[Second Reprint]

SENATE, No. 2789

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JULY 30, 2020

Sponsored by:
Senator JOSEPH F. VITALE
District 19 (Middlesex)
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District 37 (Bergen)

Co-Sponsored by:
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SYNOPSIS

Revises licensure, operational, and reporting requirements for nursing homes.

VERSION OF TEXT

As amended by the Senate on February 19, 2021.

(Sponsorship Updated As Of: 3/25/2021)

AN ACT concerning [1]**[**long-term care facilities**]** nursing homes[1] , amending P.L.1987, c.322, and supplementing Title 26 of the Revised Statutes.

BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey:*

1. Section 1 of P.L.1987, c.322 (C.26:2H-7.2) is amended to read as follows:

1. Notwithstanding the provisions of section 7 of P.L.1971, c.136 (C.26:2H-7) to the contrary, a nursing home which proposes to increase the total number of licensed beds contained therein by not more than 10 beds or 10% of its licensed bed capacity, whichever is less, within a period of five years is exempt from the requirement of obtaining a certificate of need if the nursing home is in compliance with all State regulations governing its operations. No [1]**[**transfer of a**]**[1] licensed bed that is added by a nursing home in accordance with the requirements of this section [1]**[**to another nursing home**]**[1] , and no [1]**[**transfer of a**]**[1] licensed bed that is part of an unimplemented certificate of need [1], may be sold or transferred[1] to any other nursing home [1]**[**, shall be authorized**]** except upon application for and receipt of a certificate of need as provided by P.L.1971, c.136 (C.26:2H-1 et seq.). A nursing home that has removed beds from its license within the preceding five years shall not be eligible to increase its licensed bed capacity under the provisions of this section[1] .

(cf: P.L.1987, c.322, s.1)

2. (New section) a. [1]**[**The transfer of ownership of a long-term care facility shall not require a certificate of need except when the proposed owner does not satisfy the Department of Health's track record review, including a review of the dashboard data for the facility published pursuant to subsection f. of section 3 of P.L. , c. (C.) (pending before the Legislature as Senate Bill No. 2759 or Assembly Bill No. 4478 of 2020/2021) for the preceding three years, if available.

b.**]**[1] Prior to transferring ownership of a [1]**[**long-term care facility**]** nursing home[1] , the prospective new owner shall submit an application to the [1]**[**Long Term Care Licensing and Certification Program**]** Department of Health that meets the requirements of section 3 of this act[1] . The application shall include the following items:

(1) the transfer of ownership fee established by the department;

(2) a cover letter stating the applicant's intent to purchase the [1]**[**long-term care facility**]** nursing home[1] , and identification of the

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.
Matter enclosed in superscript numerals has been adopted as follows:
[1]Senate SBA committee amendments adopted January 21, 2021.
[2]Senate floor amendments adopted February 19, 2021.

[1]⟦facility⟧ nursing home[1] by name, address, county, and number and type of licensed beds;

(3) a description of the proposed transaction, including:

(a) identification of the current owners of the [1]⟦long-term care facility⟧ nursing home[1] ;

(b) identification of 100 percent of the proposed new owners, including the names and addresses of all principals [1]and interested parties[1] ; and

(c) if applicable, a copy of an organizational chart, including parent corporations and wholly-owned subsidiaries; [1]and[1]

(4) a copy of the agreement of sale and, if applicable, a copy of any lease and management agreements [1]⟦;

(5) a projection of profits and losses for the next three years and a capital budget projection for the next three years; and

(6) disclosure of any licensed health care facilities owned, operated, or managed by the proposed owners and principals in any state or territory of the United States or in the District of Columbia in the preceding five years, along with audited financial statements for each such facility for the last three years during which the facility was owned, operated, or managed by the third party entity. If the owners or principals own, operate, or manage facilities located outside New Jersey, the application shall include letters from the regulatory agency in each jurisdiction in which a facility is owned, operated, or managed, verifying that the facility was operated in substantial compliance with the laws of that jurisdiction throughout the preceding five year period or for such time during that period as the third party entity owned, operated, or managed the facility, and that the facility has had no enforcement actions imposed during that period of time⟧ .

