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HOUSE JOINT RESOLUTION NO. 560

Offered January 18, 1999

Requesting the Bureau of Insurance in cooperation with the Joint Commission on Health Care to study the status and adequacy of the regulation of continuing care retirement communities.

Patron—Tata

Referred to Committee on Rules

WHEREAS, Chapter 49 of Title 38.2 provides statutory law relating to the registration requirements of continuing care retirement communities; and

WHEREAS, continuing care is defined in this law as "providing or committing to provide board, lodging and nursing services to an individual, other than an individual related by blood or marriage, (i) pursuant to an agreement effective for the life of the individual or for a period in excess of one year, including mutually terminable contracts, and (ii) in consideration of the payment of an entrance fee"; and

WHEREAS, continuing care retirement facilities provide combined services that are usually provided separately by retirement homes and nursing homes; and

WHEREAS, continuing care facilities are becoming an increasingly popular form of housing among older Virginians because they provide more flexible living arrangements with the assurance of readily available medical care; and

WHEREAS, securing occupancy in these facilities may often involve the payment of large entrance fees which may be unsecured; and

WHEREAS, the population of the Commonwealth is rapidly aging; and

WHEREAS, Virginians 85 years of age and older are the fastest-growing segment of the Commonwealth's population; and

WHEREAS, there are approximately fifty continuing care retirement facilities operating in the Commonwealth; and

WHEREAS, the number of continuing care facilities in the Commonwealth will increase; and

WHEREAS, there is a need for a comprehensive review of the adequacy of the registration program in protecting the Commonwealth's citizens from financially insecure facilities or unscrupulous management; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Bureau of Insurance with the assistance of the Joint Commission on Health Care be directed to study the status of continuing care retirement communities. The study shall include (i) the adequacy of current regulation of continuing care retirement communities; (ii) the adequacy of financial disclosure provisions; (iii) the current level of financial obligation of such retirement communities and (iv) the adequacy of their financial reserves to meet those obligations.

All agencies of the Commonwealth shall provide assistance to the Bureau of Insurance for this study, upon request.

The Bureau of Insurance shall complete its work in time to submit its findings and recommendations to the Governor and the 2000 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

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