

Chairman Wood, members of the Health Committee,

On behalf of CALTCM, I am testifying in support of AB 1537.

We are California's medical voice for long term care. Our members care deeply about quality. Dedicated administrators and directors of nursing struggle daily with financial pressures that contribute to inadequate staffing levels and poor clinical quality. Under resourced homes are less prepared to deal with infections. We have witnessed the tragic consequences of a badly broken system.

During the pandemic, many vulnerable elders suffered and died unnecessarily. Is it too much to ask that we respect the dignity and lives of those who require care in nursing homes? Ensuring that revenue is appropriately budgeted toward care could have prevented such loss.

The nursing home industry is going to tell you that this bill is onerous and unnecessary. They are going to tell you that all they need is more money. To that I say, "Fool me once, shame on you. Fool me twice, shame on me."

A significant portion of taxpayer dollars meant for the health and wellbeing of vulnerable nursing home residents are not being used for that purpose. Transparency is only a first step. Taxpayer dollars must be appropriately spent on the direct care of residents.

Prioritizing excessive real estate and related party profits over the health and wellbeing of vulnerable elders is unacceptable. California nursing home profits increased between 2019 and 2020 while thousands of residents lost their lives.

Nursing home owners should be held accountable for how taxpayer dollars are spent. By limiting excessive administrative, real estate and related party profit, nursing homes can reallocate their revenues to focus on the healthcare needs of medically complex individuals.

It's time to combine full transparency with accountability. AB 1537 assures that taxpayer dollars are focused on the care of vulnerable elders. In the wake of the COVID-19 pandemic and its tragic outcomes in nursing homes, we can no longer afford to trust the industry with our precious tax dollars. Please pass AB 1537.