The applicant may additionally submit a summary of the application materials that includes such details concerning the application as are required by the department, but that omits any proprietary information in the contracts for the sale or management of the nursing home, and any home addresses, social security numbers, or other personal information of any proposed owner, principal, or interested party. A summary prepared by the applicant may only be used for the purposes of posting information concerning the application on the department's Internet website pursuant to paragraph (1) of subsection d. of this section.

b. Information submitted pursuant to subsection a. of this section or subsection a. of section 3 of this act by an applicant for transfer of ownership of a nursing home shall not be used in any adverse licensure action or disciplinary action against the applicant[1] .

c. Approval of a transfer of ownership of a [1]⟦long-term care facility⟧ nursing home[1] is contingent upon:

(1) a review of the applicant's [1][track record by the department, including a review of the dashboard data published pursuant to subsection f. of section 3 of P.L. , c. (C.) (pending before the Legislature as Senate Bill No. 2759 or Assembly Bill No. 4478 of 2020/2021) for] history of disciplinary actions assessed in connection with[1] any other facility owned, operated, or managed by the proposed owners and principals in New Jersey, and a determination based on that review that approval of the transfer of ownership will not present a material risk to the health, safety, or welfare of residents of the [1][facility] nursing home[1] that is the subject of the transfer application; [1]and[1]

(2) payment of all outstanding [1]and issued[1] Medicaid audit claims and State penalties issued by the department against the current owner, [1][or] unless such claims remain under appeal, in which case, if the claim remains under appeal, the applicant shall submit[1] written verification [1][by the applicant][1] that [1]either[1] the applicant [1]or the current owners of the nursing home[1] will assume responsibility for payment of such audit [1][findings] recoveries[1] and State penalties [1][; and

(3) a criminal history background check of each proposed owner and principal and a determination that no proposed owner or principal has a prior conviction involving fraud or any other criminal offense of a financial nature, or a prior conviction that may bear on the health and safety of residents of a long-term care facility, including, but not limited to, a prior conviction involving abuse, neglect, or exploitation of any person] at the conclusion of the appeal[1] .

d. [1][For the purposes of paragraph (3) of subsection c. of this section, the department is authorized to exchange fingerprint data with and receive criminal history record background information from the Division of State Police and the Federal Bureau of Investigation consistent with the provisions of applicable federal and State laws, rules, and regulations. Upon receipt of such notification, the department shall make a determination as to whether transferring all or part of the ownership of a long-term care facility to the applicant would constitute a material risk to the health, safety, or welfare of residents of the facility. An applicant for a transfer of ownership of a long-term care facility who is required to complete a criminal history record background check pursuant to this section shall submit to being fingerprinted in accordance with applicable State and federal laws, rules, and regulations. An applicant shall bear the cost for the criminal history record background check, including all costs of administering and processing the check.

e. Transfer] (1) A copy of each transfer[1] of ownership application [1][materials] , or a summary of the application prepared

by the applicant that includes the names of the proposed owners, principals, and interested parties,[1] shall [1]be[1] published on the department's Internet website [1][and] no later than 30 days after the date the department receives the application; provided that the department shall redact the materials to the extent necessary to ensure that no proprietary information in the contracts for the sale or management of the nursing home, and no home addresses, social security numbers, or other personal information of any proposed owner, principal, or interested party, is included in the materials published on the department's Internet website.

