



Testimony to the Human Services Committee

Presented by Mag Morelli, President of LeadingAge Connecticut

March 12, 2015

In support of

SB 1043, An Act Concerning Continuing Care Retirement Communities

Good afternoon Senator Moore, Representative Abercrombie, and members of the Human Services Committee. My name is Mag Morelli and I am the President of LeadingAge Connecticut, a statewide membership organization representing not-for-profit provider organizations serving older adults across the continuum of aging services, including continuing care retirement communities. On behalf of LeadingAge Connecticut, I would like to submit the following testimony in support of SB 1043, *An Act Concerning Continuing Care Retirement Communities*.

LeadingAge Connecticut supports this bill which sets forth several revisions to the statutes governing continuing care retirement communities or CCRCs.

CCRCs are communities that offer independent living and a continuum of care and services for older adults. While there are a variety of types of CCRCs, generally they are multi-building campuses or large single buildings that provide independent living, supportive health services such as skilled nursing and assisted living services, and other amenities and services such as dining, transportation, activity programs, exercise facilities, as well as housekeeping and laundry services. LeadingAge Connecticut represents Connecticut's eleven not-for-profit CCRCs. (There are twenty-one CCRCs in the state.)

The CCRC model is based on a contractual agreement between the resident and the CCRC. Most CCRCs require an entrance fee, which may or may not be refundable, and a monthly fee which varies depending on the type of CCRC contract.

In Connecticut, CCRCs are overseen by the Department of Social Services and the licensed health care services provided by a CCRC are overseen by the Department of Public Health. Because the model is based on a contractual agreement between the resident and the CCRC, our laws and regulations are heavily weighted toward disclosure and transparency for the consumer. All CCRCs must register with the Department of Social Services and must comply with numerous disclosure, contracting, reporting and financial requirements.

The statutes governing CCRCs have not been revised in many years. The bill's proposed changes contain important, necessary updates to the statutes such as (1) streamlining the annual reporting process, (2) revising certain items included in a CCRC's disclosure statement, (3) updating requirements regarding escrow accounts for entrance fees and for debt service and operating reserves, and (4) revising provisions concerning the construction of a CCRC. Finally, the bill would require CCRCs to allow residents to establish a residents' council.

In developing the proposed revisions, the Department of Social Services first obtained input from their Continuing Care Advisory Committee. Established by statute, this Advisory Committee has been meeting regularly since being reinstated in 2012 and includes representation from both residents and providers. Also serving on the Advisory Committee are professionals from accounting, actuarial science, finance, health care, and the law. We think that it is important to note that most of the proposed revisions contained in SB 1043 were reviewed, discussed and approved by the Continuing Care Advisory Committee. LeadingAge Connecticut worked together with the Connecticut CCRC Residents Association to encourage the reinstatement of the Advisory Committee with the intention of it functioning in this capacity and we are pleased to be participating on it.

LeadingAge Connecticut respectfully requests that the Human Services Committee approve this bill to provide a much needed update to our CCRC statutes.

Thank you for this opportunity to submit this testimony. I would be happy to answer any questions.

Mag Morelli, President



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LeadingAge Connecticut is a membership organization representing not-for-profit provider organizations serving older adults across the continuum of care including nursing homes, residential care homes, housing for the elderly, continuing care retirement communities, adult day centers, home health care and assisted living agencies. By continuing a tradition of mission-driven, consumer-centered management and competent, hands-on care, not-for-profits set the standard in the continuum of housing, care and services for the most vulnerable aging adults.