

House File 2263

H-8028

1 Amend House File 2263 as follows:

2 1. Page 2, after line 7 by inserting:

3 <Sec. \_\_\_\_\_. Section 523D.1, subsections 2, 3, 4, 8, and 9,  
4 Code 2024, are amended to read as follows:

5 2. "*Continuing care*" means ~~housing together with~~ a continuum  
6 of supportive services, home health services, nursing services,  
7 medical services, or other health related services, furnished  
8 to a resident, regardless of whether or not the lodging and  
9 services are provided at the same location, together with  
10 housing for residents that elect to live in a facility of  
11 a provider, with or without other periodic charges, and  
12 pursuant to one or more contracts effective for the life of the  
13 resident or a period in excess of one year, including mutually  
14 cancelable contracts, and in consideration of an entrance fee.

15 3. "*Continuing care retirement community*" means a facility or  
16 program which provides continuing care to residents other than  
17 residents related by consanguinity or affinity to the person  
18 furnishing their care.

19 4. "*Entrance fee*" means an initial or deferred transfer to  
20 a provider of a sum of money or other property made or promised  
21 to be made as full or partial consideration for acceptance of  
22 a specified individual ~~in~~ into a facility or a program if the  
23 amount exceeds either of the following:

24 a. Five thousand dollars.

25 b. The sum of the regular periodic charges for six months  
26 ~~of residency.~~

27 8. "*Provider*" means a person undertaking through a lease or  
28 other type of agreement to provide care in or from a continuing  
29 care retirement community or senior adult congregate living  
30 facility, even if that person does not own the facility.

31 9. "*Resident*" means an individual, sixty years of age or  
32 older, entitled to receive care ~~in~~ from a continuing care  
33 retirement community or a senior adult congregate living  
34 facility.

35 Sec. \_\_\_\_\_. Section 523D.1, Code 2024, is amended by adding

1 the following new subsection:

2 NEW SUBSECTION. 7A. "*Program*" means an organized set of  
3 measures or activities undertaken by a provider to provide  
4 continuing care services to an individual.

5 Sec. \_\_\_\_\_. Section 523D.2, Code 2024, is amended to read as  
6 follows:

7 **523D.2 Application of chapter.**

8 This chapter applies to a provider who executes a contract  
9 to provide continuing care or senior adult congregate living  
10 services in a facility or program, or ~~extend~~ extends the term  
11 of an existing contract to provide continuing care or senior  
12 adult congregate living services in a facility or program, if  
13 the contract requires or permits the payment of an entrance fee  
14 to a person, and any of the following apply:

15 1. The facility or program is or will be located in this  
16 state.

17 2. The provider or a person acting on the provider's behalf  
18 solicits the contract within this state for a facility or  
19 program located in this state and the person to be provided  
20 with continuing care or senior adult congregate living services  
21 under the contract resides within this state at the time of the  
22 solicitation.

23 Sec. \_\_\_\_\_. Section 523D.2A, unnumbered paragraph 1, Code  
24 2024, is amended to read as follows:

25 On or before March 1 of each year, a provider shall  
26 file a certification with the commissioner in a manner and  
27 according to requirements established by the commissioner. The  
28 certification shall be accompanied by a one hundred dollar  
29 administrative fee which fee shall be deposited as provided in  
30 section 505.7. The certification shall attest that according  
31 to the best knowledge and belief of the attesting party,  
32 the facility or program administered by the provider is in  
33 compliance with the provisions of **this chapter**, including  
34 rules adopted by the commissioner or orders issued by the  
35 commissioner as authorized under **this chapter**. The attesting

1 person may be any of the following:

2 Sec. \_\_\_\_\_. Section 523D.3, subsection 1, paragraph c,  
3 unnumbered paragraph 1, Code 2024, is amended to read as  
4 follows:

5 With respect to each person covered by paragraph "b", and  
6 if the facility or program will be managed on a day-to-day  
7 basis by a person identified pursuant to paragraph "b", or with  
8 respect to the proposed manager, the following information:

9 Sec. \_\_\_\_\_. Section 523D.3, subsection 1, paragraphs f, h, and  
10 k, Code 2024, are amended to read as follows:

11 *f.* The services provided or proposed to be provided under  
12 contracts for continuing care or senior adult congregate living  
13 services ~~at the facility~~, including the extent to which medical  
14 care is furnished. The disclosure statement shall clearly  
15 state which services are included in basic contracts and which  
16 services are made available ~~at or by the facility~~ at extra  
17 charge.

18 *h.* The provisions which have been made or will be made,  
19 if any, to provide reserve funding or security to enable the  
20 provider to fully perform its obligations under contracts to  
21 provide continuing care or senior adult congregate living  
22 services ~~at the facility~~, including the establishment of escrow  
23 accounts, trusts, or reserve funds, together with the manner in  
24 which the funds will be invested and the names and experience  
25 of persons who will make the investment decisions.

26 *k.* Other material information concerning the facility,  
27 program, or the provider required by the division of insurance  
28 or which the provider wishes to include.

29 Sec. \_\_\_\_\_. Section 523D.6, subsection 1, paragraphs b, c, f,  
30 g, h, j, k, m, and p, Code 2024, are amended to read as follows:

31 *b.* The name and address of the facility or facilities, or  
32 of the program.

33 *c.* ~~The~~ If a prospective resident elects to reside in housing  
34 at the facility of a provider, the identification of the living  
35 unit which the prospective resident will occupy.

1     *f.* A statement of the policy of the facility or program with  
2 regard to any health or financial conditions upon which the  
3 provider may require the resident to relinquish the resident's  
4 space in the designated facility or program.