(2) Each application for the transfer of ownership of a nursing home[1] shall be subject to [1]a[1] public comment [1][for a][1] period [1][of] that shall commence[1] not less than 30 days [1][following submission and publication of] after the date[1] he application [1]is received by the department, and which comment period shall remain open for a period of not less than 30 days. The department shall establish a procedure for acknowledging receipt of public comments submitted. The text of comments submitted on a transfer of ownership application shall not be published on the department's Internet website, but shall be considered a [2][public] government[2] record pursuant to P.L.1963, c.73 (C.47:1A-1 et seq.) or P.L.2001, c.404 (C.47:1A-5 et al.)[1] .

[1][The department may hold a public hearing on the application upon request by the applicant, the current owner, or at least 15 members of the public, in which case the application may not be approved until after the public hearing is completed.

f. The department shall not issue final approval for a transfer of ownership of a long-term care facility under this section if the department identifies any unresolved issues or questions concerning any proposed owner or principal identified in the application. The department may issue conditional approval of the transfer pending final resolution of all unresolved issues and questions, subject to appointment of a receiver or temporary manager of the facility at the applicant's expense. The department may enter into a standing contract with a third party entity to provide receivership or temporary management services for the purposes of this subsection. A receiver or temporary manager appointed pursuant to this subsection shall have the authority to:

(1) make any repairs, improvements, or expenditures necessary to preserve the health and safety of residents and staff at the facility and to ameliorate any condition presenting a significant risk to the health or safety of residents or staff of the facility, and to direct the method or procedures by which this shall be accomplished;

(2) hire employees as needed to maintain mandatory staffing levels;

(3) receive or expend in a reasonable and prudent manner the revenues of the facility during the appointment period;

(4) continue the business of the facility and the care of the residents of the facility in all aspects;

(5) perform all acts necessary or appropriate to conserve the property and promote the health, safety, and welfare of the residents of the facility; and

(6) exercise any other powers or authority conferred by the department by regulation or in the appointment agreement.

g.] e. The Department shall complete review of any transfer of ownership application submitted pursuant to subsection a. of this section no later than 120 days after the date the application is received.[1] [2][When] If[2] a transfer of ownership application has been reviewed and deemed acceptable, [1]the department shall send[1] an approval letter [1][from the Long-Term Care Licensing and Certification Program shall be sent][1] to the applicant [1][along with licensure application forms][1] .

[1][h.] f.[1] Within five days after the transaction has been completed, the applicant shall submit [1][the following documents to the Long-Term Care Licensing and Certification Program:

(1) completed licensure application forms;

(2)] to the department certification of closing from an attorney or[1] a notarized letter [1]from the applicant[1] stating the date on which the transaction occurred [1][; and

(3) a copy of a certificate of continuing occupancy from the local township, or a letter from the township verifying a policy of not issuing any such document for changes of ownership] , along with an executed bill of sale or assignment. To facilitate the timely transfer of Medicare and Medicaid provider numbers, the department shall issue the new license to the applicant no later than 30 days after the date the notice is received by the department[1] .

[1][i. The department shall provide for enhanced monitoring of direct care loss ratios reported by a long-term care facility pursuant to subsection c. of section 3 of P.L. , c. (C.) (pending before the Legislature as Senate Bill No.2758 or Assembly Bill No.4482 of 2020/2021) for three years following a transfer of ownership of the long-term care facility.

j. For a period of six months following the date a transfer of ownership of a long-term care facility is approved under this section, no other transfer of ownership of that long-term care facility shall be approved.

k.] g.[1] No [1][long-term care facility] nursing home[1] may delegate [1]substantial[1] management [1]control[1] of the [1][facility] nursing home's operations[1] to a third party entity without [1]providing[1] prior [1][approval by] written notice to[1] the department. The [1]notice provided by the[1] owners of the facility [1][shall submit][1] to the department [1][for approval] shall include[1] :

(1) a copy of the management agreement;

(2) an organizational chart of the third party entity's proposed management team for the 1[facility] nursing home1 ;

(3) the names and addresses of all owners 1[and] ,1 principals 1, and interested parties1 of the third party entity; and

