

**CONNECTICUT CONTINUING CARE ADVISORY COMMITTEE**  
**Masonicare at Ashlar Village, Wallingford, Connecticut**  
**Minutes of the Meeting**  
**September 26, 2014**

**Attendance**

Mag Morelli presided and the following members were present: Billie Alban, Jonathan Fink for Darrell Pataska, 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, Jennifer Rannestad and Keith Robertson

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

**Minutes**

The minutes of the July 25, 2014 meeting were approved.

**Comments on the Agenda**

Ms. Alban questioned the statement that is placed on each Advisory Committee agenda that requests that public comments to the Committee be limited to general issues germane to the Department of Social Services' statutory and regulatory responsibilities. The statement goes on to state that management and operational issues related to specific CCRCs should be addressed through the Commissioner's office and not directly to this committee. Ms. Morelli responded that this was the position taken by the Committee when it was reinstated.

Ms. Alban voiced concern and asked for clarification as to how specific issues should be submitted to the Commissioner. Ms. Morelli was instructed by the Committee to contact the Commissioner and request the appropriate procedure for a CCRC resident to submit a question, concern or complaint to the Department of Social Services.

## **Committee Membership**

Ms. Alban reported that she had been contacted by Dan Robinson who informed her that he will be moving out of state and therefore stepping down from the Advisory Committee. She recommended that the President of ConnCCRA be appointed to that vacancy and that this office holder always hold a position on the Committee. Ms. Morelli reminded the committee members that she had sent a letter to the Commissioner after the last meeting on behalf of the Advisory Committee requesting that the sitting President of ConnCCRA be appointed to serve as an ex officio member of the Advisory Committee. She was instructed by the Committee to modify that request to recommend that the Commissioner always consider appointing the ConnCCRA President to the Advisory Committee.

## **Department of Social Services Comments**

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 led a discussion of these potential changes and entertained discussion of other suggested changes from the Committee. The following is a listing of potential changes discussed by the Committee:

### **1. Disclosure Statement (§17b-522)**

- Consolidate annual filing requirements into disclosure statement statute, requiring that information previously included in annual filing be included in disclosure statement
- Clarify that disclosure statement should be updated at least annually within 150 days of the close of the provider's fiscal year
- Include statement of cash flows in financial statement requirements
- Change time frame for pro forma financial statements from five years to three years

### **2. Entrance Fee Escrow Accounts (§17b-524)**

- Remove outdated requirement that bank or trust company serving as escrow agent must have its principal place of business in Connecticut

### **3. Debt Service and Operating Reserves (§17b-525)**

- Remove outdated requirement that bank, trust company or other escrow agent where provider must maintain reserve accounts have its principal place of business in Connecticut
- Reduce operating reserves time frame from 12 to 6 month.
- Permit use of long term finance covenants to meet reserve requirement

#### **4. Preconstruction Requirements (§17b-526)**

- Revise preconstruction requirements relating to resident deposits and remove provisions relating to construction in phases (proposed by DSS)

#### **5. Annual Filing (§17b-527)**

- Delete annual filing requirement and require that financial information in annual filing be included annually in disclosure statement
- Revise requirement regarding financial statement pro formas to require that the statements be audited by an independent certified public accounting firm, rather than that the statements be “certified.”
- Reduce time frame for required financial pro formas and financial information from five years to three years
- Delete requirement that yearly financial projections must include current and anticipated resident turnover rates; average resident age; health care utilization rates; occupancy rates; number of health care admissions per year; the days of care per year and the number of permanent transfers.
- Revise language about resident access to the annual filing to require that providers provide residents with access to the most recently filed disclosure statement during regular business hours; make a copy of the most recently filed disclosure statement available upon request and annually notify residents of their right to view and request a copy of the current disclosure statement.

### **ConnCCRA Report**

Ms. Erickson reported that the Connecticut Continuing Care Residents Association (ConnCCRA) has decided to pursue a legislative proposal to establish a statutory CCRC resident bill of rights. ConnCCRA was not yet

ready to share their proposal, but they reported that it is being reviewed by a law firm and is being drafted into legislative bill form. They will present it at the October 17<sup>th</sup> meeting of the Advisory Committee.

### **New Business**

No new business was brought before the Committee.

### **Audience Comments**

Members of the public in attendance were given the opportunity to comment. Arne C. Johnson of StoneRidge submitted comments requesting that the Advisory Committee place a priority on the financial protection of CCRC residents. Specifically he voiced the opinion from his resident association that incurred debt and monthly services fees should be used exclusively for the CCRC in question and that while there may be justifiable exceptions, those should be beneficial for and delineated to the residents.

### **Next Meeting**

The next meeting of the Committee will take place at Masonicare at Ashlar Village in Wallingford, Connecticut on October 17, 2014.

### **Adjournment**

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