

Presentation to the Joint Commission on Health Care

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Office of Licensure and Certification:

Regulation of Nursing Homes and Hospitals in the Commonwealth

Nursing Home Overview

Nursing Home Overview

- Total licensed nursing homes in Virginia: 287
 - Majority are certified for both Medicare and Medicaid
 - 6 nursing homes are licensed only (private pay)
- VDH OLC conducts:
 - Biennial state licensure inspections,
 - Federal certification and recertification surveys in nursing homes on behalf of the Centers for Medicare and Medicaid Services, and
 - Complaint investigations

Office of Licensure and Certification Objectives

- Protect and improve the health, safety and welfare of Virginia's nursing home residents
- Conduct nursing home licensure inspections and certification surveys
- Respond to and investigate complaints, prioritizing those classified as Immediate Jeopardy
- Ensure nursing homes comply with Virginia and federal regulations

Nursing home regulations of significance

Topic	Virginia Requirement	Federal Requirement
Licensing: Initial and renewal	Application process to include various verification documents, fee, initial inspection. Life Safety inspection completed as well.	Application process, gather ownership information, communication and application with Medicare, initial inspection
Staff background checks	Must be completed upon hire prior to working with residents	Federal regulation states that facilities must have validation processes in place to ensure staff competency and safety
Inspections	Annual licensure with biennial inspections for renewal, usually combined with Federal certification survey	Certification surveys completed no later than every 15 months
Electronic monitoring of residents	Permitted if desired. Allowed in semi-private room only if roommate agrees. Specific guidance on maintenance and retention/access of video	Allowed per specific state requirements. Guidance for retention and access.
Safety & emergency procedures	Disaster planning, partnership with local coalition for emergency exercises. Facility equipment for emergencies.	Life Safety Code, Emergency Preparedness, FDA and OSHA requirements. Regular maintenance requirements and ongoing Facility Assessment, Generator requirements, food and water supplies.
Resident restraints	Only allowed with specific diagnosis and assessment quarterly for reduction	Assessment required, consent, specific diagnosis, cannot be per resident or family request. Includes physical, chemical restraints. Must start restraint reduction quarterly at a minimum.
Environment of care	Promotes needs, homelike environment	Homelike environment, more specific to include room size, types of furniture, space requirement

Nursing Homes Immediate Jeopardy & Complaints

Immediate Jeopardy

- Incidents and Accidents-smoking, hot liquids, elopement
- Free from abuse and Neglect- staff actions resulting in psychosocial or physical harm
- CPR (DNR vs. Full-Code status)
- Safe, Clean, Comfortable Environment- Elevators

Complaints

- 944 complaints since Jan 1st, 2025
- 285 investigated
- OLC continues to see an increase in overall complaints
- Complaints may be submitted via email, phone, fax or mail

Nursing Home Trends

- Average number of health citations per facility survey in the U.S. - 9.5
- Average number of health citations per facility survey in Virginia - 12.7
(PA 10.2, WV 14.6, NC 6.6, MD 19.3)
 - Virginia has 67 1-star facilities, 1-star rating is much below average
 - Virginia has 62 2-star facilities, 2-star rating is below average
- Data Source: CMS Nursing Home Compare Website

Nursing Homes Regulatory Structure

State

- Title 32.1 Chapters 1, 4, & 5 of the Code of Virginia
- 12VAC5-371 Regulations for the Licensure of Nursing Facilities

Federal

- Title 42 Chapter IV of the Code of Federal Regulations
- Health Insurance Portability and Accountability Act (HIPAA)

Nursing Home Trends

- Average number of residents per facility per day in Virginia - 97.7, National - 83.9
- Total number of Nurse staff hours per resident per day in Virginia - 3 hours 46 min, National - 3 hours 52 min
- Total RN hours per resident per day in Virginia - 42 min, National - 40 min
- Total LPN hours per resident per day in Virginia - 1 hour, National - 52 minutes
- Total Aide hours per resident per day in Virginia - 2 hours 4 min, National - 2 hours 19 min
- Data source: CMS Nursing Home Compare Website

Nursing Home Trends

- Reduction of backlog of federal surveys
 - June 2024: 37.2 months average interval between surveys
 - June 2025: 22.4 months
 - Target: 15.9 months

Colonial Heights Rehabilitation & Nursing Center

- Timeline:
 - 12/18/24 - 1/3/25: Complaint investigation; consistent presence in the facility
 - 3/26/25: 1st follow-up visit
 - 5/29/25: 2nd follow-up visit
 - 3/26/25: Additional complaints investigated
- The facility is currently in substantial compliance with state and federal regulations.
- Regular communication with corporate team with progress and updates. The facility is being monitored for any pending complaints.
- OLC has met with the senior leadership of corporate ownership (Medical Facilities of America).