(4) a list of any other licensed health care facilities owned, operated, or managed by the third party entity in any state or territory of the United States or in the District of Columbia for the preceding 1[five] three1 years, along with 1[audited] owner-certified1 financial statements for each such facility for the last three years during which the facility was owned, operated, or managed by the third party entity. If the third party entity owned, operated, or managed facilities located outside New Jersey in the preceding 1[five] three1 years, the application shall include 1[letters from the regulatory agency in each jurisdiction in which the third party entity owned, operated, or managed facility in the preceding five years verifying that the facility was operated in substantial compliance with the laws of that jurisdiction throughout the preceding five year period or for such time during that period as the third party entity owned, operated, or managed the facility, and that the facility has had no] disclosures by the third party entity of any1 enforcement actions imposed during that period of time 1against any facility owned, operated, or managed by the third party entity in any jurisdiction1 .

1[l.] h.1 (1) Upon request by the Commissioner of Health and subject to the provisions of P.L.1968, c.266 (C.52:9M-1 et seq.), the State Commission of Investigation shall undertake an investigation of one or more 1[long-term care facilities] nursing homes1 in the State or the entities owning, operating, or managing one or 1[long-term care facilities] more nursing homes1 in the State, provided that, if the commission determines that the request for an investigation from Commissioner of Health exceeds the commission's capacity to perform such investigations, the commission may advise the Commissioner of Health as to any requests upon which it finds itself unable to proceed. The State Commission of Investigation may, at any time, submit to the Governor, the Commissioners of Health and Human Services, and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), the Legislature, recommendations for administrative or legislative action to improve oversight and transparency in 1[long-term care facilities] nursing homes1 .

(2) 2[Upon approval by the Senate President and the Speaker of the General Assembly, the State Auditor shall undertake an investigation of one or more 1[long-term care facilities] nursing homes1 in the State or the entities owning, operating, or managing one or 1[long-term care facilities] more nursing homes1 in the State.

(3)]² The State Auditor shall undertake a review of the oversight of ¹[long-term care facilities] nursing homes¹ by the Department of Health and the Department of Human Services at least once every three years, with particular focus on compliance with federal inspection requirements, responses to complaints and response times in reviewing complaints, and actions taken to follow up on violations affecting the health, safety, or welfare of residents.

¹[m.] i.¹ As used in ¹[this section and in section 3] sections 2 through 4¹ of this act ¹[, "principal"] :

"Interested party¹ means any individual or entity with an interest of ¹[five percent or more] one percent or more but less than five percent¹ in an applicant to receive a transfer of ownership of a ¹[long-term care facility] nursing home or the land or other real property on which a nursing home is located.

"Principal" means any individual or entity with an interest of five percent or more in an applicant to receive a transfer of ownership of a nursing home or the land or real property on which a nursing home is located¹ .

¹3. (New section) a. A transfer of ownership application submitted to the Department of Health pursuant to subsection a. of section 2 of this act shall meet the following requirements:

(1) In the case of an application to transfer controlling interest in a nursing home to an individual or entity that has never previously owned or operated a licensed health care facility in New Jersey, or for any application to transfer controlling interest in a nursing home that is submitted within six months after a prior application for transfer of controlling interest in the nursing home was approved, the applicant shall:

(a) submit a projection of profits and losses for the next three years and a capital budget projection for the next three years;

(b) disclose any licensed health care facilities owned, operated, or managed by the proposed owners and principals in any state or territory of the United States or in the District of Columbia in the preceding three years, along with owner-certified financial statements for each such facility for the last three years during which the facility was owned, operated, or managed by owner or principal and disclosures by the applicant as to any enforcement actions imposed during that period of time against any facility owned, operated, or managed by the applicant in any jurisdiction;

