

Aging Service of Georgia
CCRC Update
March 23, 2009

Draft legislation posted at: http://www.agingervicesga.org/for_members/ccrc.html

The staff and Continuing Care Retirement Community task force of Aging Services of Georgia continues to work on modernizing the regulation of CCRCs. Aging Services representatives have met twice with Rep. Tom Knox, chair of the House Insurance Committee and had ongoing discussions with Department of Insurance staff. The goal of is the introduction of CCRC legislation in the next two weeks, prior to the adjournment of the 2009 Georgia General Assembly.

After further refinement of the bill, Aging Services has given a draft to Rep. Mike Jacobs, a member of the House Insurance Committee from DeKalb County, who has agreed to sponsor the bill. It should be drafted shortly by the office of legislative counsel. It is Aging Services' intent to work with interested parties to perfect legislation over the summer with the intent of seeking passage in 2010.

The major proposed changes to Georgia's current CCRC law and regulation of CCRCs by the Department of Insurance are as follows:

1. "Continuing care would define as the provision of independent living and skilled nursing care. However, those facilities which require a large entry fee and offer assisted living, but not skilled nursing care, would continue to be regulated by the DOI; however, such facilities would not be able to call themselves "CCRCs".
2. The disclosure of information to the consumer (prospective resident) would be increased. While the Georgia law requires that an extensive amount of financial information be provided to residents, this information is contained in an annual report which may not be available until well after the resident moves into the CCRC. By contrast other states (e.g. North Carolina require the disclosure of information at or before the time of contracting. Also, other states require the disclosure of background information of the owners and operators of the continuing care retirement community, including experience in providing senior services, past business background, and criminal background information.
3. Georgia CCRC law has not been amended since its original enactment. Since that time other states have both allowed more flexibility under CCRC laws to give more options to the state in regulating CCRCs. For example, with regard to protecting the resident's investment, the requirement to post a bond no less than \$10,000 is not only the lone statutory option used to assure financial protection to CCRC prospective residents and residents, Aging Services' proposed bill require the use of operating reserves and/or escrow accounts, as is now done in most states.