

Senate File 539 - Introduced

SENATE FILE 539
BY CELSI

A BILL FOR

1 An Act relating to oversight for long-term care facilities.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. NEW SECTION. **10A.904 Definitions.**

2 As used in this subchapter, unless the context otherwise
3 requires:

4 1. "Assisted living program" or "program" means the same as
5 defined in section 231C.2.

6 2. "Health care facility" means the same as defined in
7 section 135C.1.

8 3. "Long-term care facility" means a health care facility or
9 an assisted living program.

10 4. "Long-term care facility safety council" or "safety
11 council" means the long-term care facility safety council created
12 in section 10A.905.

13 5. "Resident" means the same as defined in section 135C.1.

14 6. "Tenant" means the same as defined in section 231C.2.

15 Sec. 2. NEW SECTION. **10A.905 Long-term care facility safety
16 council — membership — duties — meetings.**

17 1. A long-term care facility safety council is created.

18 a. The safety council shall include the following voting
19 members:

20 (1) The director of health and human services, or the
21 director's designee.

22 (2) The state long-term care ombudsman, or the state
23 long-term care ombudsman's designee.

24 (3) The director of an area agency on aging, or the
25 director's designee.

26 (4) The state director of AARP, or the state director's
27 designee.

28 (5) Three public members appointed by the governor, and
29 subject to confirmation by the senate, who are consumers or
30 members of consumer groups or consumer organizations.

31 (6) Two health care professionals appointed by the governor,
32 and subject to confirmation by the senate, who do not have a
33 conflict of interest in performing the duties of the safety
34 council.

35 b. The safety council shall also include the director or the

1 director's designee as a nonvoting member.

2 2. The long-term care facility safety council shall do all of
3 the following:

4 a. Determine and approve standards, including those relating
5 to health and safety, for long-term care facilities.

6 b. Conduct informal conferences and reviews of health care
7 facility applicants and licensees, and assisted living program
8 applicants and certificate holders, and make recommendations for
9 departmental action pursuant to sections 135C.10A and 231C.11B.

10 c. Review and make recommendations to the department
11 regarding violations and penalties under chapters 135C and 231C.

12 d. Make recommendations to the department regarding the
13 adoption or amendment of administrative rules.

14 e. Review the operation of long-term care facilities for
15 which the department has referred a complaint received by the
16 department to the office of long-term care ombudsman.

17 f. Receive recommendations from the state long-term care
18 ombudsman regarding inspections of specific long-term care
19 facilities, and changes in administrative rules regarding the
20 health, safety, welfare, and rights of residents and tenants.

21 g. Submit an annual report to the general assembly by October
22 31 for the immediately preceding fiscal year, including any
23 recommendations for changes in law to better protect residents
24 and tenants, and a summary of all recommendations made by
25 long-term care facilities during informal conferences.

26 h. Review a change of ownership application of a previously
27 licensed nursing facility pursuant to section 135C.7A, taking
28 into consideration whether the new ownership will improve the
29 financial status or health status of the nursing facility. The
30 department shall only grant a change of ownership application
31 upon the approval of the application by the safety council.

32 3. The members shall elect a public member as the chairperson
33 of the safety council annually.

34 4. The safety council shall hold an organizational meeting
35 in July each year, and meetings shall be held as necessary to

1 enable the safety council to expeditiously discharge its duties.
2 Meeting dates shall be set upon adjournment or by call of the
3 chairperson upon five days' notice to the other members.

4 Sec. 3. Section 135C.1, Code 2025, is amended by adding the
5 following new subsection:

6 NEW SUBSECTION. 12A. "Long-term care facility safety
7 council" or "safety council" means the long-term care facility
8 safety council created pursuant to section 10A.905.

9 Sec. 4. Section 135C.10, unnumbered paragraph 1, Code 2025,
10 is amended to read as follows:

11 The department shall have the authority to deny, suspend, or
12 revoke a license in any case where the department finds that
13 there has been repeated failure on the part of the a facility
14 to comply with the provisions of this chapter or the rules or
15 minimum standards promulgated hereunder under this chapter, or
16 for any of the following reasons:

17 Sec. 5. NEW SECTION. **135C.10A Multiple violations within**
18 **a twelve-month period — informal conference and review**
19 **by long-term care facility safety council — recommended**
20 **departmental actions.**

21 1. At the time the department effects delivery of notice
22 on an applicant or licensee under section 135C.11 to deny,
23 suspend, or revoke a license, the department shall also notify
24 the long-term care facility safety council.

