

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

H

D

HOUSE DRH30340-MH-116 (05/04)

Short Title: Continuing Care at Home Program.

(Public)

Sponsors: Representative Dickson.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO PERMIT CONTINUING CARE RETIREMENT COMMUNITIES TO OFFER  
3 IN-HOME SERVICES WHEN THOSE SERVICES ARE PROVIDED ADJUNCT TO A  
4 CONTRACT FOR CONTINUING CARE.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 58-64-1 reads as rewritten:

7 "**§ 58-64-1. Definitions.**

8 As used in this Article, unless otherwise specified:

- 9 (1) "Continuing care" means the furnishing to an individual other than an  
10 individual related by blood, marriage, or adoption to the person furnishing  
11 the care, of lodging together with nursing services, medical services, or other  
12 health related services, under an agreement effective for the life of the  
13 individual or for a period longer than one year. "Continuing care" also may  
14 include in-home services provided or arranged by a facility when those  
15 in-home services are provided as part of an agreement for continuing care  
16 between the facility and individual.
- 17 (2) "Entrance fee" means a payment that assures a resident a place in a facility  
18 for a term of years or for life.
- 19 (3) "Facility" means the retirement community or communities in which a  
20 provider undertakes to provide continuing care to an individual.
- 21 (4) "Health related services" means, at a minimum, nursing home admission or  
22 assistance in the activities of daily living, exclusive of the provision of meals  
23 or cleaning services.
- 24 (4a) "In-home services" means health related services provided to an individual  
25 in the individual's home or in the home of a person to whom the individual is  
26 related by blood, marriage, or adoption.
- 27 (5) "Living unit" means a room, apartment, cottage, or other area within a  
28 facility set aside for the exclusive use or control of one or more identified  
29 residents.
- 30 (6) "Provider" means the promoter, developer, or owner of a facility, whether a  
31 natural person, partnership, or other unincorporated association, however  
32 organized, trust, or corporation, of an institution, building, residence, or  
33 other place, whether operated for profit or not, or any other person, that  
34 solicits or undertakes to provide continuing care under a continuing care



\* D R H 3 0 3 4 0 - M H - 1 1 6 \*

1 facility contract, or that represents himself, herself, or itself as providing  
2 continuing care or "life care."

3 (7) "Resident" means a purchaser of, a nominee of, or a subscriber to, a  
4 continuing care contract.

5 (8) "Hazardous financial condition" means a provider is insolvent or in eminent  
6 danger of becoming insolvent."

7 **SECTION 2.** G.S. 58-64-25 reads as rewritten:

8 "**§ 58-64-25. Contract for continuing care; specifications.**

9 (a) Each contract for continuing care shall provide that:

10 ...

11 (b) Each contract shall include provisions that specify the following:

12 (1) The total consideration to be paid;

13 (2) Services to be provided;

14 (3) The procedures the provider shall follow to change the resident's  
15 accommodation if necessary for the protection of the health or safety of the  
16 resident or the general and economic welfare of the residents;

17 (4) The policies to be implemented if the resident cannot pay the periodic fees;

18 (5) The terms governing the refund of any portion of the entrance fee in the  
19 event of discharge by the provider or cancellation by the resident;

20 (6) The policy regarding increasing the periodic fees;

21 (7) The description of the living quarters;

22 (8) Any religious or charitable affiliations of the provider and the extent, if any,  
23 to which the affiliate organization will be responsible for the financial and  
24 contractual obligations of the provider;

25 (9) Any property rights of the resident;

26 (10) The policy, if any, regarding fee adjustments if the resident is voluntarily  
27 absent from the facility; ~~and~~

28 (11) Any requirement, if any, that the resident apply for Medicaid, public  
29 assistance, or any public benefit ~~program~~ ~~program~~; ~~and~~

30 (12) When the contract provides for the provision or arrangement of in-home  
31 services by the facility, the procedures and time line for determining when  
32 the individual will transition from in-home services to receiving services in  
33 residence at the facility."

34 **SECTION 3.** The Department of Insurance and the Department of Health and  
35 Human Services shall report jointly to the Committee on Insurance and the Committee on  
36 Health of the House of Representatives by April 1, 2010, identifying any statutory, regulatory,  
37 or practical barriers that prevent or discourage individuals contracting with continuing care  
38 retirement communities from receiving at-home services for as long as they are willing and  
39 able to do so. The report also shall include suggestions for statutory changes and a timetable  
40 for promulgation of any rules necessary to eliminate the barriers identified. There is  
41 appropriated from the General Fund to the North Carolina Department of Insurance the sum of  
42 thirty thousand dollars (\$30,000) for the 2009-2010 fiscal year, and there is appropriated from  
43 the General Fund to the North Carolina Department of Health and Human Services the sum of  
44 thirty thousand dollars (\$30,000) for the 2009-2010 fiscal year for the costs to each Department  
45 to implement this act.

46 **SECTION 4.** Section 3 of this act becomes effective July 1, 2009. The remainder  
47 of this act is effective when it becomes law.