

AMENDMENT NO. _____ Calendar No. _____

Purpose: To provide for a demonstration program to test the viability of community integrated nursing care homes.

IN THE SENATE OF THE UNITED STATES—111th Cong., 1st Sess.

H. R. 3590

To amend the Internal Revenue Code of 1986 to modify the first-time homebuyers credit in the case of members of the Armed Forces and certain other Federal employees, and for other purposes.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. CASEY to the amendment (No. 2786) proposed by Mr. REID

Viz:

1 On page 1609, after line 23, insert the following:

2 **SEC. 6108. COMMUNITY INTEGRATED NURSING CARE**

3 **HOMES DEMONSTRATION PROGRAM.**

4 (a) **SHORT TITLE.**—This section may be cited as the

5 “Community Integrated Nursing Care Homes Demonstra-

6 tion Program Act” or the “CINCH Demonstration Pro-

7 gram”.

8 (b) **ESTABLISHMENT.**—

1 (1) IN GENERAL.—The Secretary shall establish
2 the CINCH demonstration program to test the via-
3 bility of multiple small house nursing homes that are
4 embedded within residential neighborhoods and col-
5 lectively certified to provide services through a single
6 eligible operating entity in order to reduce adminis-
7 trative costs and provide related cost savings to the
8 Medicare and Medicaid programs.

9 (2) DURATION AND SCOPE.—

10 (A) DURATION.—The Secretary shall con-
11 duct the CINCH demonstration program for a
12 period of 5 years.

13 (B) SCOPE.—The Secretary shall select
14 not more than 6 sites (as described in para-
15 graph (3)) to participate in the CINCH dem-
16 onstration program, with each site to be oper-
17 ated by a different eligible operating entity (as
18 described under subsection (c)(2)) and not less
19 than 2 sites to be located in rural areas.

20 (3) SITES.—

21 (A) IN GENERAL.—A site shall consist of
22 not less than 2 locations, with each location
23 containing not more than 2 small house nursing
24 homes, that are operated by an eligible oper-

1 (C) NUMBER OF SMALL HOUSE NURSING
2 HOMES PER SITE.—A site shall contain not less
3 than 4 small house nursing homes and not
4 greater than—

5 (i) in rural areas (or a site that en-
6 compasses a rural area), 12 small house
7 nursing homes; or

8 (ii) in urban or suburban areas, 24
9 small house nursing homes.

10 (4) CONTINUATION OF TREATMENT AS SINGLE
11 PROVIDER.—The Secretary shall develop a process
12 to allow a site, following the 5-year period for the
13 CINCH demonstration program, to continue oper-
14 ation through a single operating entity and receive
15 certification as a single provider for purposes of
16 Medicare and Medicaid, including provisions to per-
17 mit such continuation following a change in owner-
18 ship of a participating small house nursing home.

19 (5) WAIVER AUTHORITY.—The Secretary may
20 waive such requirements of titles XI, XVIII, and
21 XIX of the Social Security Act as may be necessary
22 to carry out the CINCH demonstration program and
23 shall develop a process that permits sites to be cer-
24 tified and reimbursed under Medicare and Medicaid.

25 (c) SELECTION.—

1 (1) TECHNICAL ASSISTANCE PROVIDER.—

2 (A) IN GENERAL.—Not later than 90 days
3 after the date of enactment of this Act, the Sec-
4 retary, through a request for proposal process,
5 shall select a technical assistance provider that
6 shall be responsible for assisting and moni-
7 toring eligible operating entities (as described
8 under paragraph (2)).

9 (B) MINIMUM REQUIREMENTS.—In select-
10 ing the technical assistance provider, the Sec-
11 retary shall ensure that such organization—

12 (i) is a national not-for-profit organi-
13 zation that is in good standing;

14 (ii) has a consistent, clearly articu-
15 lated, and research-based model for oper-
16 ation of small house nursing homes;

17 (iii) has not less than 10 years of ex-
18 perience in providing development, oper-
19 ation, regulatory, policy, and financial con-
20 sulting services to clients or partners seek-
21 ing to innovate the provision of long-term
22 care;

23 (iv) has demonstrated a successful
24 process and record (for not less than 4
25 years) for selection and assistance of mul-

1 multiple organizations in implementation of a
2 small house nursing home model, including
3 development, operations, and staff train-
4 ing;

5 (v) has established curricula for train-
6 ing of leadership, clinical, and direct care
7 staff;

8 (vi) has demonstrated capacity,
9 through its own resources and consultants,
10 to—

11 (I) collect Minimum Data Set
12 (“MDS”) information and financial
13 data from eligible operating entities;
14 and

15 (II) benchmark and analyze such
16 financial data on not less than a quar-
17 terly basis;

18 (vii) has the ability to administer the
19 CINCH demonstration program without
20 additional funding from Federal, State, or
21 local governmental sources;

22 (viii) agrees to provide technical as-
23 sistance services to eligible operating enti-
24 ties for a fee that is not greater than its

1 usual and customary fee for such services;
2 and

3 (ix) agrees to maintain a provider net-
4 work for small house nursing homes par-
5 ticipating in the CINCH demonstration
6 program for a fee that is not greater than
7 its usual and customary fee for such serv-
8 ices.