Henrico Health & Rehabilitation Center

- Placed on the CMS SFF (Special Focus Facility) Program in January 2025. This is due to their regulatory history and performance over the past three years. OLC has been at this facility on 2/24/25, 5/13/25, 6/2/25 and 7/1/25.
- The facility currently has citations that will require an approved plan of correction
- Continued monitoring per Special Focus Facility protocol

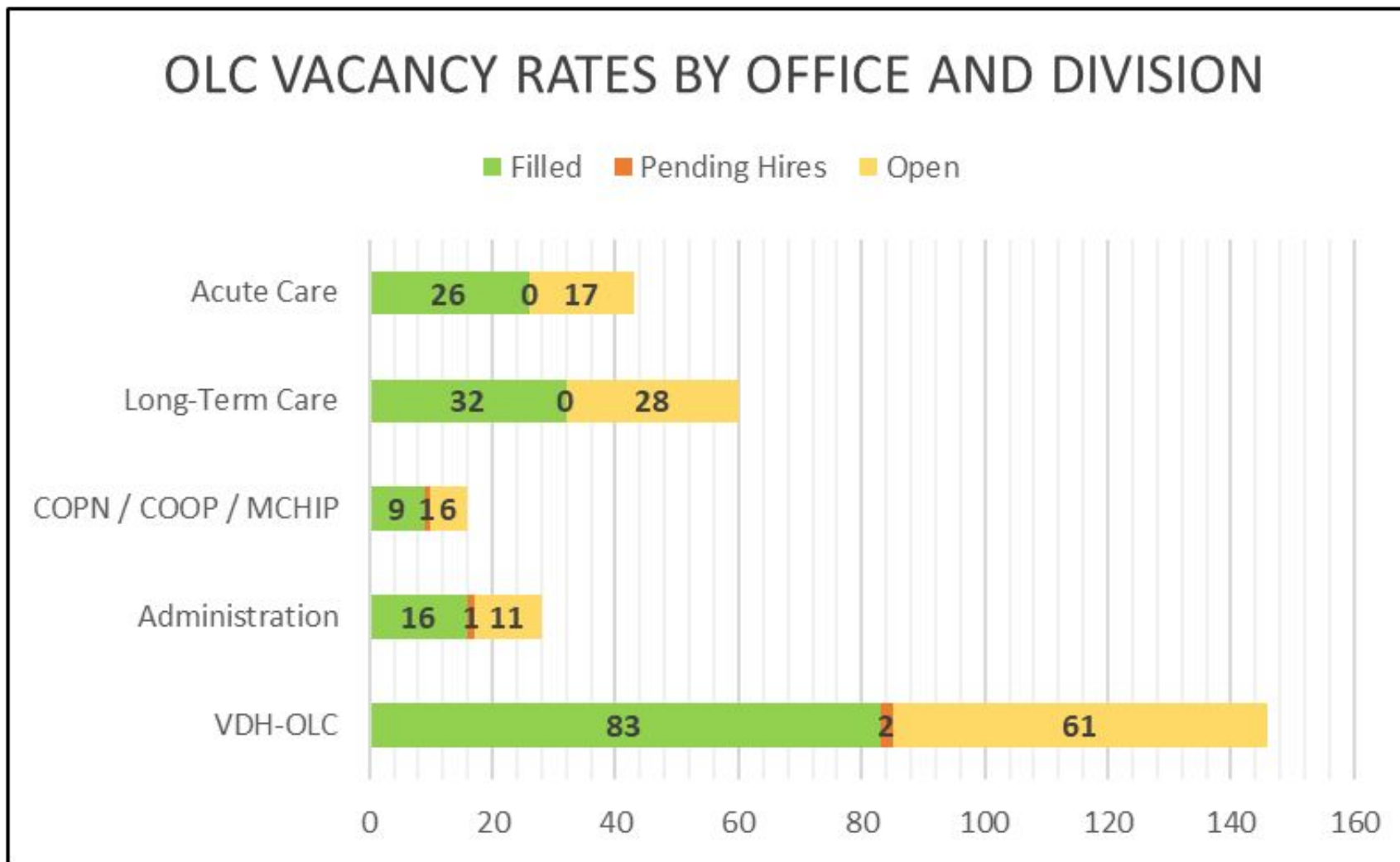
Changes in Nursing Home Ownership

- Over the past few years, there has been a noticeable increase in the number of reported changes to VDH of ownership for nursing homes.
- VDH currently has limited information about the actual owners of many nursing homes.
 - Applications include LLC information and owners with 5% or more ownership of the facility, along with corporate contact information.
- Having more comprehensive and detailed ownership information could help VDH to:
 - Review applicants' history of regulatory compliance,
 - Assess the financial stability of applicants,
 - Check for any prior criminal history of applicants, and
 - Make informed decisions when issuing licenses.

Nursing Home Accountability for Protecting the Health and Safety of Residents

- OLC is developing procedures to utilize its existing statutory authority to suspend / restrict new admissions or to suspend / revoke licenses.
 - At present, any such action by VDH must comply with Administrative Process Act requirements. This can result in significant time lapse between an incident/event and any resulting sanction. VDH has no summary authority, even for egregious situations.
- OLC is initiating a regulatory action to implement intermediate sanctions as authorized by 2025 legislation.
- OLC is initiating a regulatory action to establish a new licensure fee structure for nursing homes, as authorized by 2025 legislation.

OLC Recruitment



- Includes clinical and administrative personnel
- Open positions include newly-funded positions released on July 1, 2025

Medical Facility Inspector Hiring

- Aggressive Incentives adopted June 2025
 - Front-loaded leave for internal and external hires: **80 hrs**
 - Sign-on bonus for external hires: **\$5,000**
 - HR Review - Employee referral bonus
 - Consideration of a retention bonus (may tie back to sign-on bonus)
- Create a NOVA Regional Team
