

105TH CONGRESS  
2D SESSION

# H. R. 4843

To amend titles XVIII and XIX of the Social Security Act to require skilled nursing facilities and nursing facilities filing for relief under title 11 of the United States Code to provide to appropriate State agencies written notice of such filing, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 15, 1998

Ms. ROYBAL-ALLARD introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend titles XVIII and XIX of the Social Security Act to require skilled nursing facilities and nursing facilities filing for relief under title 11 of the United States Code to provide to appropriate State agencies written notice of such filing, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Nursing Home Resi-  
5 dents Protection Act of 1998”.

1 **SEC. 2. REQUIRED NOTICE IN CASE OF SKILLED NURSING**  
2 **FACILITIES OR NURSING FACILITIES FILING**  
3 **FOR BANKRUPTCY.**

4 (a) SKILLED NURSING FACILITIES.—Section  
5 1819(c)(2) of the Social Security Act (42 U.S.C. 1395i–  
6 3(c)(2)) is amended by adding at the end the following  
7 new subparagraph:

8 “(D) NOTICES IN CASE OF FILING FOR  
9 RELIEF UNDER BANKRUPTCY LAWS.—

10 “(i) NOTICE OF FILING.—A person or  
11 entity having a controlling interest in a  
12 skilled nursing facility that files a petition  
13 for relief from the debts of the facility  
14 under title 11 of the United States Code  
15 (relating to bankruptcy) shall provide writ-  
16 ten notification of such filing to the State  
17 agency responsible for the licensing of the  
18 facility. Such notification shall be made  
19 not later than one day after the date on  
20 which the facility files such petition, and  
21 shall include the location of the court in  
22 which the petition is filed.

23 “(ii) NOTICE OF APPOINTMENT OF  
24 TRUSTEE.—Not later than one day after  
25 the date of the appointment of a bank-  
26 ruptcy trustee by reason of the filing of the

petition, such person or entity shall provide written notification to such State agency of the name, address, and telephone number of the bankruptcy trustee.

“(iii) NOTICE FROM STATE AGENCY TO TRUSTEE.—Not later than three days after the date the State agency receives notification under clause (ii), the State agency shall provide to the bankruptcy trustee written notification of all applicable laws and regulations governing the lawful operation of a nursing facility in that state.”.

(b) NURSING FACILITIES.—Section 1919(c)(2) of such Act (42 U.S.C. 1396r(c)(2)) is amended by adding at the end the following new subparagraph:

“(F) NOTICES IN CASE OF FILING FOR RELIEF UNDER BANKRUPTCY LAWS.—

“(i) NOTICE OF FILING.—A person or entity having a controlling interest in a nursing facility that files a petition for relief from the debts of the facility under title 11 of the United States Code (relating to bankruptcy) shall provide written notification of such filing to the State agency responsible for the licensing of the facility.

1 Such notification shall be made not later  
2 than one day after the date on which the  
3 facility files such petition, and shall include  
4 the location of the court in which the peti-  
5 tion is filed.

6 “(ii) NOTICE OF APPOINTMENT OF  
7 TRUSTEE.—Not later than one day after  
8 the date of the appointment of a bank-  
9 ruptcy trustee by reason of the filing of the  
10 petition, such person or entity shall provide  
11 written notification to such State agency of  
12 the name, address, and telephone number  
13 of the bankruptcy trustee.

14 “(iii) NOTICE FROM STATE AGENCY  
15 TO TRUSTEE.—Not later than three days  
16 after the date the State agency receives no-  
17 tification under clause (ii), the State agen-  
18 cy shall provide to the bankruptcy trustee  
19 written notification of all applicable laws  
20 and regulations governing the lawful oper-  
21 ation of a nursing facility in that state.”.

22 (c) EFFECTIVE DATE.—The amendments made by  
23 this section shall take effect 180 days after the date of  
24 the enactment of this Act.

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