(c) hold a public hearing on the application no earlier than 30 days after the date the application is received by the department. Notice of the public hearing shall be published at least seven days in advance of the public hearing on the Internet websites of the department, the nursing home, and the applicant, as well as in at least one newspaper published in each county, if any newspapers are published therein. The nursing home shall invite the Attorney General and the

Commissioner of Health, or their designated representatives, to attend the hearing. The transfer of ownership application may not be approved until after the public hearing is completed; and

(d) consistent with the requirements of subsection b. of this section, submit to a criminal history record background check of each proposed owner and principal;

(2) In the case of an application to transfer controlling interest in a nursing home to an individual or entity that has previously owned or operated a licensed health care facility in New Jersey, the applicant shall:

(a) submit a projection of profits and losses for the next three years and a capital budget projection for the next three years; and

(b) disclose any licensed health care facilities owned, operated, or managed by the proposed owners and principals in any state or territory of the United States or in the District of Columbia in the preceding year, along with owner-certified financial statements for each facility owned, operated, or managed by the proposed owners and principals in New Jersey for the last year during which the facility was owned, operated, or managed by owner or principal;

(3) In the case of an application to transfer less than a controlling interest in a nursing home to an individual or entity that has never previously owned or operated a licensed health care facility in New Jersey, the applicant shall:

(a) disclose any licensed health care facilities owned, operated, or managed by the proposed owners and principals in any state or territory of the United States or in the District of Columbia in the preceding year and any enforcement actions imposed during the preceding year against any facility owned, operated, or managed by the applicant in any jurisdiction; and

(b) consistent with the requirements of subsection b. of this section, submit to a criminal history record background check of each proposed owner and principal; and

(4) In the case of an application to transfer less than a controlling interest in a nursing home to an individual or entity that has previously owned or operated a licensed health care facility in New Jersey, the applicant shall disclose any licensed health care facilities owned, operated, or managed by the proposed owners and principals in any state or territory of the United States or in the District of Columbia in the preceding year and any enforcement actions imposed during the preceding year against any facility owned, operated, or managed by the applicant in any jurisdiction.

b. (1) An applicant for a transfer of ownership of a nursing home who is required to complete a criminal history record background check pursuant to subsection a. of this section shall submit to being fingerprinted in accordance with applicable State and federal laws, rules, and regulations. An applicant shall bear the cost for the criminal history record background check, including all costs of administering and processing the check.

(2) For the purposes of subsection a. of this section, the department is authorized to exchange fingerprint data with and receive criminal history record background information from the Division of State Police and the Federal Bureau of Investigation consistent with the provisions of applicable federal and State laws, rules, and regulations. Upon receipt of such notification, the department shall make a determination as to whether transferring all or part of the ownership of a nursing home to the applicant would constitute a material risk to the health, safety, or welfare of residents of the nursing home, which shall include determining whether any owner or principal has a prior conviction involving fraud or any other criminal offense of a financial nature, or a prior conviction that may bear on the health and safety of residents of a long-term care facility, including, but not limited to, a prior conviction involving abuse, neglect, or exploitation of any person.

(3) The Division of State Police shall promptly notify the department in the event that an individual who was the subject of a criminal history record background check conducted pursuant to subsection a. of this section is convicted of a crime or offense in this State after the date the background check was performed. Upon receipt of that notification, the department shall make a determination regarding the continued eligibility for the individual to be an owner or principal of a nursing home.[1]

[1][3.] 4.[1] (New section) a. [1][The sale or transfer of the land or other real property on which a long-term care facility is located shall not require a certificate of need except when the proposed owner does not satisfy the Department of Health's track record review, including a review of the dashboard data published pursuant to subsection f. of section 3 of P.L. , c. (C.) (pending before the Legislature as Senate Bill No. 2759 or Assembly Bill No. 4478 of 2020/2021) for the facility for the preceding three years, if available.