9 (C) PREFERENCES.—In selecting the tech-
10 nical assistance provider, the Secretary shall
11 give preference to an organization that has
12 demonstrated experience in related business ac-
13 tivities, including community-based care models,
14 health care financing, and demonstration pro-
15 grams.

16 (2) ELIGIBLE OPERATING ENTITY.—

17 (A) IN GENERAL.—Selection of eligible op-
18 erating entities shall be determined by the tech-
19 nical assistance provider through a request for
20 proposal process on a continual basis.

21 (B) MINIMUM REQUIREMENTS.—An eligi-
22 ble operating entity seeking to participate in the
23 CINCH demonstration program shall be re-
24 quired to—

1 (i) commit to maintaining the small
2 house nursing home requirements de-
3 scribed under subsection (d) and permit
4 the technical assistance provider to con-
5 duct periodic evaluations to ensure adher-
6 ence to such requirements;

7 (ii) maintain membership in a small
8 house nursing home provider network that
9 is maintained by the technical assistance
10 provider; and

11 (iii) ensure that, for each site, at least
12 30 percent of the total capacity developed
13 under the CINCH demonstration program
14 is provided to residents that are receiving
15 nursing home benefits under Medicaid.

16 (d) SMALL HOUSE NURSING HOME REQUIRE-
17 MENTS.—To be eligible to participate in the CINCH dem-
18 onstration program, a small house nursing home shall—

19 (1) subject to subsection (b)(5), have been cer-
20 tified by a State or local entity (in accordance with
21 applicable State and local law) to operate a nursing
22 home;

23 (2) operate in compliance with any direct care
24 and certified nurse assistant staffing requirements
25 under Federal and State law;

1 (3) provide nursing home services, as required
2 under State law and applicable licensing standards,
3 that shall not be less comprehensive or high-acuity
4 than services provided by the eligible operating enti-
5 ty within the immediate surrounding community;

6 (4) provide for meals cooked in the small house
7 nursing home and not prepared in a central kitchen
8 and transported to the nursing home;

9 (5) provide for a universal worker approach to
10 resident care (such as a certified nursing assistant
11 who provides personal care, socialization services,
12 meal preparation services, and laundry and house-
13 keeping services);

14 (6) provide for direct care staffing at a rate of
15 not less than 4 hours per resident per day, with di-
16 rect care staff (including certified nurse assistants)
17 to be onsite, awake, and available within each nurs-
18 ing home at all times;

19 (7) provide for direct nursing care at a rate of
20 not less than 1 hour per resident per day, with a
21 nurse to be awake and available at each location at
22 all times (with nurses to be shared between not more
23 than 2 nursing homes on each site) as part of a
24 nursing staff that meets or exceeds applicable Fed-

1 eral and State requirements for qualifications, serv-
2 ices, and availability;

3 (8) provide for any other clinical, operational,
4 management, or facility staff and services as re-
5 quired under applicable Federal and State require-
6 ments, with such staff to be available from central-
7 ized or distributed locations;

8 (9) provide for consistent staff assignments and
9 self-directed work teams of direct care staff;

10 (10) provide training for all staff involved in
11 the operations of the nursing home (for not less
12 than 120 hours for each universal worker and not
13 less than 60 hours for each leadership and clinical
14 team member, to be completed for the majority of
15 the staff before they start to work in a small house
16 nursing home) concerning the philosophy, oper-
17 ations, and skills required to implement and main-
18 tain self-directed care, self-managed work teams, a
19 noninstitutional approach to life and care in long-
20 term care, appropriate safety and emergency skills,
21 cooking from scratch by the direct care staff and
22 food handling and safety, and other elements re-
23 quired for successful operation of the nursing home;

24 (11) ensure that the percentage of residents in
25 each nursing home who are short-stay rehabilitation

1 residents does not exceed 20 percent at any time
2 (unless the small house nursing home is entirely de-
3 voted to providing rehabilitation services), except
4 that a long-term resident transferring back to a
5 nursing home after an acute episode and who is re-
6 ceiving rehabilitation services for which payment is
7 made under the Medicare program shall not be
8 counted toward such limitation;

9 (12) provide the technical assistance provider
10 with MDS information and financial data in a timely
11 manner on a monthly basis; and

12 (13) consist of a physical environment designed
13 to look and feel like a home, rather than an institu-
14 tion, and that shall—

