

State Corporation Commission

2022 Fiscal Impact Statement

1. Bill Number: HB 425

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Willett

3. Committee: Commerce & Energy

4. Title: Continuing care providers; requirements for providers; complaint process; report.

5. Summary: Requires continuing care providers to include in continuing care contracts between the provider and residents of a continuing care retirement community a description of (i) the resident emergency call systems and other safety-based services, (ii) the criteria for and requirements and procedures applicable to the transfer of a resident between levels of care provided by the provider, and (iii) information about policies and procedures for use of the facility and its services, including any check-in procedures, by residents as well as nonresidents.

The bill also guarantees the right of residents to post information about residents' rights in the facilities of the continuing care retirement community and requires a continuing care provider to include on the board of directors or other such governing body of a continuing care retirement community a number of residents that is equal to or greater than 20 percent of the total number of members of the board of directors, or at least one resident, whichever is greater, who shall be elected by the residents of the continuing care retirement community, and to provide a copy of the bylaws of the board of directors or other such governing body to all residents of the continuing care retirement community.

The bill also requires the State Corporation Commission to establish a means by which any person may make a complaint regarding a continuing care retirement community or community-based continuing care provider; establish a process for responding to complaints regarding a continuing care retirement community or community-based continuing care provider, including procedures to ensure that the person who filed the complaint receives information regarding the status of such response and the final resolution of the matter; and report annually by October 1 to the Governor and the Chairmen of the House Committees on Appropriations and Labor and Commerce and the Senate Committees on Finance and Appropriations and Commerce and Labor regarding the complaint process and the number, type, and resolution of complaints received.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: No Fiscal Impact on the State Corporation Commission

8. Fiscal Implications: None for the State Corporation Commission

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission
Bureau of Insurance

10. Technical Amendment Necessary: The term “continuing care retirement community” is used in House Bill 425 but the term is not defined. We recommend adding a definition for this term to eliminate the possibility of confusion with the term “facility.”

11. Other Comments: The provisions of House Bill 425 add a reporting requirement by which the State Corporation Commission would report annually regarding the complaint process and the number, type and resolution of complaints received. Since the State Corporation Commission receives an average of one complaint per year, we asked the patron to request that the report required by House Bill 425 be limited to a two-year reporting requirement initially.

House Commerce and Energy Subcommittee #1 recommended laying House Bill 425 laid on the table on January 25, 2022.

Date: 1/26/22/V. Tompkins