



Testimony of Matthew Netto, AARP Rhode Island
In Support of House Bill 5426
House Health and Human Services Committee
April 23, 2025

Chairwoman Donovan and members of the House Health and Human Services Committee:

AARP is a nonpartisan, social mission organization with 38 million members nationwide and nearly 125,000 members here in Rhode Island. We advocate on behalf of issues that impact older adults, and we appreciate the opportunity to offer our support for requiring the disclosure of the transfer of certain assets of healthcare facilities and providing penalties for failing to file healthcare facility ownership information as House Bill 5426 from Representative Speakman intends to do.

There are many reasons why a full, clear, and constant view into the workings of nursing homes is important, especially considering the large role nursing homes play in long-term services and supports (LTSS). Nursing homes provide a wide range of services to more than 1.2 million Americans annually, usually serving individuals with greater needs than those in assisted living or other residential settings.

Presently, states, the federal government and the public do not have enough information to fully grasp who owns and operates nursing homes and what they are doing with the taxpayer dollars they receive. Greater nursing home transparency can help consumers, their families (especially family caregivers), state and federal nursing home regulators, and advocates understand how nursing homes are operating including how they are funding the care they are responsible for providing residents.

For-profit nursing home companies have developed increasingly complex corporate ownership structures, with some having seven or eight layers of companies. By moving assets in a company separate from operating companies, nursing homes can lower taxes rates, shield parent companies from liability, reduce regulatory oversight, and hide profit margins.¹ House Bill 5426 would provide the state of Rhode Island and nursing home residents with more information on who owns the home and how they are managing their assets.

We appreciate this legislation's commitment to ensuring that Rhode Island nursing home ownership is transparent and acting in the best interests of the people they serve. AARP Rhode

¹ Harrington C, Olney B, Carrillo H, Kang T. Nurse staffing and deficiencies in the largest for-profit chains and chains owned by private equity companies. *Health Serv Res*. 2012;47(1 pt 1):106–128.



Island supports House Bill 5426 and respectfully asks you to recommend passage. Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink that reads "Matt Netto".

Matt Netto
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