

Senate Bill 304

By: Senators Stone of the 23rd and Jackson of the 24th

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 45 of Title 33 of the Official Code of Georgia Annotated, relating to  
2 continuing care providers and facilities, so as to provide for continuing care at home; to  
3 define certain terms; to provide that a provider with a certificate of authority and the written  
4 approval of the commissioner may offer, as a part of the continuing care agreement,  
5 continuing care at home and continuing care in which the resident purchases a resident  
6 owned living unit; to provide for notices of disclosure statements; to provide for related  
7 matters; to repeal conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Chapter 45 of Title 33 of the Official Code of Georgia Annotated, relating to continuing care  
11 providers and facilities, is amended by revising Code Section 33-45-1, relating to definitions,  
12 as follows:

13 "33-45-1.

14 As used in this chapter, the term:

15 (1) 'Continuing care' ~~or 'care'~~ means furnishing pursuant to ~~an~~ a continuing care  
16 agreement;

17 ~~(A) lodging~~ Lodging that is not:

18 (i) in In a skilled nursing facility, as such term is defined in paragraph (34) of Code  
19 Section 31-6-2;<sub>2</sub>

20 (ii) an An intermediate care facility, as such term is defined in paragraph (22) of  
21 Code Section 31-6-2;<sub>2</sub>

22 (iii) An assisted living community, as such term is defined in Code Section  
23 31-7-12.2; or

24 (iv) a A personal care home, as such term is defined in Code Section 31-7-12;

25 ~~(B) food~~ Food; and

26 ~~(C) nursing~~ Nursing care, whether such nursing care is provided in the a facility or in  
 27 another setting designated by the agreement for continuing care; to an individual not  
 28 related by consanguinity or affinity to the provider furnishing such care upon payment  
 29 of an entrance fee.

30 The term 'continuing care' shall not include continuing care at home.

31 (2) 'Continuing care agreement' means a contract or agreement to provide continuing  
 32 care or limited continuing care. Agreements to provide continuing care or limited  
 33 continuing care include agreements to provide care for any duration, including  
 34 agreements that are terminable by either party.

35 (3) 'Continuing care at home' means furnishing services pursuant to a continuing care  
 36 agreement at a home other than a home located at a facility and which includes the  
 37 obligation to provide nursing care, assisted living care, or personal care home services.  
 38 Such agreement may, but is not required to, include an obligation of lodging or food.

39 ~~(3)~~(4) 'Entrance fee' means an initial or deferred payment of a sum of money or property  
 40 made as full or partial payment to assure the resident continuing care, or limited  
 41 continuing care, or continuing care upon the purchase of a resident owned living unit;  
 42 provided, however, that any such initial or deferred payment which is greater than or  
 43 equal to 12 times the monthly care fee shall be presumed to be an entrance fee so long as  
 44 such payment is intended to be a full or partial payment to assure the resident lodging in  
 45 a residential unit. An accommodation fee, admission fee, or other fee of similar form and  
 46 application greater than or equal to 12 times the monthly care fee shall be considered to  
 47 be an entrance fee. Such term shall not include any portion of the purchase or sale of a  
 48 resident owned living unit.

49 ~~(4)~~(5) 'Facility' means a place which is owned or operated by a provider and provides in  
 50 which it is undertaken to provide continuing care or limited continuing care. Such term  
 51 includes a facility which contains resident owned living units.

52 ~~(5)~~(6) 'Licensed' means that the provider has obtained a certificate of authority from the  
 53 department.

54 ~~(6)~~(7) 'Limited continuing care' means furnishing pursuant to an a continuing care  
 55 agreement;

56 (A) lodging Lodging that is not:

57 (i) in In a skilled nursing facility, as such term is defined in paragraph (34) of Code  
 58 Section 31-6-2;

59 (ii) an An intermediate care facility, as such term is defined in paragraph (22) of  
 60 Code Section 31-6-2;

61 (iii) An assisted living community, as such term is defined in Code Section  
 62 31-7-12.2; or

63 (iv) ~~a~~ A personal care home, as such term is defined in Code Section 31-7-12;

64 ~~(B) food~~ Food; and

65 ~~(C) personal~~ Personal services, whether such personal services are provided in a  
66 facility such as a personal care home or an assisted living community or in another  
67 setting designated by the continuing care agreement, to an individual not related by  
68 consanguinity or affinity to the provider furnishing such care upon payment of an  
69 entrance fee.

70 The term 'limited continuing care' shall not include continuing care at home.

71 ~~(7)(8)~~ 'Monthly care fee' means the fee charged to a resident for continuing care or  
72 limited continuing care on a monthly or periodic basis. Monthly care fees may be  
73 increased by the provider to provide care to the resident as outlined in the continuing care  
74 agreement. Periodic fee payments or other prepayments shall not be monthly care fees.

75 ~~(8)(9)~~ 'Nursing care' means services which are provided to residents of skilled nursing  
76 facilities or intermediate care facilities.

77 ~~(9)(10)~~ 'Personal services' means, but is not limited to, such services as individual  
78 assistance with eating, bathing, grooming, dressing, ambulation, and housekeeping;  
79 supervision of self-administered medication; arrangement for or provision of social and  
80 leisure services; arrangement for appropriate medical, dental, nursing, or mental health  
81 services; and other similar services which the department may define. Personal services  
82 may be provided at a facility or at a home on or off of a facility, but such term shall not  
83 be construed to mean the provision of medical, nursing, dental, or mental health services  
84 ~~by the staff of a facility~~. Personal services provided, if any, shall be designated in the  
85 continuing care agreement.

