
Health Care & Wellness Committee

HB 1232

Brief Description: Concerning the timing and content of disclosures by continuing care retirement communities.

Sponsors: Representatives Clibborn, Macri, Rodne, Caldier, Jinkins and Goodman.

Brief Summary of Bill

- Allows residents of continuing care retirement communities (CCRCs) to receive a copy of the CCRCs' current disclosure statement and any agreements filed with the Department of Social and Health Services.
- Requires CCRCs to provide disclosure statements to prospective residents at least 30 days before entering into an agreement.
- Requires CCRCs to include their most recent annual actuarial analyses in their disclosure statements.

Hearing Date: 1/17/17

Staff: Chris Blake (786-7392).

Background:

Continuing care retirement communities (CCRCs) are entities that provide care and housing to residents under a residency agreement that lasts for longer than a year. Care services may include nursing care, medical care, assistance with activities of daily living, and protection or supervision.

As of July 1, 2017, CCRCs must become registered with the Department of Social and Health Services. In addition, CCRCs must comply with several disclosure requirements to prospective residents, including information about the ownership; descriptive information about the facilities; policies regarding notifications of fee increases, changes in levels of care, and contract termination; a description of standard and supplemental services; and the most recent audited financial statements. Residents of CCRCs are afforded several expectations that a CCRC must

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fulfill. These expectations include transparency in the financial stability of the facility, timely notification of developments affecting the facility, reasonable accommodations for persons with disabilities, the opportunity to participate in resident organizations, the opportunity to seek independent review of contracts and agreements, and the assurance that donations made by residents to the CCRC are voluntary.

Summary of Bill:

The requirement that applicants for registration as a continuing care retirement community (CCRC) provide the Department of Social and Health Services (Department) with copies of residency agreements is expanded to include copies of any agreements, including care service agreements. The exemption of registration application materials from the Public Records Act is removed.

Disclosure statements prepared by CCRCs must include the most recent annual actuarial analysis prepared in accordance with generally accepted actuarial principles by a qualified actuary. A CCRC must deliver disclosure statements to a prospective resident at least 30 days prior to entering into any agreement with the prospective resident.

The list of expectations that residents may have of their CCRC is expanded to include the receipt of a copy of the CCRC's current disclosure statement and any agreements recently filed with the Department. In addition, residents may expect a CCRC to offer the opportunity to participate meaningfully in decisions that affect them. The expectation that requests for donations are voluntary applies generally, not just to donations by residents. The authority for a CCRC to deem certain information confidential if it is so sensitive that its disclosure may materially harm the position of the CCRC is removed.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.