

Inquiring Minds Want to Know . . .

How has NorCCRA benefited its members?

The Law . . .

Chapter 58, Article 64 of the North Carolina General Statutes and Title 11, Chapter 11, Sub Chapter H of the North Carolina Administrative Code provide for regulation of Continuing Care Residents Communities (CCRCs) by the Commissioner of Insurance, including licensure, disclosure statements, contracts, reserves, and continuing care without lodging.

Section 22 of this chapter requires that existing CCRCs provide for a minimum operating reserve:

A provider shall maintain after opening the facility: an operating reserve equal to 50% of the total operating costs of the facility forecasted for the 12-month period following the period covered by the most recent disclosure statement filed with the Department . . . If a facility maintains an occupancy level in excess of 90%, a provider shall only be required to maintain a 25% operating reserve upon approval of the Commissioner.

History of the Law . . .

North Carolina was very fortunate in how CCRC regulation began. In the mid-1980s, Jim Long was the very capable and well-respected Commissioner of Insurance. Commissioner Long assembled a group of four individuals – Harry Groves, Bob Price, Jim Long, and John Diffey – and charged them with drafting legislation that would serve to protect consumers, not unduly inhibit the development and operation of CCRCs and lead to North Carolina’s being a good environment for CCRCs and their residents.

In 1987, strong and bi-partisan support emerged for the legislation drafted by the work group. It required and provided a format for CCRC disclosure. The bill was recommended to the floors of both the North Carolina House and Senate by their respective committees without amendment and was passed in each body without negative vote. Subsequent legislation concerning reserve requirements, prepared in the same bipartisan way, passed both chambers of the General Assembly and was signed into law.

This legislation – and the resulting disclosure and reserve requirements – explain in large part why North Carolina has been such a successful state in terms of CCRC development and operations and relatively more problem-free than many other states. North Carolina (thanks to the diligence of the Department of Insurance, LeadingAge NC, and the North Carolina Continuing Care Residents Association (NorCCRA), has experienced a level of consumer protection that is among the highest of any state in the country.

An article prepared by LeadingAge North Carolina, “North Carolina CCRC Reserve Requirements” dated Summer 2012 was used as a resource in preparing this report.

Dr. Harry Groves, Founder of NorCCRA . . .

was a principal in developing Chapter 58, Article 64 of the North Carolina General Statutes. Dr. Groves was a retired law professor, a law school dean and an expert in constitutional law, and was living in a CCRC. He became concerned about our inadequate state laws in effect at the time for our CCRCs.

Seeing a need for educating and involving CCRC residents in being vigilant and protective about the law, in 1988, Dr. Groves established an organization that would have lobbying responsibilities. This organization, The North Carolina Continuing Care Retirement Association, is recognized under Internal Revenue Codes as 501(c)(4) and may engage in lobbying activities pertinent to the welfare of its members.

NorCCRA Legislative Committee . . .

This committee, currently chaired by Sindy Barker, a CCRC resident, has the responsibility for vigilantly monitoring legislative activity in the North Carolina General Assembly. When becoming concerned about potential changes to the law, she alerts NorCCRA’s leadership and its membership. In recent years, she has led lobbying campaigns in the form of letter-writing by our members to our legislators. This effort resulted in successful reinstatement of:

- Federal and State medical expense deductions for CCRC residents.
- Sales tax exemption for non-profit organizations (the majority of CCRCs in North Carolina are Not for Profit).

We can do more together, than we can do alone.

More Ways NorCCRA Benefits Its Members . . .

NorCCRA Communications . . . Helps members stay in touch . . .

- NorCCRA Website: www.norccra.org The website is always available when you want to access it. It provides important and current information about NorCCRA and its activities, and includes a downloadable NorCCRA brochure that has a membership application.
- *The Hotline*, a quarterly newsletter spotlights current events, best practices in CCRCs, and interesting articles of interest to our membership.
- Community Representatives are invaluable for calling attention to NorCCRA matters, staying in touch with NorCCRA leadership, providing helpful information about NorCCRA, and providing the means for becoming a member.

Provides Opportunities to Hear Speakers on Various Subjects Pertinent to Residents of CCRCs . . .

- NorCCRA's Annual Meeting, normally held in October of each year, includes several guest speakers who are knowledgeable about various and interesting subjects.
- NorCCRA is divided into three regions across North Carolina. They are Central, Eastern, and Western Regions. The regional meetings also sponsor speakers.

Never under estimate the power of Networking . . .

Whether working together for the common good of all CCRC residents, or sharing ideas about community activities and successes, NorCCRA brings people, ideas and efforts together to promote optimal quality of life for the residents of North Carolina's CCRCs.

The purpose of NorCCRA is to advocate for strong laws, regulations and general practices for the protection and well-being of residents in CCRCs. Our network of members are among the largest voting group in North Carolina. Working together with a common voice gets the attention of our legislators.

How do individuals receive these benefits?

If you are not a current member of NorCCRA, please consider joining today. Ask your Community Representative for a membership application. We need you and we believe you need us.

North Carolina Continuing Care Residents Association (NorCCRA)

www.norccra.org

For Information about NorCCRA

Contact your NorCCRA Community Representative