



My name is Ray Talamona and I am the Vice President of Operations and represent both Adviniacare Pawtucket Pleasant Rehab Center & Adviniacare Providence Dodge Rehab Center. My testimony is being submitted on their behalf.

Adviniacare has just gone through this process in our recent acquisition of the two facilities mentioned above and although we have no issues with the general disclosure transparency provision of the bill, we did find the duplication of reporting requirements to be cumbersome. There are currently a multitude of both State & Federal Regulations that require disclosure of ownership for when a new entity is purchased or operating of a Skilled Nursing Facility in Rhode Island.

Adviniacare in the recent purchase of the two facilities had to disclose & register all its 150 facilities & business entities with the Secretary of State. This included Disclosure of Ownership requirements. There are also similar Federal Requirements related to the change of ownership we needed to comply with to obtain Medicare Certification.

Advocacy Groups would lead you to believe that additional legislation is needed due to speculation of monies being funneled through shell companies & excessive management fees that are profit centers for ownership. That is simply not the case, management fees are paid to approved DOH Management Companies. To insinuate that this is "profit" for ownership is also misleading and simply undermines the real issue of habitual underfunding of Long-Term Care, a declining healthcare workforce, escalating labor cost do in part to escalating rates by outside nursing agencies, utilities, food, medical supplies etc....

H5426 also proposes a limit of 3% equity distribution of a facility's annual revenue without the approval of RIDOH Director. What other business does the State of RI place that kind of restrictions on? Why would anyone want to invest in Nursing Homes in Rhode Island allowing for only a 3% profit margin, I would venture to say no one. In addition, the bill threatens to impose a million dollar fine for failure to disclose ownership information, which is punitive in nature and excessive. For these reason Adviniacare opposes Bill H5426.

Respectfully Submitted,
Ray Talamona
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Vice President of Operations

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