## **SENIOR CARE POLICY BRIEF**

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## NEWSFLASH

- In the largest health care fraud enforcement action in U.S. history, <u>the Department of Justice announced</u> charges against 324 individuals for schemes amounting to over \$14.6 billion in alleged fraudulent billing.
  - ⇒ Among those implicated were two nursing home chains, which quietly agreed to settlements as part of this sweep, <u>according to McKnight's</u>.
  - ⇒ LTCCC previously highlighted the troubling record of one of the chains, Centers Health Care, in our <u>Elder Justice Newsletter</u>. Centers has also been the subject of a <u>major NYS Attorney General</u> <u>investigation</u>. The other chain, Villa Healthcare, was a subject of a <u>recent investigation by the</u> <u>Consumer Voice and Michigan Elder Justice Initiative</u>.
  - ⇒ Why is this important? Too many nursing homes and other providers exploit our healthcare system every day by flouting minimum care standards, tunneling resources into hidden profits, and other fraudulent behavior. Though not a substitute for systemic quality assurance, which is supposed to be provided by state health departments, the DOJ's work here sends a powerful message that providers can face consequences if they fail to keep their promises to consumers and taxpayers.
- An <u>audit released by NY State Comptroller Thomas DiNapoli</u> examined adult care facility oversight by the state Department of Health (DOH) between January 2018 and October 2024. It found widespread oversight failures.
  - ⇒ DOH failed to conduct mandatory inspections within the required 12- to 18-month timeframe at 70% of sampled facilities, with delays of up to five years in some regions.
  - ⇒ During site visits to 20 adult care facilities, auditors observed serious safety hazards including crumbling stairs, malfunctioning dishwashers and refrigerators, lack of fire drills, and even a half-empty vodka bottle in a medical room.



- ⇒ Other issues included expired medication left uncorrected for four years and staff uncertified in first aid more than 13 months after being cited.
- ⇒ These findings highlight longstanding vulnerabilities in care quality even beyond fraud concerns and reinforce calls for tougher enforcement and accountability across all long-term care settings.

## **BIG BILL, BIG CUTS**

- On July 3, Congress passed the so-called "Big Beautiful Bill," which will have devastating consequences for vulnerable Americans, particularly older adults and people with disabilities who rely on Medicaid and long-term care services. The bill also delays nursing home staffing standards until 2035.
  - $\Rightarrow$  <u>Read LTCCC's statement</u> on the passage of the bill.

"This postponement [of nursing home staffing standards] was included under the false pretense of saving taxpayer dollars by delaying the rule's effect. In reality, the expense ought to have been borne by the mostly for-profit nursing home industry that is collecting billions while residents suffer and die."

-Dean Lerner, The Gazette