 - Apply up to 5 existing positions to create a Long-Term Care NOVA team

Hiring Initiative – Medical Facility Inspector Focus

- 3-Month Goal:
 - Long-Term Care MFIs (8 positions)
 - Long-Term Care Supervisors (3 positions)
 - Home Health/Hospice MFIs (3 positions)
 - Home Health/Hospice Supervisor (1 position)
 - Home Care Organization Supervisor (1 position)
- 6-Month Goal:
 - Long-Term Care MFIs (8 positions)
 - New Home Care Organization MFI Team + Support (4 positions)

Hospital Overview

Hospital General Information

- Licensed Inpatient Hospitals in Virginia: 105
- Outpatient Surgical Hospitals in Virginia: 83
- Inpatient Hospitals federally designated as Critical Access Hospitals: 8
- VDH OLC is required to inspect hospitals biennially for state licensure
- VDH also performs validation surveys of accredited hospitals and investigates hospital complaints
- Hospitals accredited by The Joint Commission or another approved organization are deemed certified for participation in Medicare and Medicaid

Office of Licensure and Certification Objectives

- Protect and improve the health, safety, and welfare of Virginia's hospital patients
- Conduct hospital licensure biennial inspections
- Respond to and investigate complaints at hospitals
- Ensure hospitals comply with Virginia and federal regulations

Hospital Regulatory Structure

State

- Title 32.1 Chapters 1, 4, & 5 of the Code of Virginia
- 12VAC5-410 Regulations for the Licensure of Hospitals in Virginia

Federal

- Title 42 Chapter IV of the Code of Federal Regulations
- The Emergency Medical Treatment and Labor Act (EMTALA)
- Health Insurance Portability and Accountability Act (HIPAA)

Hospital Complaints

- Complaint volume, severity and required resources have increased exponentially.
- Hospital complaints investigated by OLC in 2024: 260
 - 8th highest total in U.S. (Virginia is 12th most populated state)
 - Complaints have been increasing since 2018-2019. This was further exacerbated by the pandemic and subsequent staffing challenges among other factors.
 - Complaints investigated in 2018: 45
 - Example: One OLC hospital team conducted 13 hospital complaint investigations in the first quarter of 2019. In the first quarter of 2025, the same team conducted 54 complaint investigations, which is equivalent to a 315% increase.

