



36TH LEGISLATURE OF THE VIRGIN ISLANDS
COMMITTEE ON CULTURE, YOUTH, AGING, SPORTS AND PARKS

The Honorable Senator Angel Bolques, Jr
Chair of Committee

Testimony Presented By
The Honorable Justa Encarnacion, RN, BSN, MBA/HCM
Health Commissioner

On

“Aging with Dignity: Oversight of Nursing Homes and CMS Certification Readiness staffing, compliance, and senior care services throughout the Territory. ”

1 Good day, Honorable Senator Angel Bolques, Jr., Chairperson of the Committee on Culture,
2 Youth, Aging, Sports and Parks; Honorable Senator Carla J. Joseph, Vice Chair; distinguished
3 members of the Committee; other Senators present; and members of the listening and viewing
4 public.

5 I am Justa Encarnacion, Commissioner of Health. Joining me today are Dr. Nicole Craigwell-
6 Syms Assistant Commissioner of Health from St. Thomas, and Raphael Joseph, Risk Manager.

7 Chairman Bolques and members of the Committee, thank you for the opportunity to provide
8 testimony on “Aging with Dignity: Oversight of Nursing Homes and CMS Certification
9 Readiness—Staffing, Compliance, and Senior Care Services Throughout the Territory.” We
10 appreciate this important discussion and along with your continued commitment to ensuring that
11 older adults in the Virgin Islands receive safe, high-quality, and dignified care.

12 The Virgin Islands Department of Health is committed to strengthening oversight of long-term
13 care facilities while assisting providers in preparing certification under the Centers for Medicare
14 & Medicaid Services (CMS). Our goal is to establish a consistent regulatory framework that
15 protects residents, supports providers, and positions eligible facilities to participate in the
16 Medicare and Medicaid programs that is based upon the CMS Conditions of Participation.

17 CMS certification is a critical component of quality assurance and regulatory oversight. Through
18 compliance with federal Conditions of Participation, facilities demonstrate adherence to
19 nationally recognized standards for resident safety, clinical care, and operational excellence.
20 Certification also allows facilities to participate in Medicare and Medicaid reimbursement
21 programs, providing an essential source of financial sustainability for long-term care providers.

22 Recognizing the importance of this effort, the Department convened a CMS Readiness
23 Stakeholder Meeting on February 17, 2026, with healthcare leaders and industry partners from
24 across the Territory. Among the attendees were Policy Advisor Clint Ferris, Human Services,
25 Virgin Islands House Authority, and Nana’s Baby Home. The purpose of the meeting was to
26 introduce the CMS certification process, review federal requirements, identify current gaps, and
27 begin developing a coordinated strategy to support providers pursuing certification.

1 Discussion centered on the CMS Conditions of Participation, which establishes health and safety
2 standards for a variety of healthcare providers, including hospitals, federally qualified health
3 centers, home health agencies, hospices, rehabilitation facilities, and long-term care providers
4 such as nursing homes and other residential care settings.

5 Following the stakeholder meeting, facility assessments were conducted at three of the primary
6 long-term care facilities, (Herbert Grigg Home for the Aged, on St. Croix, Queen Louise Home
7 for the Aged and Eldra Schulerbrandt Residential Facility, on St. Thomas)

8 The assessments determined that neither facility was adequately prepared to successfully
9 undergo a Centers for Medicare & Medicaid Services (CMS) Initial Certification Survey.
10 Significant operational, clinical, and life-safety deficiencies were identified, indicating that the
11 facilities were not consistently maintaining the level of survey readiness required under federal
12 regulations.

13 Examples of deficiencies observed during the assessments included incomplete and inconsistent
14 resident clinical documentation; gaps in care planning and care plan implementation; medication
15 management and medication storage concerns; inadequate infection prevention and control
16 practices; insufficient staff training and competency validation; lack of quality assurance and
17 performance improvement processes; and challenges with maintaining required staffing
18 oversight and accountability. In addition, life-safety concerns were identified, including
19 deficiencies related to emergency preparedness, fire safety systems, environmental maintenance,
20 and documentation required to demonstrate ongoing compliance with federal standards.

21 The findings indicate that these issues are not isolated incidents but reflect broader organizational
22 and systemic challenges. As such, corrective actions focused solely on individual deficiencies are
23 unlikely to achieve sustained compliance. Rather, the facilities will require a comprehensive
24 systems-based approach that strengthens governance, leadership oversight, staff accountability,
25 clinical operations, quality management, and life-safety compliance. Coordinated corrective
26 actions across these domains will be essential to achieving and maintaining CMS certification
27 standards and ensuring the delivery of safe, high-quality care to residents.

