

**SENATE . . . . . No. 2541**

---

**The Commonwealth of Massachusetts**

—————  
**In the One Hundred and Ninetieth General Court**  
**(2017-2018)**  
—————

SENATE, Wednesday, June 6, 2018

The committee on Health Care Financing, to whom was referred the Senate Resolve to examine cost trends and financial performance among nursing facilities (Senate, No. 349),-- reports recommending that the same ought to pass with an amendment substituting a new draft with the same title (Senate, No. 2541).

For the committee,  
James T. Welch

# SENATE . . . . . No. 2541

---

## The Commonwealth of Massachusetts

In the One Hundred and Ninetieth General Court  
(2017-2018)

Resolve to examine cost trends and financial performance among nursing facilities.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           Resolved, Notwithstanding any special or general law to the contrary, the Center for  
2 Health Information and Analysis, in consultation with MassHealth, the Department of Elder  
3 Affairs, and the Health Policy Commission, shall conduct an examination of cost trends and  
4 financial performance among nursing facilities, as defined by 957 CMR 7.02. The information  
5 shall be analyzed on an institution-specific, provider organization, and industry-wide basis and  
6 shall include, but not be limited to: (i) gross and net patient service revenues; (ii) other sources of  
7 operating and non-operating revenue; (iii) trends in relative price, payer mix, case mix,  
8 utilization, and length of stay dating back to 2010; (iv) affiliations with other health care  
9 providers, including, but not limited to, preferred clinical relationships and partnerships; (v)  
10 categories of costs, including, but not limited to, general and administrative costs, nursing and  
11 other labor costs and salaries, building costs, capital costs, and other operating costs; (vi) total  
12 spending on direct patient care as a percent of total operating expenses; (vii) operating and total  
13 margin; (viii) occupancy rates, and (ix) other relevant measures of financial performance and

14 service delivery. These measures should distinguish long-term from short-stay residents where  
15 possible.

16           The report and any policy recommendations shall be filed with the clerks of the senate  
17 and the house of representatives, the senate and house committees on ways and means, the joint  
18 committee on health care financing, and the joint committee on elder affairs no later than January  
19 1, 2020.