Henrico Doctors Hospital NICU

- A complaint investigation was conducted from November 25, 2024 through January 24, 2025.
- Ten MFIs assisted with the complaint investigation, including staff from CMS.
- The length of the onsite investigation, number of staff involved, and CMS onsite involvement is unprecedented for the OLC.
- The facility was cited for 18 deficiencies to include abuse/neglect of NICU patients.
- The hospital entered into a consent agreement with VDH. This includes a conditional approval to operate the NICU until they meet all regulatory requirements.
- A revisit occurred from May 20-22, 2025, and the facility remains out of compliance.
- The facility is awaiting a second revisit. The consent agreement as well as the conditional approval is still in effect.

Hospital Accountability for Protecting the Health and Safety of Patients

- VDH's current sanctioning authorities:
 - revoke the license of the entire hospital
 - suspend the license of the entire hospital
- VDH cannot currently impose intermediate sanctions against hospitals.
- New structure for increased hospital licensure fees:
 - authorized by 2025 legislation
 - OLC is working on implementing regulations
 - will allow hiring additional staff (additional MFIs for OLC)

Questions?

Office of Epidemiology: Ryan White Program

The Ryan White HIV/AIDS Program (RWHAP) Part B grants, administered by HRSA, include:

Base grant - This covers core medical services and support services

Supplemental grant - This grant gives additional money to states and territories that can show they need more help

AIDS Drug Assistance Program (ADAP) (aka VA MAP) - This funding helps low-income people with HIV get the medications they need. There are three kinds of ADAP:

- **Regular ADAP awards** (part of the formula funded grant to recipients): this provides money for medication services only
- **Competitive Supplemental Funding for ADAP**: some states receive extra money if they have a severe medication need
- **Competitive Emergency relief funds**: some states receive money to reduce or eliminate existing wait list or to actively prevent one
- **Minority AIDS Initiative grants** - These grants focus on educating and helping minority communities to access ADAP or other medication assistance programs