86 ~~(10)(11)~~ 'Provider' means the owner or operator, whether a natural person, partnership,  
87 or other unincorporated association, however organized, trust, or corporation, of an  
88 institution, building, residence, or other place, whether operated for profit or not, which  
89 owner or operator undertakes to provide continuing care, ~~or~~ limited continuing care, or  
90 continuing care at home for a fixed or variable fee, or for any other remuneration of any  
91 type, ~~whether fixed or variable~~, for the period of care, payable in a lump sum or lump  
92 sum and monthly maintenance charges or in installments.

93 ~~(11)(12)~~ 'Resident' means a purchaser of or a nominee of or a subscriber to a continuing  
94 care agreement. Such an agreement may permit a resident to live at a home on or off of  
95 a facility but shall not be construed to give the resident a part ownership of the facility  
96 in which the resident is to reside unless expressly provided for in the agreement.

97 ~~(12)(13)~~ 'Residential unit' means a residence or apartment in which a resident lives that  
98 is not a skilled nursing facility as defined in paragraph (34) of Code Section 31-6-2, an  
99 intermediate care facility as defined in paragraph (22) of Code Section 31-6-2, an assisted

100 living community as defined in Code Section 31-7-12.2, or a personal care home as  
 101 defined in Code Section 31-7-12.

102 (14) 'Resident owned living unit' means a residence or apartment, the purchase or sale  
 103 of which is not included in an entrance fee, which is a component part of a facility and  
 104 in which the resident has an individual real property ownership interest."

105 **SECTION 2.**

106 Said chapter is further amended by revising Code Section 33-45-3, relating to certificate of  
 107 authority required for operation of continuing care facilities, as follows:

108 "33-45-3.

109 Nothing in this title or chapter shall be deemed to authorize any provider of a continuing  
 110 care facility or a facility providing limited continuing care to transact any insurance  
 111 business other than that of continuing care insurance or limited continuing care insurance  
 112 or otherwise to engage in any other type of insurance unless it is authorized under a  
 113 certificate of authority issued by the department under this title. Nothing in this chapter  
 114 shall be construed so as to interfere with the jurisdiction of the Department of Community  
 115 Health or any other regulatory body exercising authority over continuing care providers or  
 116 limited continuing care providers regulated by this chapter or real property law related to  
 117 the purchase and sale of resident owned living units."

118 **SECTION 3.**

119 Said chapter is further amended by revising division (a)(6)(B)(ii) of Code Section 33-45-7,  
 120 relating to requirements for continuing care agreements, addenda, and amendments, as  
 121 follows:

122 "(ii) If the continuing care agreement provides for the facility to retain no more than  
 123 1 percent per month of occupancy by the resident, it may provide that such refund will  
 124 be payable upon receipt by the provider of the next entrance fee for any comparable  
 125 residential unit upon which there is no prior claim by any resident; provided,  
 126 however, that the agreement may define the term 'comparable residential unit upon  
 127 which there is no prior claim'; specifically delineate when such refund is due; and  
 128 establish the order of priority of refunds to residents. Unless the provisions of  
 129 subsection (e) of this Code section apply, for any prospective resident, ~~regardless of~~  
 130 ~~whether or not~~ except when such resident receives a transferable membership or  
 131 ownership right in ~~the facility~~ a resident owned living unit, who cancels the agreement  
 132 prior to occupancy of the residential unit, the refund shall be the entire amount paid  
 133 toward the entrance fee, less a processing fee not to exceed 4 percent of the entire  
 134 entrance fee, but in no event shall such processing fee exceed the amount paid by the

135 prospective resident. Such refund shall be paid no later than 60 days after the giving  
 136 of notice of intention to cancel. For a resident who has occupied his or her residential  
 137 unit and who has received a transferable membership or ownership right in the  
 138 facility, the foregoing refund provisions shall not apply but shall be deemed satisfied  
 139 by the acquisition or receipt of a transferable membership or an ownership right in the  
 140 facility. The provider shall not charge any fee for the transfer of membership or sale  
 141 of an ownership right. Nothing in this paragraph shall be construed to require a  
 142 continuing care agreement to provide a refund to more than one resident at a time  
 143 upon the vacation of a specific comparable residential unit;"

144 **SECTION 4.**

145 Said chapter is further amended by adding a new Code section to read as follows:

146 "33-45-7.1.

147 A provider which has obtained a certificate of authority pursuant to Code Section 33-45-5  
 148 and the written approval of the commissioner is authorized to offer, as a part of the  
 149 continuing care agreement, continuing care at home and continuing care in which the  
 150 resident purchases a resident owned living unit."

151 **SECTION 5.**

152 Said chapter is further amended by revising subsection (a) of Code Section 33-45-10, relating  
 153 to information disclosure requirements, as follows:

154 "(a) Each facility shall maintain as public information, available upon request, a copy of  
 155 its current disclosure statement and the disclosure and all previous disclosure statements  
 156 that have been filed with the department. Each facility shall post in a prominent position  
 157 in the facility, so as to be accessible to all residents and to the general public, a notice  
 158 explaining where such disclosure statements may be viewed. Each facility shall mail to  
 159 each resident living at a home not located at a facility a copy of the current disclosure  
 160 statement, first-class postage prepaid and addressed to the resident's current home address.  
 161 In conjunction with the disclosure statement, the facility shall notify residents of any  
 162 proposed changes in policies, programs, and services."

163 **SECTION 6.**

164 All laws and parts of laws in conflict with this Act are repealed.