rest Home Bed Inventory

- Are rest homes and rest home beds adequately distributed throughout the Commonwealth?
- Is there a need for more rest homes/beds in underserved areas or areas of greater need?

Rest Home Closures

- Given the number of closures in recent years, why has there not been any detailed analysis to identify potential trends?

Nursing Facilities Task Force (NFTF)

- What recommendations from the NFTF have actually been implemented with respect to rest homes?
- Following the NFTF, there was a verbal commitment from EOHHS and the Baker Administration to implement a long-term strategic plan for rest homes. Where does that stand?
- Implementation of RCC-Q was the major regulatory change following the NFTF. How is the RCC-Q improving quality-of-care when it is simply a financial reporting exercise but it does not include DPH quality-of-care assessments? Why did nursing homes receive a financial incentive to implement their RCC-Q equivalent, but nothing was offered to the rest homes despite their objection to the new requirement?

Federal Reimbursement

- Has EOHHS thoroughly explored federal reimbursement opportunities for rest home funding?
- Why are rest homes not eligible for Frail Elderly Waiver or 1115 waivers?
- Are there other states that receive federal reimbursement for rest home services?

Rate Structure

- What is the base formula used to determine daily rates for rest homes?
- How do current reimbursement rates compare to actual costs of care?
- What changes have been made to the rate structure changed since the NFTF?
- Does the cost reporting adequately reflect the current expenses given new business mandates implemented in the last several years?

MARCH's Anticipated Outcomes of the Rest Home Task Force

1. Implement a 5-year Strategic Plan for rest homes including a full regulatory revision.
2. Complete an independent analysis of rate adequacy, cost-reporting and RCC-Q to determine most effective way to restructure the rate setting to improve quality-of-care and promote financial stability in the industry.
3. Complete formal analysis to determine if rest homes can/should qualify for federal matching funds.
4. Consider alternative rating system to RCC-Q that prioritizes established and verifiable quality-of-care indices.
5. Modify cost-reporting process to ensure rates are based on the previous years costs.
6. Support authorization of \$10M in bond funding for rest home capital improvement projects as contained in Ch. 238 of the Acts of 2024.

The Rest Home Task Force provides a unique opportunity to address decades old challenges facing the industry. As policy makers, administrators, legislators and service providers, we have an opportunity and a collective responsibility in setting the direction of this industry for the betterment of the residents and staff we collectively serve.