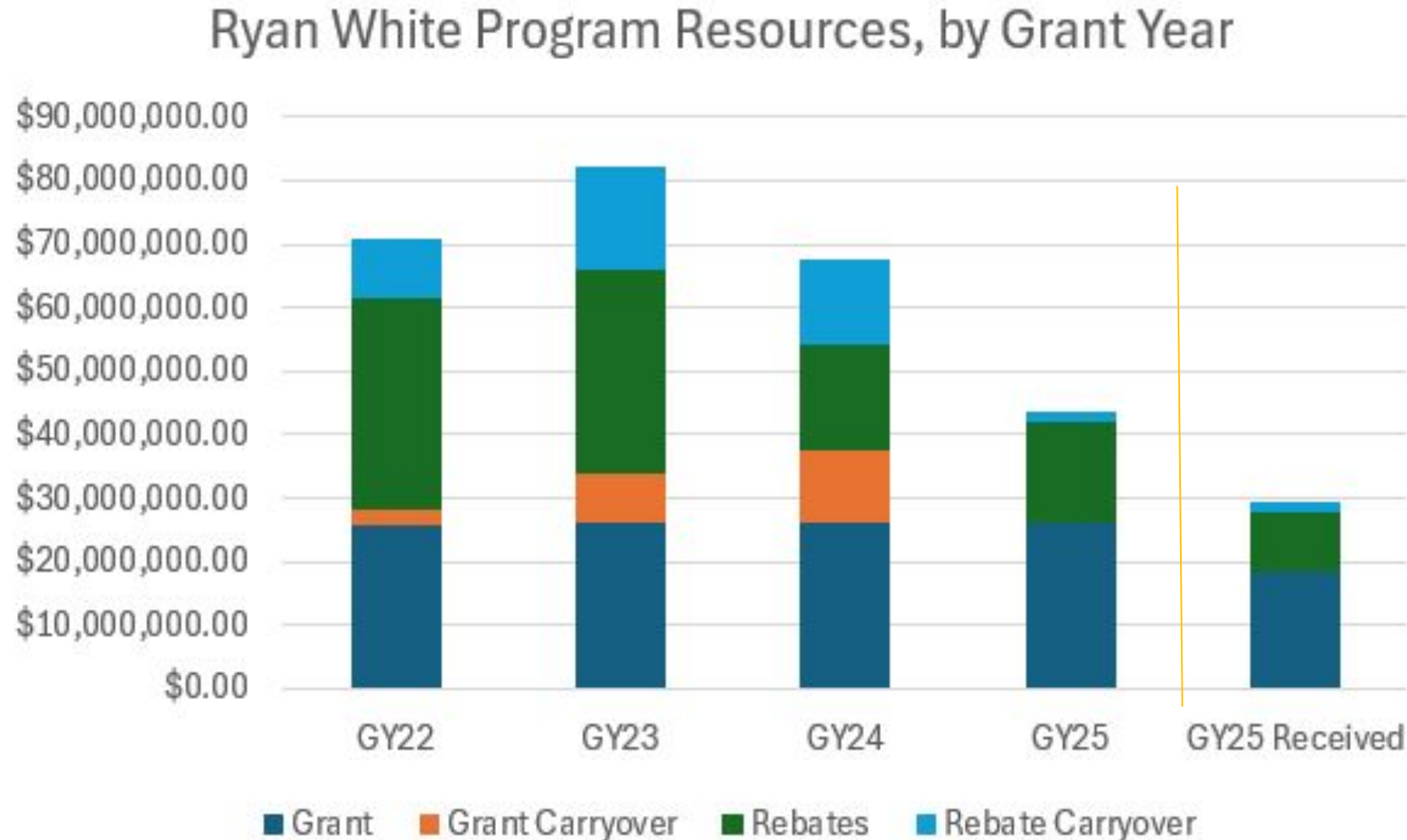
Emerging Communities Awards - These grants provide additional money to states that have a growing number of people with AIDS (also known as “emerging communities.”). These are communities that have between 500 and 999 AIDS cases in the past five years

Core Medical Services vs. Support Services

Core Medical Services refer to those **services deemed most necessary to ensure good medical outcomes for people with HIV.** Examples include ADAP, outpatient ambulatory care, medical case management with treatment adherence, oral health care, and mental health services. These services must adhere to U.S. HHS Clinical Guidelines for the Treatment of HIV, as well as other relevant clinical and professional standards.

Support Services **facilitate access to Core Services and help persons with HIV comply with their medical treatments and remain in care.** Examples include emergency financial assistance, food bank, medical transportation, housing; non-medical case management

RW Part B Program Resources, by Grant Year



Key Categories of Expenditures

Purchase and Provision of Medications

Purchase and provision of ACA/Medicare insurance

Subrecipient & vendor contracts for core medical & support services (including select LHDs) or support for compliance requirements

Cardinal wholesaler

Contracts for other services to eligible People with HIV:

- Status Neutral Patient Navigation
- Comprehensive HIV/AIDS Resources and Linkages for Individuals Experiencing Incarceration (CHARLII)
- Disease Intervention Specialists (DIS)
- Trauma Informed & Healing Centered Approaches (TICHA)

VA MAP vendors are Ramsell (PBM) & Benalytics (IBM)

Groupware Technologies Inc. (GTI) (Provide® system for client level data)

VA MAP Call Center (Verizon)

FTE Personnel/Fringe and Temporary Staff (Contractors)

Planning, Evaluation and Quality Management

Priority Activities

The priority for the program is **to ensure continued access to lifesaving HIV medication.**

With this priority in mind, in the context of reduced resources, this has necessitated reduced funding to other services as a cost containment measure.