25 2. a. The safety council shall hold an informal conference
26 with the applicant or licensee within ten working days of
27 the mailing or service of notice to review the applicant's or
28 licensee's history of violations for which a penalty was assessed
29 under this chapter, and the response by the applicant or licensee
30 in correcting such violations.

31 b. Following the informal conference and review, the safety
32 council shall report its findings to the department, including
33 any recommendations for departmental action as authorized under
34 this chapter. The department shall proceed in accordance with
35 the recommendations of the safety council. A health care

1 facility may subsequently request a formal hearing and proceed
2 under section 135C.11.

3 Sec. 6. Section 135C.14, unnumbered paragraph 1, Code 2025,
4 is amended to read as follows:

5 The department shall, in accordance with chapter 17A, and
6 with the approval of the long-term care facility safety council,
7 adopt and enforce rules setting minimum standards for health
8 care facilities. In so doing, the department, with the approval
9 of the long-term care facility safety council, may adopt by
10 reference, with or without amendment, nationally recognized
11 standards and rules, which shall be specified by title and
12 edition, date of publication, or similar information. The rules
13 and standards required by this section shall be formulated in
14 consultation with the director of health and human services or
15 the director of health and human services' designee, with the
16 director, with the state long-term care ombudsman, and with
17 affected industry, professional, and consumer groups, and shall
18 be designed to further the accomplishment of the purposes of this
19 chapter and shall relate to:

20 Sec. 7. Section 231.42, subsection 2, Code 2025, is amended
21 by adding the following new paragraph:

22 NEW PARAGRAPH. *f.* Make recommendations to the long-term care
23 facility safety council created in section 10A.905 regarding
24 inspections of specific health care facilities and assisted
25 living programs, and changes in administrative rules regarding
26 the health, safety, welfare, and rights of residents of health
27 care facilities and tenants of assisted living programs.

28 Sec. 8. Section 231C.2, Code 2025, is amended by adding the
29 following new subsection:

30 NEW SUBSECTION. 7A. "*Long-term care facility safety council*"
31 or "*safety council*" means the long-term care facility safety
32 council created in section 10A.905.

33 Sec. 9. NEW SECTION. **231C.11B Multiple violations within**
34 **a twelve-month period — informal conference and review**
35 **by long-term care facility safety council — recommended**

1 **departmental actions.**

2 1. At the time the department effects delivery of notice
3 on an applicant or certificate holder under section 231C.11,
4 based on the assisted living program having been issued notice
5 of three violations in a twelve-month period which presented
6 imminent danger or a substantial probability of resultant death
7 or physical harm to a tenant and for which a penalty was assessed
8 under section 231C.14, the department shall also notify the
9 long-term care facility safety council.

10 2. a. The safety council shall hold an informal conference
11 with the applicant or certificate holder within ten working days
12 of the mailing or service of notice to review the applicant's
13 or certificate holder's history of violations for which a
14 penalty was assessed under this chapter, and the response by the
15 applicant or certificate holder in correcting such violations.

16 b. Following the informal conference and review, the safety
17 council shall report its findings to the department, including
18 any recommendations for departmental action as authorized under
19 this chapter. The department shall proceed in accordance with
20 the recommendations of the safety council. An assisted living
21 program may subsequently request a contested case hearing and
22 proceed under section 231C.9A.

23 Sec. 10. STUDY AND RECOMMENDATIONS — SPECIAL FOCUS LIST FOR
24 LONG-TERM CARE FACILITIES. The long-term care facility safety
25 council created in section 10A.905, as enacted in this Act,
26 shall study the feasibility of creating a special focus list
27 for long-term care facilities in the state based on a review
28 of special focus lists in other states. Following completion
29 of the study, the safety council shall submit a report to
30 the general assembly by February 1, 2026, including specific
31 descriptions of successful special focus lists in other states,
32 and recommendations for the creation of a special focus list in
33 Iowa including necessary Code changes and the potential framework
34 for the special focus list.

35 Sec. 11. CODE EDITOR DIRECTIVE. The Code editor is directed

1 to create a new subchapter X in chapter 10A as follows:
2 subchapter X shall be entitled "Long-term Care Facility Safety
3 Council" and shall include sections 10A.904 and 10A.905.

4 EXPLANATION

5 The inclusion of this explanation does not constitute agreement with
6 the explanation's substance by the members of the general assembly.