b.][1] Prior to selling or transferring ownership of the land or other real property on which a [1][long-term care facility] nursing home[1] is located, the prospective new owner shall submit [1][an application to the Long Term Care Licensing and Certification Program. The application] notice to the Department of Health and the Department of Human Services, which notice[1] shall include the following items:

(1) the sale or transfer of real property fee established by the [1][department] Department of Health[1] ;

(2) a cover letter stating the applicant's intent to purchase the land or other real property on which a [1][long-term care facility] nursing home[1] is located, and identification of the [1][facility] nursing home[1] by name, address, and county;

(3) a description of the proposed transaction, including:

(a) identification of the current owners of the land or other real property on which a [1]⟦long-term care facility⟧ nursing home[1] is located;

(b) identification of 100 percent of the proposed new owners, including the names and addresses of all principals [1]and interested parties[1] ; and

(c) if applicable, a copy of an organizational chart, including parent corporations and wholly-owned subsidiaries;

(4) a copy of the agreement of sale or transfer, the proposed terms of the lease, rent, or use agreement with the [1]⟦long-term care facility⟧ nursing home[1] and, if applicable, a copy of any management agreements; and

(5) an attestation [1]⟦that⟧ by[1] the new owners [1]of the land or other real property that they[1] will lease, rent, or authorize use of the land or other real property by the [1]⟦long-term care facility⟧ nursing home[1] at a rate that is [1]⟦no more than twice the prevailing⟧ consistent with the[1] fair market [1]⟦rate⟧ value[1] for the lease, rent, or use of [1]⟦real property by a long-term care facility, as compared with comparable uses in comparable locations and settings at the time the lease, rental, or use agreement is executed⟧ similar facilities in the same market area.

b. A summary of the notice submitted pursuant to subsection a. of this section, including the names of the prospective new owners, shall be made available on the Department of Health's Internet website[1] .

c. [1]⟦Sale and transfer of ownership application materials for the land or real property on which a long-term care facility is located shall be made available on the department's Internet website and shall be subject to public comment for a period of not less than 30 days following submission and publication of the application. The department may hold a public hearing on the application upon request by the applicant, the current owner, or at least 15 members of the public, in which case the application may not be approved until after the public hearing is completed.

d. The department shall not issue final approval for a sale or transfer of ownership of the land or other real property on which a long-term care facility is located under this section if the department identifies any unresolved issues or questions concerning any proposed owner or principal identified in the application.

e. (1) The owner of land or real property on which a long-term care facility is located shall submit to the department a copy of any lease, rent, or use agreement executed by the owner of the land or real property and the long-term care facility on or after the effective date of this act, which agreement shall be submitted to the department no later than 30 days after the date the agreement is executed. The department shall review the terms of the agreement and determine whether the amount charged for the lease, rent, or

use of the land or real property exceeds more than twice the fair market value for the lease, rent, or use of land or real property by a long-term care facility, based on an assessment of comparable uses in comparable locations and settings.

(2) If the department determines that the terms of the lease, rent, or use agreement for land or real property by a long-term care facility exceed twice the prevailing fair market rate for the lease, rent, or use of real property by a long-term care facility, the department may:

(a) require the owner of the land or real property to reimburse the long-term care facility the balance of any payments made for the lease, rent, or use of the land or real property under the current agreement that were in excess of twice the prevailing fair market value for the lease, rent, or use of the real property by the long-term care facility; and

(b) require the parties to the agreement to execute a revised agreement under lease, rent, or use terms that do not exceed twice the fair market rate for the lease, rent, or use of land or real property by a long-term care facility.

(3) The owner of land or real property on which a long-term care facility is located may request review of the department's determination of the prevailing fair market value of the lease, rent, or use of land or real property by a long-term care facility, which review shall be conducted by the Commissioner of Health. The commissioner's determination upon review shall constitute a final agency decision subject to review by the Appellate Division of the Superior Court**]**

[2]**[**(1) **[**The Department of Human Services shall utilize the direct care ratios reported pursuant to subsection c. of section 3 of P.L.2020, c.89 (C.30:4D-7cc) to determine the**]** Nursing homes shall report to the Department of Health their rates or**[2]** average rates for the lease, rent, or use of land or other real property **[2]****[**by nursing homes in the State, which average rates shall be adjusted in each market area to account for factors that affect the average lease, rent, or use rates in that market area.

