

CONNECTICUT CONTINUING CARE ADVISORY COMMITTEE
Masonicare at Ashlar Village, Wallingford, Connecticut
Minutes of the Meeting
October 17, 2014

Attendance

Mag Morelli presided and the following members were present: Billie Alban, Jonathan Fink for Darrell Pataska, Jennifer Rannestad, Keith Robertson Rodney Rolett, Marjorie Sullivan, William Thompson, Jon-Paul Venoit, and Maureen Weaver

Also present were Rich Wysocki, Principal Cost Analyst of the Department of Social Services and Georgia Erickson, President of the Connecticut Continuing Care Residents Association (ConnCCRA). The meeting was open to the public.

Not attending: Darrell Pataska

Daniel Robinson has relocated out of state and has resigned from the Committee.

The meeting was called to order at 10:00 a.m.

Minutes

The minutes of the September 26, 2014 meeting were approved.

Department of Social Services Comments

At the last meeting, Mr. Wysocki presented on potential statutory modifications that the Department may propose in the 2015 legislative session to update and streamline the disclosure statement and filing requirements for CCRCs. He had led a discussion of these potential changes and entertained discussion of other suggested changes from the Committee.

At this meeting the Committee members continued to review and discuss the current disclosure and filing statutes to develop recommendations to provide to the Department for potential changes to the statute. Issues discussed included:

- Recommendation that the actuarial projection requirement could be changed from projections every year to a full actuarial study every three years.
- Audited financial statement requirement could change from including the last three years to requiring just the last two years.

- Ms. Weaver and Mr. Rolett reported that they had developed suggested language regarding bond covenants after the last meeting.
- Mr. Wysocki reported that the Department will suggest modifications to the current statistical reporting mandates in line with what the Advisory Committee previously suggested.

One issue still in question is whether the state should continue to allow outside admissions to the CCRC skilled nursing facility for the initial seven years with the ability to seek three year extensions.

ConnCCRA Legislative Proposal Presentation

Ms. Erickson presented the Connecticut Continuing Care Residents Association (ConnCCRA) draft legislative proposal for CCRC resident rights. The draft was prepared by State Representative D'Agostino at the request of ConnCCRA. The Advisory Group reviewed the draft proposal and provided the following feedback:

1. The first provision would permit the establishment of a Resident Council within a CCRC and would empower that Resident Council to appoint at least two residents to the board of directors of the CCRC. A majority of members of the committee strongly disagreed with the proposal to empower a resident council to appoint members to the board of directors based on their opinion that it is not in line with principles of good governance and is not an appropriate role for the resident council. In addition, members pointed out that an individual cannot serve on both a resident council and the board of directors as it is a conflict of interest.
2. The fourth provision would require CCRCs to submit quarterly financial reporting to various state entities and the resident council if specific ratios and other financial conditions failed to be met. The accounting professionals on the committee did not feel that setting financial thresholds to be measured quarterly would be appropriate. They pointed out that the external audit that is currently required already monitors the CCRC's financial condition and would provide notification of financial distress as a going concern. Also, the current statutes define "financial distress" and provide the Commissioner with authority to require information from CCRCs deemed to be in financial distress. The audit would also address the concern raised regarding the financial monitoring of CCRCs undergoing expansions.
3. The fifth provision would require a three month notification of a change in ownership. The members of the committee felt that this may already be covered in the current disclosure process.

4. The sixth provision would require resident notification of major construction or renovation. The committee members were in agreement with the proposed notification provision, but did not agree to the additional proposal that would restrict debt to that specific CCRC location.
5. The eighth provision would allow resident choice to receive services from other providers and the committee members confirmed that this is already allowed by law.
6. The ninth provision would allow for informed decision-making when a resident is transferred from one level of care to another. There were technical legal issues related to the drafting of this provision raised by some committee members.
7. Provision ten would put time limits on the refund policies, but refund policies are currently determined and governed by the contracts already signed by residents.

A concern was raised that the proposed legislation was attempting to modify a contractual agreement through legislation. There was also a concern that any enacted legislation must be in compliance with other relevant laws such as fair housing and advanced directives.

The members of the Committee agree to meet with representatives of ConnCCRA and Representative D'Agostino to review the draft proposal and provide him with the opinion and input of the committee.

New Business

No new business was brought before the Committee.

Audience Comments

Members of the public were provided the opportunity to comment.

Next Meeting

The committee asked Ms. Morelli to establish committee meeting dates for 2015. The proposed dates would be January 16, April 17, July 17 and October 16.

Adjournment

Ms. Morelli extended her thanks to Masonicare at Ashlar Village for hosting, and the meeting was adjourned.