

CONTINUING CARE COMMUNITY DISCLOSURE ACT (EXCERPT)
Act 448 of 2014

***** 554.949.new THIS NEW SECTION IS EFFECTIVE APRIL 2, 2015 *****

554.949.new Records; reports.

Sec. 49. (1) A registered continuing care community shall prepare and maintain for not less than 6 years all of the following records:

(a) Accounts and records of each day's sales of memberships in the continuing care community, receipts of cash, and other debits and credits.

(b) Copies of contracts, including continuing care agreements and terminated continuing care agreements, management contracts for any material component of operations, contracts for construction of buildings or other structures used to provide continuing care, and contracts with affiliated persons related to any material component of operations.

(c) Records of compensation paid to persons, directly or indirectly, in connection with the offer or sale of continuing care agreements. These records shall include all the following information:

(i) The persons to whom payments are made.

(ii) The date and amount of each payment.

(iii) The reason for each payment.

(iv) The transaction from which each payment arose.

(d) Member records of all of the following:

(i) Each member's name, address, and age.

(ii) The total amount paid to date by each member and the dates on which the payments were made.

(iii) The aggregate amount to be paid by each member.

(iv) The terms of payment.

(e) Complaint records of all of the following:

(i) Each written complaint by a member alleging violations of this act or rules promulgated under this act.

(ii) The date of the complaint.

(iii) Any action taken by the continuing care community in response to the complaint.

(2) Not more than 30 days after the end of each fiscal year quarter, or such later date as may be authorized by the department, a registered continuing care community shall submit the following to the department, unless waived by the department:

(a) A quarterly sales report setting forth the continuing care community's sales executed by new members and the proceeds derived from the collection of entrance fees from such members.

(b) A quarterly occupancy report stating the percentage of occupancy of living units in a continuing care community, the number of occupants who have continuing care agreements, and the number of members who have died or moved out of the continuing care community since the last occupancy report was submitted.

(3) If required by the department in the reasonable exercise of its discretion, a registered continuing care community shall submit to the department a report that compares any increases in monthly service fees to the annual consumer price index - all urban consumers, over 5 preceding calendar years. This report shall be submitted no later than February 1 following the end of each 5-year period. The first 5-year period begins January 1 after the effective date of this act.

History: 2014, Act 448, Eff. Apr. 2, 2015.