

WASHINGTON



CONTINUING CARE  
RESIDENTS ASSOCIATION

# WACCRA Legislative Update

*February 7, 2025*

# Legislative Update



As a reminder -

- In 2022, WACCRA secured funding for the Office of the Insurance Commissioner report which identified that Washington’s CCRC regulations do not provide adequate financial oversight or consumer protections.
- In 2023, WACCRA secured funding for DSHS/OIC/AGO to provide the legislature with recommendations for improvement in financial oversight and consumer protection in conjunction with stakeholders.

In 2024 -

- DSHS/OIC/AGO held “listening sessions” with CCRC stakeholders including WACCRA.
- April – June: DSHS/OIC/AGO held seven “show and share” sessions with stakeholders to solicit feedback on their initial investigative findings.
- Final DSHS/OIC/AGO report was sent to the Legislature on December 1, 2024.

# WACCRA's Legislative Ask

As part of DSHS report development, WACCRA presented our key legislative asks and examples of other state's regulatory frameworks in 10 key areas:

- **CCRC Licensure** by the State.
- Residents' **Rights and Ombuds Support**.
- Meaningful **enforcement** of regulations.
- Periodic **financial reviews by the State**.
- **Actuarial reviews** by the State.
- **Board of Directors representation** by independently elected residents.
- State **oversight of and requirements for use of a CCRC's funds**.
- **Bankruptcy protection** of residents' contracts and entrance fee.
- Timely **repayment of entrance fees**.
- Guarantee of **promised lifetime care**.

# Breaking NEWS!!!



Senator Annette Cleveland has introduced SENATE BILL 5691 to the Senate Health and Long Term Care Committee to:

*“...adopt the department of health and social services’ report recommendations addressing a regulatory oversight plan for continuing care retirement communities amending”  
...changing and amending current codes sections and  
...”creating a new section; ....”*

# And Even More Breaking NEWS!!!



Representatives Nicole Macri and Lisa Callan have just introduced House Bill 1889 to the House Health and Wellness Committee.

HB 1889 is a companion bill – meaning it is identical to the Senate bill – which will make the bills easier to get through the legislative hurdles.

This is the first time that WACCRA has had the same bills in BOTH THE HOUSE AND SENATE – **A HUGE WIN!**

# DSHS Report Overview

WACCRA is in general agreement with the report and the bills but does have legislative suggestions that we hope can be added to strengthen protections for residents.



Legislative Enhancements	DSHS Report Recommendation	SB 5691/HB 1889
<p><u>More financial protection and transparency</u></p>	<ul style="list-style-type: none"> <li>• CCRCs to provide additional financial information at registration.</li> <li>• Registration required every year.</li> </ul>	<p>Requires CCRCs to register every two years and provide audited financial statements that detail:</p> <ul style="list-style-type: none"> <li>• <b>Availability of funds to care for current residents</b></li> <li>• <b>Adequate fee structure to support new and prospective residents</b></li> <li>• <b>Positive projected cash and investment balances over 10 years</b></li> </ul> <p><b>Actuarial analysis</b> by a DSHS contracted organization in accordance with actuarial standards boards most current standards.</p>

# DSHS Report Overview (cont.)



Legislative Enhancements	DSHS Report Recommendation	SB 5691/HB 1889
<p><u>More robust registration process</u></p>	<ul style="list-style-type: none"> <li>Expand the review, verification, and validation of materials currently submitted.</li> </ul>	<ul style="list-style-type: none"> <li>Expands the requirement that the <b>information provided during registration be verified and evaluated</b> prior to the approval or denial of the registration of a CCRC.</li> <li>Agency can require <b>additional information be provided to assist in the actuarial analysis</b> or department review.</li> </ul>

# DSHS Report Overview (cont.)



Legislative Enhancements	DSHS Report Recommendation	SB 5691/HB 1889
<p><b><u>Clarification of AGO’s statutory authority</u></b></p>	<ul style="list-style-type: none"> <li>• Change statutory language to clarify AGO’s enforcement authority.</li> <li>• Align statutory language for “per se” Consumer Protection Act violations.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Brings CCRCs under the Washington State Consumer Protection Act</b> expanding the ability of the AGO to act of behalf of residents.</li> </ul>
<p><b><u>Clarification of access to contracted services</u></b></p>	<ul style="list-style-type: none"> <li>• Resident contracts and forms be submitted for review and approval as part of the registration process.</li> <li>• Review would ensure requirements related to off-campus placements for assisted living, memory care or skilled care are clearly articulated in contracts.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Review of resident agreements</b> the CCRC intends to use during the two year period of their registration to be undertaken by DSHS.</li> </ul>



# DSHS Report Overview (cont.)



Legislative Enhancements	DSHS Report Recommendation	SB 5691/HB 1889
<p><b><u>More operational transparency</u></b></p>	<ul style="list-style-type: none"> <li>• Define and publish operational standards for CCRCs.</li> <li>• Require resident notification of operational structural or ownership changes.</li> <li>• Require information be made easily available to residents.</li> <li>• Require contracts to be written for easy readability.</li> <li>• Require disclosure of post-contract changes to resident handbooks or policies.</li> <li>• Require the opportunity for resident representation on the board of directors.</li> </ul>	<p>Requires an action plan be submitted to the department outlining how the CCRC will address:</p> <ul style="list-style-type: none"> <li>• How residents will be notified of <b>decisions made by the CCRC that may impact the CCRCs solvency.</b></li> <li>• How the CCRC will involve residents in the <b>day-to-day business operations</b></li> <li>• How the CCRC will ensure resident <b>participation on the CCRCs Board of Directors.</b></li> </ul>

# DSHS Report Overview (cont.)



Legislative Enhancements	DSHS Report Recommendation	SB 5691/HB1889
<u>Ombuds Support for Independent Living Residents</u>	<ul style="list-style-type: none"><li>Development of an independent ombuds program to support residents and CCRC management in issue resolution.</li></ul>	<ul style="list-style-type: none"><li>Adds a <b>new section</b> to the CCRC regulations calling for the department to hire an independent, non-profit organization to take on <b>ombuds responsibilities for CCRC residents in independent living.</b></li></ul>

# What SB 5691/HB 1889 Do Not Address

The current bills do not currently address:

- State oversight of and requirements for use of a CCRC's funds.
- Bankruptcy protection of residents' contracts and entrance fee.
- Timely repayment of entrance fees.
- Guarantee of promised lifetime care.

# Next Steps



- Communicating to our members – like today
- Meeting with Senate Health and Long Term Care Committee members and educating them on the DSHS report, the proposed bill and asking for their support.
- Preparing testimony for the Senate Committee hearing – currently scheduled for February 14<sup>th</sup>.
- Requesting meetings with the House Health and Wellness Committee members to educate them
- Preparing testimony for the House Committee meeting – not currently scheduled.
- Communicating, communicating, communicating with legislators!

WASHINGTON

WA **CCRA**

CONTINUING CARE  
RESIDENTS ASSOCIATION

**What Can You Do?**

WASHINGTON

WA **CCRA**

CONTINUING CARE  
RESIDENTS ASSOCIATION

*Thank you for  
coming!*