1 As the Territory's healthcare regulatory authority, the Department of Health is responsible for
2 licensing healthcare facilities, establishing regulatory standards, monitoring compliance, and
3 promoting continuous quality improvement throughout the Virgin Islands. For long-term care
4 providers, CMS certification requires compliance with the federal Conditions of Participation
5 outlined in 42 CFR Part 483, as well as applicable Life Safety Code and Emergency
6 Preparedness requirements. Upon certification, facilities receive a CMS Certification Number
7 (CCN), allowing them to participate in the Medicare and Medicaid programs.

8 Achieving these standards will require strategic investments in three key areas:

- 9 • **Workforce Capacity** – Recruiting, training, and retaining qualified healthcare
10 professionals, including registered nurses, licensed practical nurses, certified nursing
11 assistants, and other essential staff.
- 12 • **Infrastructure and Life Safety** – Modernizing facilities to meet federal life safety
13 requirements, improve emergency preparedness, and strengthen resilience against natural
14 disasters and other hazards common to the Territory.
- 15 • **Operational Excellence** – Enhancing clinical documentation, quality assurance,
16 infection prevention, medication management, and governance systems necessary to
17 maintain compliance and deliver consistent, high-quality resident care.

18 The Territory continues to experience shortages of registered nurses, licensed practical nurses,
19 and certified nursing assistants. Competition from travel staffing agencies, workforce turnover,
20 housing limitations, and rising living costs continue to affect recruitment and retention.

21 To strengthen oversight while supporting providers seeking Medicare participation, the
22 Department has adopted a two-step approach.

23 **First**, the Department is advancing the development of a comprehensive territorial regulatory
24 framework for nursing homes, assisted living facilities, residential care facilities, senior centers,
25 and other supportive residential settings. This framework will establish clear and consistent
26 standards governing facility licensure, staffing requirements, resident rights and protections,
27 medication management, admissions and discharges, quality assurance and performance

1 improvement, inspection and enforcement activities, incident reporting, and administrative
2 accountability. By establishing these minimum standards, the Territory will create a strong
3 foundation for safe, quality, and consistent care across all long-term care settings, regardless of a
4 facility's participation in the Medicare program.

5 **Second**, the Department will offer technical assistance and regulatory guidance to facilities that
6 elect to pursue CMS certification. While territorial licensure confirms compliance with local
7 requirements, CMS certification is a distinct federal process with separate eligibility and
8 compliance standards. To obtain certification, facilities must qualify under an approved Medicare
9 or Medicaid provider category, demonstrate compliance with applicable federal regulations,
10 successfully complete required surveys or accreditation reviews, and maintain ongoing
11 adherence to CMS requirements.

12 This dual approach enables the Department to strengthen territorial oversight of long-term care
13 services while providing facilities with a defined and achievable pathway toward federal
14 certification. By aligning local regulatory standards with best practices and supporting providers
15 throughout the certification process, the Territory can enhance the quality of care available to
16 residents while expanding opportunities for participation in federal healthcare programs.

17 Success will be measured through objective indicators that demonstrate both regulatory
18 compliance and sustained operational improvement. Key performance measures will include the
19 successful completion of CMS Initial Certification Surveys, reductions in identified deficiencies,
20 and the ability of facilities to maintain survey readiness on an ongoing basis rather than through
21 short-term corrective efforts.

22 Additional measures of success will include improvements in clinical quality outcomes,
23 compliance with infection prevention and control standards, staff training and competency
24 completion rates, workforce recruitment and retention metrics, implementation of effective
25 quality assurance and performance improvement programs, and resolution of life-safety and
26 environmental compliance issues. Progress will also be evaluated through routine mock surveys,
27 corrective action monitoring, leadership accountability reviews, and ongoing assessments of
28 resident safety, quality of care, and resident satisfaction.

1 Ultimately, success will be achieved when the facilities demonstrate the capacity to consistently
2 meet federal standards, sustain compliance over time, and provide safe, high-quality care that
3 supports the health, dignity, and well-being of all residents.

4 Under this approach, territorial licensure serves as the foundation for lawful operation within the
5 Virgin Islands, while CMS certification provides a pathway for eligible facilities to participate in
6 Medicare and receive reimbursement for covered services. By implementing this two-step
7 framework, the Department can establish immediate and consistent territorial oversight while
8 preserving a clear and attainable pathway for facilities seeking to meet federal standards and
9 participate in the Medicare program.