In addition to subrecipient contract reductions, VDH has also implemented other budget reduction strategies internally including:

- Shifting some personnel to alternate fund sources and maintaining multiple position vacancies
- Eliminating RW funding to Status Neutral, CHARLII, TIHCA programs and funding to several Disease Intervention Specialist (DIS) positions.
- Paused all pilot programs for service expansion or special populations (e.g. HIV and Aging and capacity building for agencies)

Overview of RWHAP B GY 2025 Budget Reductions

Topic	Impact/Approach	
Total RWHAP B Contracts Funding (non-ADAP):	<ul style="list-style-type: none">GY24 total = \$29,790,264 (to 27 total subrecipients)GY25 total = \$9,713,537 (to 14 total subrecipients)Total Budget Reduction = <u>\$20,076,727 (-67% compared to GY24 levels)</u>	
Prioritized Services for Funding (8):	Core Medical Services <ul style="list-style-type: none">w ADAPw Outpatient/Ambulatory Health Services (OAHS)w Oral Health (emergency only)w Medical Case Management (MCM)	Support Services <ul style="list-style-type: none">◆ Non-Medical Case Management (NMCM)◆ Medical Transportation◆ Outreach◆ Psychosocial Support
Discontinued Services Previously Funded (14):	<ul style="list-style-type: none">Core: Early Intervention Services (EIS), Health Insurance Premium Cost Sharing Assistance (HIPCSA), Mental Health, Medical Nutrition Therapy, Substance Use Disorder (SUD)-Outpatient,Support: Emergency Financial Assistance (EFA), Food Bank/Home-delivered Meals, Housing, Health Education/Risk Reduction (HE/RR), Housing, Legal Services, Linguistics, Referral for Healthcare and Support Services, SUD-Residential	

Subrecipient Contracts- Considerations

- Availability of other resources (Ryan White Parts A, C, and D; FQHC funding, program income, Medicaid and other 3rd party payers, and other operational resources)
- Priority on medication access and associated services with the primary goal of virologic suppression
- Number of clients served
- Geographic distribution of providers; provider density, assure minimum of one provider in each health region; & assure availability of client eligibility assessments
- Pace of spending (by service category @ Q3 for past four grant years)
- Performance including clinical and program outcomes
- Inclusion of both large medical centers and community-based providers that can provide the select services
- HRSA compliance requirements (parity of services in the state, 75% core medical service expenditure for grant, & limitation on admin costs)
- Limited allocations for outreach services to meet need for HIV testing and linkage to care
- Percentage reduction in some service categories that are salary heavy (MCM, NMCM)
- Elimination of support for some interventions (PositiveLinks, TICHA, HIV & Aging)

Large-scale Impact to the Virginia Health Regions

Central	<p>Overview: Served 1168 clients in GY23. Approx. 1300 clients served in GY24 by Dec. 31, 2024, by 10 providers.</p> <p>Provider: -Loss of \$5.44M, loss of 5 providers (FQHC, LHDs, CBO) in GY25.</p> <p>Community: Increased clients, waiting times and reduction in staff for case management</p>
Eastern	<p>Overview: Served 621 clients in GY23. Approx. 880 clients served in GY24 by Dec. 31, 2024, by 5 providers.</p> <p>Provider: -Loss of \$712K, loss of 3 providers (University Health and CBOs) in GY25</p> <p>Community: Increase clients, reduction in staff for case management and increased housing & food insecurity</p>
Northern	<p>Overview: Served 2395 clients in GY23. Approx. 2500 clients served in GY24 by Dec. 31, 2024, by 3 providers</p> <p>Provider:-Loss of \$3.45M, loss of 1 provider (FQHC) & 2nd line providers providing legal and housing services in GY25</p> <p>Community: Increased clients, abrupt housing insecurity and reduction in staff for case management</p>
Northwest	<p>Overview: Served 1606 clients in GY23. Approx. 1700 clients served in GY24 by Dec. 31, 2024, by 5 providers</p> <p>Provider:-Loss of \$7.01M, loss of 2 providers (FQHC and LHD) in GY25</p> <p>Community: Increased clients, drastic reduction in staff & support services and uncertainty about Positive Links app (HRSA identified best practice)</p>
Southwest	<p>Overview: Served 1262 clients in GY23. Approx. 1400 clients served in GY24 by Dec. 31, 2024, by 3 providers.</p> <p>Provider: -Loss of \$3.54M, loss of 2 providers (Hospital, FQHC-lookalike) in GY25</p> <p>Community: Increased clients, reduction in staff for case management and drastic reduction in support services</p>

Questions?