

# **The Future of County Nursing Homes in New York State**

## **Guidelines for Counties Exploring Options for Their Homes**

**August, 2013**

Prepared for:  
**New York State Health Foundation**

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## **GUIDELINES FOR COUNTIES EXPLORING OPTIONS FOR THEIR HOMES**

Based on a newly-released statewide study, *The Future of Public Nursing Homes in New York State*, which was conducted by the Center for Governmental Research ([CGR](#)) and funded by the New York State Health Foundation, CGR summarizes below recommended guidelines for counties that operate homes.

*Note:* The detailed recommendations can be found in the final chapter of CGR's Report (click "Report" on the study website: [www.cgr.org/NY-county-nursing-homes](http://www.cgr.org/NY-county-nursing-homes)).

### **Before Deciding Whether to Improve Internal Operations or Divest County Home**

Engage in a careful due diligence process:

- ❖ Review and analyze the wide range of options – from potential internal improvements to reduce costs and enhance revenues, to potential divestiture options – as outlined in CGR's Report. (*See [Report Chapter VIII](#), and note Table 7. Individual chapters are readily downloadable on the study website.*)
- ❖ Create a comprehensive county long-term-care plan.
- ❖ If appropriate based on numbers of nursing home beds in the county, explore downsizing or decertifying some beds and potentially converting them to assisted living beds to be leased by community partners.
- ❖ Strengthen NY Connects (or equivalent) programs to help elderly and their caregivers make informed decisions about the level of care needed.

### ***If You Opt to Improve Internal Operations***

1. More aggressively market services and the quality of care.
2. Strengthen working relationships between nursing home administrators, labor representatives and county officials with a view toward making retaining the county home more viable.
3. Consider establishing separate bargaining units for nursing home employees and/or include the home's administrator more substantively in labor negotiations.
4. Provide more education on the coding process to ensure accuracy in capturing resident conditions that impact reimbursement; improve billing practices; and work to increase number of short-term residents at higher reimbursement levels.

### ***If You Opt to Divest the County Home***

1. Establish clear county criteria and expectations for a potential buyer to be selected, including approaches to future "safety net" admission candidates.
2. Consider the sale price as only one factor to weigh in choosing a buyer.
3. Thoroughly research and vet potential buyers.
4. Test building "protective language" into the terms of sale agreement, should the selected buyer not meet those terms.
5. Do not transfer ownership if the county is not satisfied that specified conditions can be successfully met by the selected bidder.
6. Ensure an open, transparent process and be honest with stakeholders about what is happening.
7. Provide as much continuity as possible through the transition period.
8. Assess the extent to which county officials can/want to be involved in an oversight capacity post sale.
9. Consider using a portion of sale proceeds to invest in developing and expanding community-based levels of long-term care to meet demonstrated demand.

The guidelines above are, in some cases, parallel and complementary to recommendations CGR outlines for state leaders. Those recommendations are summarized in the section "State Recommendations" and provided in detail in the final chapter of CGR's full Report. Both are available at: [www.cgr.org/NY-county-nursing-homes](http://www.cgr.org/NY-county-nursing-homes).