

**Minutes of Meeting  
Health Services Council  
Project Review Committee-II**

**DATE: 28 June 2007**

**TIME: 2:30 PM**

**LOCATION: Health Policy Forum**

**ATTENDANCE:**

**Committee II: Present: Maria Gil, Robert Hamel, Denise Panichas, Robert J. Quigley, DC, (Chair), Larry Ross, Reverend David Shire (Secretary)**

**Not Present: Rosemary Booth Gallogly, Wallace Gernt**

**Excused Absence: Victoria Almeida, Esq., (Vice Chair), Raymond C. Coia, Esq., Catherine E. Graziano RN, Ph.D.**

**Staff: Valentina D. Adamova, Michael K. Dexter, Samantha Maras (Intern), Joseph G. Miller, Esq.**

**Public: (Attached)**

**1. Call to Order, Approval of Minutes, Conflict of Interest Forms and**

## **Time Extension for the Minutes Availability**

**The meeting was called to order at 2:40 PM. The Chairman noted that conflict of interest forms are available to any member who may have a conflict. The Chairman requested a motion for the extension of time for the availability of minutes pursuant to the Open Meetings Act. A motion was made, seconded, and passed by six in favor and none opposed (6-0) that the availability of the minutes for this meeting be extended beyond the time frame provided for under the Open Meetings Act. Those members voting were: Gil, Hamel, Panichas, Quigley, Ross, Shire**

## **2. General Order of Business**

**The first item on the agenda was the application of American Senior Living Communities II, LLC d/b/a American Senior Living Communities RI II, LLC for change in effective control of Hebert's Nursing Home, Inc. a 133-bed nursing facility at 180 Log Road in Smithfield.**

**Staff stated that the applicant has been before the Committee previously and provided responses to follow up questions from the Committee. Staff noted a letter from the Department of Human Services, Division of Healthcare Quality Financing and Purchasing regarding receivables that may be remaining after the closing. Staff**

**noted that Mr. Goulet, legal counsel for the applicant, has sent a letter in response.**

**Mr. Goulet stated that the Medicaid Program requested that the purchaser [American Senior Living] escrow a sum of money on the off chance that there will be monies owed to the Medicaid program by the seller [Herbert's]. He stated that his response to the Department of Human Services' letter noted that there was no statutory authority for the Department to require the buyer to place money in an escrow agreement for this purpose. He stated that there was no criteria given for the requested escrow amount of \$25,000 and there is no history of difficulty in collecting monies from Hebert's Nursing Home for Medicaid obligations. He stated that it was inappropriate to assert this requirement at this time.**

**A Committee member asked the applicant to explain what may be owed to Medicaid. The applicant said that, theoretically, there could be a situation where the facility billed Medicaid inappropriately for a patient or maybe they billed for a service that was denied. The applicant explained that recovery of depreciation no longer exists as part of the Medicaid principles of reimbursement. He explained that they aren't aware of anything that they owe and stated that its more typical that Medicaid owes the provider going back 30-90 days. The applicant stated that Medicaid historically gave some providers advances in the past; however, this situation does not apply to them.**

**Mr. Miller, legal counsel to the Department, stated that DHS didn't reference any regulations or statutes. He noted that the review criteria doesn't permit placing conditions on the new owner that are applicable to the old owner.**

**The applicant stated that Hebert's will still maintain a business obligation for about a year in order to receive any funds that are coming to Hebert.**

**The Chairman asked the applicant if they would accept as a condition of approval not to discontinue care due to inability to pay. The applicant agreed.**

**The applicant stated that the nursing home is in good working condition and there are no urgent repairs needed at this time. The applicant stated that the facility has been through a series of renovations in various years and there is a significant portion of the building that would be considered relatively new in RI standards. The applicant has plans to renovate some of the lounge and dining room areas from a cosmetic standpoint.**

**The Chairman asked the applicant to address some of the aspects of culture change. The applicant stated that they want to initiate individual dining including menu selection and dining times. Also, they feel that they can continue this and eventually begin their long-range culture change plans that they had submitted to the**

**Committee, which included the use of a consultant.**

**A motion was made, seconded, and passed by six in favor and none opposed (6-0) to recommend that the application be approved with the condition of approval related to not discontinuing care because of ability to pay. Those members voting were: Gil, Hamel, Panichas, Quigley, Ross, Shire.**

**Staffed noted that the next Full Health Service Council has not been scheduled.**

**There was no further business the meeting was adjourned at 3:05PM.**

**Respectfully submitted,**

**Valentina D. Adamova**