

Preliminary Exposure Draft

For Comment and Review

Text of Model Continuing Care at Home Law

1. This Law shall be known as “The Continuing Care at Home Authorization Act” and may be referred to as the CCAH Act.
2. The legislature notes that contracts to provide continuing care are instruments of trust that call for the highest integrity by those who provide such care. The legislature finds that the provision of such services is derivative from the provision of residential Continuing Care Retirement Community (CCRC) services.
3. The legislature also finds that the risk bearing actuarial aspects of a physical CCRC are attenuated by the more predictable elements of housing and other amenities and this has enabled CCRCs generally to operate successfully without the specialized oversight applicable to insurance.
4. The legislature further finds that an undertaking to provide continuing care services differs only from long term care insurance if it is incidental to an established Continuing Care Retirement Community (CCRC) as is implicit when such services are offered by a CCRC to its residents.
5. The legislature moreover finds that it is desirable to enable CCRCs to offer continuing care services, which otherwise would be offered solely to CCRC residents, to nonresidents who contract with the CCRC, either as a consequence of a waiting list until suitable on campus accommodations are available, or as an alternative to residential independent living.
6. Accordingly, an established CCRC is hereby authorized to offer CCAH contracts, following the same constraints as apply to the provision of CCAH services to CCRC residents, provided that the revenues from such CCAH contracts do not exceed more than 25% of the revenues allocated to the same services when those services are provided to residents.
7. Alternatively, a CCAH provider not affiliated with a CCRC, or a CCRC provider offering CCAH services in excess of the 25% limit stated in paragraph 6 above, may offer such contracts provided that the contracts

are fully guaranteed by a licensed long term care insurance carrier and meet all of the regulatory constraints applicable to the provision of long term care insurance.

8. This law shall be effective for all contracts entered into for CCRC services on or after an effective date of January 1, 20??.

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