CAHCF/CCAL
Connecticut Association of Health Care Facilities
Connecticut Center for Assisted Living

March 11, 2025

Testimony of the Connecticut Association of Health Care Facilities / Connecticut Center For Assisted Living (CAHCF/CCAL) before the Human Services Committee in Opposition

On behalf of the Connecticut Association of Health Care Facilities / Connecticut Center For Assisted Living (CAHCF/CCAL), a trade association of skilled nursing facilities and assisted living communities, my name is Matthew Barrett, the association's President and CEO. Thank for this opportunity to present testimony in opposition to S.B. No. 1480 AN ACT CONCERNING PRIVATE EQUITY AND REAL ESTATE INVESTMENT TRUST OWNERSHIP OF HOSPITALS AND NURSING HOMES.

S.B. No. 1480 provides that the Commissioner of Social Services must require a nursing home or hospital to be free of any new ownership interests by private equity companies or real estate investment trusts recorded on and after October 1, 2025, in order to be eligible for Medicaid reimbursement in the state for health care services. The bill defines (1) "nursing home" and "hospital" have the same meanings as provided in section 19a-490 of the general statutes, (2) "private equity company" means a publicly traded or non-publicly traded company that collects capital investments from individuals or entities and purchases a direct or indirect ownership share of a provider, and (3) "real estate investment trust" has the same meaning as provided in 26 USC 856, as amended from time to time.

With respect to similar legislation, S.B. N1332, before the Aging Committee, CAHCF testified that the types of short-term private equity transactions that have drawn negative attention around the country have not been observed in the Connecticut nursing home sector, and we noted that while many of the private equity proposals in other jurisdictions are pending, we