5     *g.* A statement of the policy of the facility or program with  
6 regard to the health and financial conditions required for a  
7 person to continue as a resident or an enrollee in a program.

8     *h.* A statement of the policy of the facility or program with  
9 regard to the conditions under which the resident is permitted  
10 to remain in the facility or program in the event of financial  
11 difficulties affecting the resident.

12    *j.* A statement of the policy of the facility or program  
13 with regard to changes in accommodations and a description  
14 of the procedures to be followed by the provider when the  
15 provider temporarily or permanently changes the resident's  
16 accommodations within the facility or program, transfers the  
17 resident from one level of care to another, or transfers the  
18 resident to another health facility or program.

19    *k.* A description in clear and understandable language, in at  
20 least ten point type, of the terms governing the refund of any  
21 portion of the entrance fee in the event of discharge by the  
22 provider, or cancellation by the resident, and a statement that  
23 the provider shall not dismiss or discharge a resident from  
24 a facility or program prior to the expiration of a resident  
25 contract without just cause and sixty days written notice of  
26 intent to cancel. The notice of dismissal or discharge shall  
27 only be given upon a good faith determination that just cause  
28 exists, and the notice shall be given in writing, signed by the  
29 medical director, if any, and the administrator of the facility  
30 or program. In an emergency situation only such notice as is  
31 reasonable under the circumstances is required.

32    *m.* A description of the facility's or program's policies  
33 and procedures for handling grievances between the provider and  
34 residents.

35    *p.* A statement that if a resident dies or through illness,

1 injury, or incapacity is precluded from becoming a resident  
2 under the terms of the contract before occupying the living  
3 unit, or precluded from commencing a continuing care services  
4 program under the terms of the contract, the contract is  
5 automatically rescinded and the resident or the resident's  
6 legal representative shall receive a full refund of all  
7 payments of money or transferred property to the facility  
8 or program, except those costs specifically incurred by the  
9 facility or program at the request of the resident or program  
10 enrollee and set forth in writing in a separate addendum,  
11 signed by both parties to the contract.

12 Sec. \_\_\_\_\_. Section 523D.6, subsection 2, Code 2024, is  
13 amended to read as follows:

14 2. *Cancellation.* The contract required by [this section](#)  
15 shall state the terms under which the contract can be canceled  
16 by the provider, ~~or~~ the resident, or a program enrollee,  
17 including a statement of the refund rights of a resident,  
18 or a program enrollee, and shall include a completed,  
19 easily detachable form in duplicate, captioned "Notice  
20 of Cancellation", as an attachment, in ten point boldface  
21 type, containing the following information and statements in  
22 substantially the following form and language:

23 NOTICE OF CANCELLATION

24 .....

25 Date contract was executed.

26 .....

27 Date disclosure statement was provided

28 to resident or program enrollee.

29 You may rescind and cancel your contract, without any penalty  
30 or obligation, within three business days of the date the  
31 contract was executed or within thirty days after the date  
32 you received the disclosure statement required by Iowa Code  
33 section 523D.3, whichever is later. You are not required to  
34 move into the facility or commence continuing care services  
35 from the program before the expiration of this cancellation

1 period. However, if you do, the provider may retain the  
2 reasonable value of care and services actually provided to you,  
3 the resident, prior to your vacating the provider's facility  
4 or terminating continuing care services from the program. If  
5 you cancel this contract and you have already moved into the  
6 provider's facility, you must vacate your living unit within  
7 ten days after receipt by the provider of your cancellation  
8 notice.

9 If you cancel this contract, any payments of money or  
10 transfers of property you made to the provider must be returned  
11 as soon as reasonably possible by the provider following  
12 receipt by the provider of your cancellation notice, and any  
13 security interest arising out of the transaction is canceled,  
14 except that, as stated above, the provider may retain the  
15 reasonable value of care and services actually provided to you  
16 prior to your vacating the provider's facility or terminating  
17 continuing care services from the program.

18 To cancel this contract, mail by certified mail or hand  
19 deliver a signed and dated copy of this cancellation notice  
20 or any other written notice clearly indicating your intent to  
21 cancel the contract, or send a telegram, to ..... (name  
22 of provider) at ..... (address of provider's place of  
23 business). Your cancellation is effective upon mailing by  
24 certified mail, when transmitted by telegraph, or when actual  
25 notice is given to the provider, whichever is earlier.

26 I hereby cancel this contract.

27 .....

28 (Date)

29 .....

30 (Resident's signature)

31 Sec. \_\_\_\_ . Section 523D.7, subsection 1, paragraphs a and b,  
32 Code 2024, are amended to read as follows:

33 a. Enters into a contract to provide continuing care or  
34 senior adult congregate living services ~~at a facility~~ without  
35 having first delivered a disclosure statement meeting the

1 requirements of [this chapter](#) to the person contracting for  
2 continuing care or senior adult congregate living services and  
3 to the person's personal representative if one is appointed by  
4 the person.

5 *b.* Enters into a contract to provide continuing care or  
6 senior adult congregate living services ~~at a facility~~ with a  
7 person who has relied on a disclosure statement which contains  
8 any untrue statement of a material fact or omits to state a  
9 material fact necessary in order to make the statements made,  
10 in light of the circumstances under which they are made, not  
11 misleading.>

12 2. Title page, line 3, by striking <sellors.> and inserting  
13 <sellors, continuing care retirement facilities, and continuing  
14 care retirement programs.>

15 3. By renumbering as necessary.

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