7 This bill provides for oversight for long-term care facilities
8 (facilities).

9 The bill creates a long-term care facility safety council
10 (safety council) under the department of inspections, appeals,
11 and licensing (DIAL) to: determine and approve standards for
12 long-term care facilities; conduct informal conferences and
13 reviews of health care facility applicants and licensees that
14 have been issued three or more class I violations (a violation
15 which presents an imminent danger or a substantial probability
16 of death or physical harm to the residents of the facility in
17 which the violation occurs) within a 12-month period for which a
18 penalty was assessed, and of assisted living program applicants
19 or certificate holders that have been issued notice of three
20 violations in a 12-month period which presented imminent danger
21 or a substantial probability of resultant death or physical harm
22 to a tenant and for which a penalty was assessed, and make
23 recommendations to DIAL for departmental action; review and make
24 recommendations to DIAL regarding violations and penalties; make
25 recommendations to DIAL regarding the adoption or amendment of
26 administrative rules; review the operation of long-term care
27 facilities for which the department has referred a complaint
28 received by the department to the office of long-term care
29 ombudsman; receive recommendations from the state long-term care
30 ombudsman and submit an annual report to the general assembly
31 with recommendations for changes in law to better protect
32 residents and tenants, and a summary of recommendations made by
33 long-term care facilities in informal conferences; and review
34 change of ownership applications of previously licensed nursing
35 facilities. The voting members of the safety council include

1 the director of health and human services, or the director's
2 designee; the state long-term care ombudsman, or the ombudsman's
3 designee; the director of an area agency on aging, or the
4 director's designee; the state director of AARP, or the state
5 director's designee; three public members, appointed by the
6 governor, and subject to confirmation by the senate; and two
7 health care professions, appointed by the governor, and subject
8 to confirmation by the senate. The safety council also includes
9 the director of DIAL, or the director's designee as a nonvoting
10 member. The members shall annually elect a public member as the
11 chairperson of the council. The safety council shall hold an
12 organizational meeting in July each year and hold other meetings
13 as necessary to enable the safety council to expeditiously
14 discharge its duties.

15 The bill provides that at the time DIAL serves notice on
16 an applicant or licensee of a health care facility for denial,
17 suspension, or revocation of a license, DIAL shall also notify
18 the safety council. The safety council shall hold an informal
19 conference with the applicant or licensee within 10 working days
20 of the mailing or service of notice to review the applicant's
21 or licensee's history of violations for which a penalty was
22 assessed, and the response by the applicant or licensee in
23 correcting such violations. Following the informal conference
24 and review, the council shall report its findings to DIAL
25 including recommendations for departmental action, in accordance
26 with which DIAL shall proceed. A facility may subsequently
27 request a formal hearing.

28 The bill also requires that at the time DIAL effects delivery
29 of notice on an assisted living program applicant or certificate
30 holder, based on the assisted living program having been issued
31 notice of three violations in a 12-month period which presented
32 imminent danger or a substantial probability of resultant death
33 or physical harm to a tenant, and for which a penalty was
34 assessed, DIAL shall also notify the long-term care facility
35 safety council. As with health care facilities, the safety

1 council shall hold an informal conference with the applicant
2 or certificate holder within 10 working days of the mailing
3 or service of notice to review the applicant's or certificate
4 holder's history of violations for which a penalty was assessed,
5 and the response by the applicant or certificate holder in
6 correcting such violations. Following the informal conference
7 and review, the safety council shall report its findings to DIAL,
8 including any recommendations for departmental action, with which
9 DIAL shall proceed. An assisted living program may subsequently
10 request a contested case hearing.

11 The bill also requires DIAL to adopt and enforce
12 administrative rules that set minimum standards for facilities
13 with the approval of the safety council, rather than the approval
14 of the council on health and human services. Additionally, the
15 rules and standards must be formulated in consultation with the
16 state long-term care ombudsman.

17 The bill includes, as a duty of the state long-term care
18 ombudsman, making recommendations to the long-term care facility
19 safety council.

20 The bill requires the long-term care facility safety council
21 to study the feasibility of creating a special focus list for
22 long-term care facilities in the state based on a review of
23 special focus lists in other states, and to submit a report
24 to the general assembly by February 1, 2026, including specific
25 descriptions of successful special focus lists in other states,
26 and recommendations for the creation of a special focus list in
27 Iowa including necessary Code changes and the potential framework
28 for the special focus list.