(2) The Department of Human Services shall have the authority to:

(a) establish a cap on the amount that may be paid by a nursing home for the lease, rent, or use of land or other real property by the nursing home;

(b) determine whether a nursing home is paying a lease, rent, or use rate for land or other real property that significantly exceeds the fair market value for similar facilities in the same market area to lease, rent, or use land or other real property; and

(c) require that any lease, rent, or use rate paid by a nursing home that significantly exceeds the fair market value for the lease, rent, or use of similar facilities in that market area be reduced, for

the duration of the current lease, rent, or use agreement, to match the average lease, rent, or use rate for similar facilities in the same market area[1]] in a manner determined by the department. The department shall post the rates or average rates for the lease, rent, or use of land or other real property reported by nursing homes on its Internet website[2] .

[1][4.] 5.[1] (New section) The Department of Health shall [1][use the information reported by long-term care facilities pursuant to P.L. , c. (C.) (pending before the Legislature as Senate Bill No. 2759 or Assembly Bill No. 4478 of 2020/2021) to identify facilities] [2]as necessary, with assistance from the Department of Human Services,[2] identify nursing homes[1] that may be in acute financial distress or at risk of filing for bankruptcy protection [1][, and] by requiring each nursing home to report, within five business days, any default in the punctual payment when due of any: debt service payment where the debt is secured by real estate or assets of the nursing home; rent payment; payroll; or payroll tax obligation. [2][The department shall[1] develop strategies to assist those [1][facilities in avoiding bankruptcy or the need to close] nursing homes that report a default in a punctual payment[1]][2] . The department may, as appropriate:

a. [2][Provide] provide, at the nursing home's expense, or direct such nursing home to[2] management support services and resources, as well as any other supports as may be necessary and appropriate to avoid bankruptcy proceedings or cessation of operations;

b. [2][Initiate] if the nursing home does not take sufficient and timely action to avoid an impending bankruptcy or closure, and if the department finds the bankruptcy or closure would have a significant adverse effect on the health, safety, and welfare of the residents of the nursing home or would leave the area in which the nursing home is located lacking sufficient nursing home services after assessing the need for and availability of other nursing home services in the area, initiate[2] proceedings in a court of competent jurisdiction for the appointment of a receiver for the [1][long-term care facility] nursing home[1] , which receiver shall have the powers and authorities conferred by the order of receivership, which may include, but shall not be limited to, the authority to:

(1) hire any consultants or to undertake any studies of the [1][facility] nursing home[1] the receiver deems appropriate;

(2) make any repairs or improvements as are necessary to ensure the safety of [1][facility] nursing home[1] residents and staff;

(3) hire or discharge any employees, including the administrator or manager of the [1][facility] nursing home[1] ;

(4) receive or expend in a reasonable and prudent manner the revenues of the [1][facility] nursing home[1] due on the date of the

entry of the order of receivership and to become due under such order;

(5) continue the business of the [1][facility] nursing home[1] and the care of the residents of the [1][facility] nursing home[1] in all its aspects;

(6) [2][do all acts] take any actions[2] necessary or appropriate to conserve the property and promote the health, safety, and welfare of the residents of the [1][facility] nursing home[1] ; and

(7) exercise such other powers as the receiver deems necessary or appropriate to implement the court order; and

c. [2][Take] take[2] such other steps and actions as may be available to ensure continuity of care for, and the safety of, residents of the [1][facility] nursing home[1] .

[1][5.] 6.[1] This act shall take effect [1][60] [2][120[1]] 180[2] days after the date of enactment.