

**S5269** RIVERA Same as [A 5842](#) Gottfried

ON FILE: 03/01/21 Public Health Law

TITLE....Relates to the establishment, incorporation, construction, or increase in capacity of for-profit nursing homes

03/01/21 REFERRED TO HEALTH

01/05/22 REFERRED TO HEALTH

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**NEW YORK STATE SENATE  
INTRODUCER'S MEMORANDUM IN SUPPORT  
submitted in accordance with Senate Rule VI. Sec 1**

**BILL NUMBER:** S5269

**SPONSOR:** RIVERA

**TITLE OF BILL:**

An act to amend the public health law, in relation to the establishment, incorporation, construction, or increase in capacity of for-profit nursing homes

**PURPOSE OR GENERAL IDEA OF BILL:**

To end the establishment or expansion of for-profit nursing homes.

**SUMMARY OF SPECIFIC PROVISIONS:**

Adds a new Public Health Law § 2802-c to prohibit all future establishment or expansion of bed capacity of a nursing home owned or operated, in whole or part, by a for-profit entity. Current facilities, and those with applications pending at the time this act was to become law, may proceed. Modifications in the ownership of a previously-approved for-profit nursing home (e.g., deleting or adding a shareholder) would be permitted.

**JUSTIFICATION:**

In recent years, for-profit nursing homes in New York have grown from about one-third of the market to two-thirds. National data shows that for-profit nursing homes score worse on staffing, infection control and other quality indicators. They have higher rates of patient deaths and cost more. The State Attorney General's 2021 report documents that dubious real estate and service contract transactions divert funds from patient care and had a hand in increasing COVID-19 risks to patients. This bill prohibits granting of new for-profit nursing home licenses or expanding the capacity of existing for-profit nursing homes

**PRIOR LEGISLATIVE HISTORY:**

New bill

**FISCAL IMPLICATIONS:**

None.

**EFFECTIVE DATE:**

Immediately