

Group Want Hearing on Manor Care Sale

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TALLAHASSEE, Fla. (AP) - Regulators should consult the public, particularly nursing home residents, about a private investment firm's proposed takeover of a major homes chain, sale opponents told Florida lawmakers Wednesday.

But an official with Florida's health care agency said state law doesn't allow for any kind of public hearing for licensing nursing homes. She assured legislators, though, that regulators are examining some of the public's concerns.

Shareholders of Toledo, Ohio-based nursing home chain Manor Care Inc. have already approved the sale to The Carlyle Group for \$4.9 billion. Included in the deal would be 29 homes in Florida with 3,700 residents.

Opposition to the sale in several states is led by the Service Employees International Union, which represents some nursing home workers. Some lawmakers have also questioned what the takeover would mean for quality of care and whether that should be considered when the state decides whether to allow Carlyle a license.

Maria Christina Sanchez, a hospital nurse, is familiar with Manor Care because her mother recently spent several months in one of the company's homes while recovering from a fall. She told the Senate Health Regulation Committee that the homes are already understaffed.

She said her mother's nursing home didn't have enough staff to take her mother to the restroom as often as she needed, and instructed her to simply go in bed, telling her they could clean her up later.

Sanchez said she believed the situation would get even worse with a large private equity firm taking over - in part because the sale is financed with debt and she fears Carlyle will need to cut costs. She only wanted to make sure concerns by residents were heard by the state Agency for Health Care Administration.

"How can our government deny them that in good conscience?" she asked.

Carlyle and Manor Care officials weren't at the committee hearing, but Manor Care spokesman Rick Rump said care won't change under new ownership.

"Carlyle will be a shareholder, not a manager," of the new homes, Rump said. "It will be our management team, our care providers."

Rump said it wouldn't make sense for Carlyle to reduce the quality of care: "They are going to benefit if we grow and become a better provider."

The Senate committee listened to concerns from advocates for patients, and from the union's Florida health care unit, but made no move to try to change what the Agency for Health Care Administration considers.

The committee asked the agency to discuss more the larger issue of the impact of who owns a nursing home on the quality of care. The agency has said it hasn't found any direct link between ownership and quality.

The panel did hear testimony from a lawyer who handles nursing home cases who argued that's not the case. Nathan Carter of Orlando said complex layers of ownership make it much harder to sue homes that hurt people, which in turn removes incentives to make homes safe, a claim disputed by the nursing home industry.

Sen. Dennis Jones, R-Seminole, did ask Molly McKinstry, AHCA's chief of long term care services, why the agency didn't hold a public hearing on the sale.

Essentially, the agency can't, McKinstry said, because state law and regulations require it to consider only certain criteria that don't include information gathered from "third parties."

"We would suggest that nursing home

residents are not third parties," said Monica Russo, president of SEIU's Florida Healthcare Union. "Nursing homes are their homes. They are directly impacted, they have the most to lose."

McKinstry noted that the agency is hearing from worried residents and their families, and that some of their concerns may address issues the agency is allowed to consider.

"If there are matters that are relevant ... we've certainly considered those, and are still considering those," McKinstry said. "Final decisions have not been made."

The committee's chairman, Sen. Jeff Atwater, R-North Palm Beach, said his main interest is that state regulators closely monitor the quality of care in the facilities no matter who owns them.

Carlyle owns Dunkin' Donuts and Hertz "","1","0","HTZ\$N",true);'> Hertz , but its only health care-related venture is Lifecare, a nationwide chain of 21 long-term care hospitals.

Manor Care has about 500 nursing and rehabilitation centers along with assisted living centers and health care businesses nationwide. It operates primarily under the Heartland, ManorCare Health Services and Arden Courts names.

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