10 Achieving CMS certification requires more than regulatory compliance. It requires strengthening
11 clinical and operational systems, building workforce capacity, upgrading infrastructure, and
12 preparing facilities for the CMS survey process. To accomplish this, the Department proposes a
13 coordinated, territory-wide implementation strategy over approximately 12 to 18 months,
14 encompassing regulatory alignment, workforce development, infrastructure improvements,
15 quality assurance systems, and survey readiness activities.

16 **Herbert Grigg Home for the Aged** and **Queen Louise Home for the Aged** were historically
17 established to provide long-term residential and nursing care for elderly residents, adding to the
18 fact that the territory currently has limited nursing-facility capacity, makes them the closest fit to
19 the federal definition of a nursing facility. DHS has acknowledged that redevelopment efforts at
20 both facilities are intended to restore CMS-certified nursing facility capacity.

21 CMS certification applies to facilities that provide **24-hour nursing services, medical**
22 **oversight, rehabilitation services, and comprehensive resident care** in accordance with
23 federal nursing home regulations. Many assisted-living facilities, adult residential facilities, and
24 senior housing communities do not meet this level of care and therefore would need significant
25 changes before becoming eligible for certification.

26 Costs: The estimated project cost for CMS certification with existing building structures ranges
27 from approximately \$8.5 million to \$14. Million per facility, reflecting national CMS readiness

1 benchmarks adjusted for island construction costs, supply chain limitations, and workforce
2 shortages. This estimate includes regulatory readiness, policies, training, mock surveys,
3 consulting, quality systems, clinical, staffing and operational improvements.

4 **Legislative support will be essential to the success of this initiative.** Specifically, the
5 Department will require support to appropriate the resources necessary for long-term care
6 modernization, authorize regulatory updates that align territorial requirements with CMS
7 standards and nationally recognized best practices, strengthen investments in workforce
8 development and facility infrastructure, and establish transparency and reporting requirements
9 that promote accountability and public confidence in the long-term care system.

10 The Department supports incorporating the CMS Conditions of Participation, along with other
11 applicable CMS standards, into the Virgin Islands Code as the minimum standards governing
12 nursing facilities, long-term care facilities, and homes for the aged. While many providers
13 currently look to these federal requirements as best-practice guidance, codifying them in
14 territorial law will create a clear, uniform, and enforceable regulatory framework applicable to all
15 facilities operating under the Department's jurisdiction.

16 The adoption of these nationally recognized standards will provide the foundation for the
17 development of Virgin Islands-specific regulations, inspection protocols, compliance tools, and
18 enforcement mechanisms that are both responsive to local needs and aligned with established
19 federal expectations. This approach will strengthen regulatory oversight, enhance consistency in
20 enforcement, and provide facilities with clear operational and compliance expectations.

21 By establishing CMS standards as the minimum benchmark for care, the Territory can advance
22 quality, safety, and accountability across the long-term care continuum while creating a stronger
23 pathway for facilities seeking future federal certification. Most importantly, it will help ensure
24 that all residents—regardless of a facility's Medicare or Medicaid participation status—receive
25 safe, dignified, person-centered, and high-quality care.

26 Chairperson Bolques and members of the Committee, Thank you for your continued leadership
27 and commitment to improving long-term care services throughout the Virgin Islands. The

1 initiatives discussed today extend beyond achieving regulatory compliance; they reflect our
2 collective responsibility to ensure that our seniors receive safe, dignified, and high-quality care
3 in environments that promote their health, independence, and well-being.

4 Achieving this vision will require strategic investments, strong administrative oversight, and
5 thoughtful legislative support. By working collaboratively to strengthen clinical operations,
6 modernize infrastructure, expand workforce capacity, and enhance accountability systems, we
7 can build a long-term care network that is resilient, transparent, financially sustainable, and
8 capable of consistently meeting federal standards and community expectations.

9 The Department of Health remains committed to partnering with the Legislature, the Department
10 of Human Services, healthcare providers, and community stakeholders to advance these efforts
11 and support facilities in their pursuit of CMS certification and long-term operational excellence.
12 Together, we can create a stronger continuum of care that protects our most vulnerable residents
13 and ensures that older adults throughout the Virgin Islands receive the quality of care and support
14 they deserve.

15 CMS certification means improved quality of care, access to federal funding, strengthening our
16 health delivery system, and better health outcomes for the people of this Territory.

17 Thank you for the opportunity to provide this testimony. I am available to answer any questions
18 the Committee may have.