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June 18, 2018

Honorable Richard Pan
Chair, Health Committee
California State Senate
Capitol Building, Room 5114
Sacramento, CA 95814

RE: AB 1953 (WOOD) as amended June 4, 2018– SUPPORT

Dear Senator Pan:

Disability Rights California (DRC), a non-profit advocacy organization that advances and protects the rights of Californians with disabilities, **supports AB 1953**. This bill is scheduled for hearing in the Senate Health Committee on June 20, 2018.

A recently released California State Auditor Report, *Skilled Nursing Facilities Absent Effective State Oversight, Substandard Quality of Care Has Continued* (<https://www.auditor.ca.gov/pdfs/reports/2017-109.pdf>), notes the growth of companies providing nursing home care. Three growing companies in particular were spotlighted. “The net income of all three companies grew from less than \$10 million in 2006 to between \$35 million and \$54 million by 2015. The owners of the three companies were also able to earn additional income when their nursing facilities obtained goods or services from other businesses that they or their family members owned or controlled, called related parties.”

AB 1953 seeks to provide much needed transparency to skilled nursing facility (SNF) operations in an environment where for-profit companies are not subject to adequate oversight. It is sad to see problems going unabated, as demonstrated by the Auditor’s report title. DRC generally

advocates for people with disabilities to be able to receive care in their own home or a community-based alternative, but if a person needs nursing home level care and chooses to receive care in a SNF, DRC honors that choice but wants to see high quality care. AB 1953 sheds light on companies with growing profits that do business with other companies they own, all on behalf of the SNFs they own.

For these reasons, DRC supports this bill. Please contact me if you have any questions about our position or if I can provide any further information.

Sincerely,



Deb Roth
Senior Legislative Advocate
Disability Rights California

cc: Honorable Jim Wood, California State Assembly
Lara Flynn, Principal Consultant, Assembly Health Committee
Honorable Members, Senate Health Committee
Vincent Marchand, Principal Consultant, Senate Health Committee
Joe Parra, Policy Consultant, Senate Republican Caucus Committee