15 (A) be designed to serve as a fully inde-
16 pendent and disabled accessible house or apart-
17 ment, with not more than 10 residents within
18 such house or apartment, and that shall only be
19 connected to or share areas that would be gen-
20 erally shared between private homes (such as a
21 driveway) or apartments (such as a lobby or
22 laundry room);

23 (B) contain residential-style design ele-
24 ments and materials throughout the home that
25 are similar to those in the immediate sur-

1 rounding community and that do not use com-
2 mercial and institutional elements and products
3 (such as a nurses' station, medication carts,
4 hospital or office-type florescent lighting, acous-
5 tical tile ceilings, institutional-style railings and
6 corner guards, and room numbering and label-
7 ing) unless mandated by authorities with appro-
8 priate jurisdiction over the nursing home;

9 (C) provide private, single occupancy bed-
10 rooms that are shared only at the request of a
11 resident to accommodate a spouse, partner,
12 family member, or friend, and that contains a
13 full private bathroom that includes, at a min-
14 imum, a toilet, sink, and accessible shower;

15 (D) contain a living area where residents
16 and staff may socialize, dine, and prepare food
17 together that provides, at a minimum, a living
18 room seating area, a dining area large enough
19 for a single table serving all residents and not
20 less than 2 staff members, and an open full
21 kitchen;

22 (E) contain ample natural light in each
23 habitable space that is provided through exte-
24 rior windows and other means, with window
25 areas, exclusive of skylights and clerestories,

1 being a minimum of 10 percent of the area of
2 the room;

3 (F) have a life-safety rating that is suffi-
4 cient to meet State and local standards for
5 nursing facilities and appropriately accommo-
6 date individuals who cannot evacuate the nurs-
7 ing home without assistance; and

8 (G) contain built-in safety features to allow
9 all areas of the nursing home to be accessible
10 to residents during the majority of the day and
11 night.

12 (e) NO ADDITIONAL PAYMENT.—The technical as-
13 sistance provider, as well as any eligible operating entities
14 and participating small house nursing homes, shall not re-
15 ceive any additional payment or reimbursement under the
16 Medicare or Medicaid programs based upon their partici-
17 pation in the CINCH demonstration program.

18 (f) EVALUATION AND REPORT.—

19 (1) IN GENERAL.—Not later than 4 years after
20 the date of enactment of this Act, the technical as-
21 sistance provider shall evaluate the performance of
22 each of the sites participating under the CINCH
23 demonstration program and shall submit to Con-
24 gress and the Secretary a report containing the re-
25 sults of such evaluation.

1 (2) EVALUATION REQUIREMENTS.—The evalua-
2 tion shall include an analysis of—

3 (A) not less than 12 months of MDS infor-
4 mation and financial data from at least 10
5 small house nursing homes; and

6 (B) results from focus groups or surveys
7 regarding health outcomes for residents and
8 program costs.

9 (g) DEFINITIONS.—In this section:

10 (1) CINCH DEMONSTRATION PROGRAM.—The
11 term “CINCH demonstration program” means the
12 demonstration program conducted under this sec-
13 tion.

14 (2) MEDICAID.—The term “Medicaid” means
15 the program for medical assistance established under
16 title XIX of the Social Security Act (42 U.S.C. 1396
17 et seq.).

18 (3) MEDICARE.—The term “Medicare” means
19 the program for medical assistance established under
20 title XVIII of the Social Security Act (42 U.S.C.
21 1395 et seq.).

22 (4) NURSING HOME.—The term “nursing
23 home” means—

1 (A) a skilled nursing facility (as defined in
2 section 1819(a) of the Social Security Act (42
3 U.S.C. 1395i-3(a))); or

4 (B) a nursing facility (as defined in section
5 1919(a) of the Social Security Act (42 U.S.C.
6 1396r(a))).

7 (5) RESEARCH-BASED.—The term “research-
8 based” means research that—

9 (A) has been conducted by an objective re-
10 searcher or research team that has—

11 (i) no financial or affiliated organiza-
12 tional interest in the success of the model;
13 and

14 (ii) expertise in long-term care, with
15 not less than 3 research articles relating to
16 long-term care that have been published in
17 leading peer-reviewed journals;

18 (B) has been conducted according to gen-
19 erally accepted research practices;

20 (C) has been published in a leading peer-
21 reviewed journal on aging or long-term care;
22 and

23 (D) indicates a measurable improvement in
24 multiple aspects of quality of life and care.

1 (6) SECRETARY.—The term “Secretary” means
2 the Secretary of Health and Human Services.

3 (7) RURAL AREA.—The term “rural area”
4 means any area other than an urban or suburban
5 area.

6 (8) SUBURBAN AREA.—The term “suburban
7 area” means any urbanized area that is contiguous
8 and adjacent to an urban area.

9 (9) URBAN AREA.—The term “urban area”
10 means a city or town that has a population of great-
11 er than 50,000 inhabitants.