

Three Gov't Care Facilities Not Ready for CMS Certification; 19 Residents Housed Off-Island, Fixes Could Cost Up to \$14M

Health assessments found the Herbert Grigg, Queen Louise and Eldra Schulerbrandt facilities unprepared for CMS certification, while 19 residents are housed in Puerto Rico and Miami and upgrades to existing buildings could cost up to \$14 million total.

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Queen Louise Home for the Aged, one of three government care facilities found unready for CMS certification as 19 residents are housed off-island and upgrades to existing buildings could cost up to \$14 million.

None of the territory's three government-operated residential care facilities is adequately prepared to undergo initial certification by the Centers for Medicare and Medicaid, according to health officials, as an aging population increases demand for services that the Virgin Islands cannot currently provide in sufficient numbers.

The shortage has forced the Department of Human Services to place 19 residents outside the territory. Five clients are receiving care at Casa de Salud in Puerto Rico at an annual cost of \$489,000, while another 14 Medicaid-eligible residents are housed at the Pines Nursing Home in Miami.

Officials told the Senate Committee on Culture, Youth, Aging, Sports and Parks on Friday that correcting deficiencies at existing facilities and preparing them for CMS certification could cost approximately \$8.5 million to \$14 million and require a coordinated effort lasting 12 to 18 months.

U.S. Census estimates show that approximately 21.3 percent of the territory's population is 65 or older, up from 13.5 percent in 2010.

Taetia Phillips-Dorsett, assistant commissioner at the Department of Human Services, said the population of older adults is expected to continue growing, creating additional demand for "medically supervised residential environments..."

Government-operated facilities are already unable to meet existing demand and remain affected by "accumulated structural, workforce, and regulatory challenges," she said.

Aging buildings and "persistent shortages in key clinical roles" have further limited the government's ability to provide long-term care locally.

Three Facilities Not Ready for CMS Survey

CMS certification is among the "most critical benchmarks for long-term care..." Ms. Phillips-Dorsett said.

Certification allows facilities to participate in Medicaid reimbursement programs while demonstrating compliance with federal Conditions of Participation.

Facilities that do not meet those standards are "unable to access federal reimbursement streams which significantly limits financial stability and restricts the availability of locally accessible care" for people dependent on Medicare or Medicaid, she said.

Department of Health assessments conducted in February 2026 found that the Herbert Grigg Home for the Aged, Queen Louise Home for the Aged and Eldra Schulerbrandt Residential Facility were not "adequately prepared" to successfully complete the CMS Initial Certification Survey.

Health Commissioner Justa Encarnacion told senators that "significant operational, clinical, and life-safety deficiencies were identified..."

Those deficiencies included "incomplete and inconsistent resident clinical documentation, gaps in care planning and care plan implementation, medication managements and medication storage concerns, inadequate infection prevention and control practices, insufficient staff training and competency validations, lack of quality assurance and performance improvement processes, and

challenges with maintained required staffing oversight and accountability.”

Ms. Encarnacion said bringing the facilities into compliance will require a “comprehensive, systems-based approach” addressing several operational areas simultaneously.

Work toward possible certification would include expanding workforce capacity, modernizing facilities to satisfy “federal life safety requirements,” and promoting operational excellence.

New Queen Louise Home and Herbert Grigg Reconstruction Planned

As the territory works to address deficiencies at existing facilities, DHS intends to incorporate CMS requirements into the design of future buildings.

The department is designing a new 34-bed Queen Louise Home while also conducting strategic planning for the Herbert Grigg Home for the Aged.

DHS leadership has been advised that “full reconstruction” of Herbert Grigg is the most viable option and “represents the most effective long-term solutions for achieving a resilient, code-compliant, and CMS-certifiable property,” according to Ms. Phillips-Dorsett.

Including CMS specifications from the beginning is expected to provide several benefits, including “avoiding costly retrofitting”, promoting “fiscal responsibility” and ensuring “long-term resilience,” she said.

Capacity Shortage Sends Residents Off-Island

While planning and certification efforts continue, DHS said it remains committed to ensuring that older residents receive “safe, continuous and medically appropriate services.”

Existing limitations, however, continue to require off-island placements.

Five clients are housed at Casa de Salud in Puerto Rico at an annual cost of \$489,000. Another 14 Medicaid-eligible residents are receiving care at the Pines Nursing Home in Miami.

Ms. Phillips-Dorsett said those placements illustrate the “importance of expanding local long-term care capacity so that more residents can remain closer to their families and communities...”

DHS is “actively engaged in the CMS certification process,” she told lawmakers.

Territory-wide Strategy Could Take 12 to 18 Months

The Department of Health is implementing a two-part approach to strengthen regulatory oversight while assisting providers interested in participating in Medicare.

Ms. Encarnacion said DOH is “advancing the development of a comprehensive territorial regulatory framework for nursing homes, assisted living facilities” and similar providers.

The department is also providing “technical assistance and regulatory guidance to facilities that elect to pursue CMS certification.”

The health commissioner cautioned that certification will require more than satisfying individual regulatory provisions.

DOH is proposing a “coordinated, territory-wide implementation strategy over 12 to 18 months, encompassing regulatory alignment, workforce development, infrastructure improvements, quality assurance, and survey readiness activities,” Ms. Encarnacion said.

She estimated that preparing existing buildings for CMS certification would cost approximately \$8.5 million to \$14 million.

Legislative support “will be essential to the success of this initiative,” the commissioner told lawmakers.