

HOUSE BILL No. 2524

By Committee on Aging and Long Term Care

1-25

1 AN ACT concerning continuing care; relating to continuing care contracts;
2 continuing care contract and provider fees; amending K.S.A. 40-2231
3 and 40-2235 and repealing the existing sections.

4
5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 40-2231 is hereby amended to read as follows: 40-
7 2231. As used in this act:

8 (a) "Continuing care contract" means an agreement pursuant to which
9 a provider undertakes to furnish to a person, not related by consanguinity
10 or affinity to the provider, shelter and medical or nursing services or other
11 health-related benefits which require a present or deferred transfer of
12 assets or an entrance fee in the amount of \$5,000 or equivalent value or
13 such greater amount as set by the commissioner in rules and regulations in
14 addition to or in lieu of periodic charges. ~~Continuing care contract shall~~
15 ~~also mean an agreement of any other provider who voluntarily applies for~~
16 ~~a certificate pursuant to K.S.A. 40-2235, that is effective for: (1) The life~~
17 ~~of the resident; or (2) more than one year.~~

18 (b) "Entrance fee" means the total of any initial or deferred transfer
19 to, or for the benefit of, a provider of a sum of money or other property
20 valued at an amount exceeding three months' rent, made or promised to be
21 made as full or partial consideration for acceptance of a person as a
22 resident pursuant to a continuing care contract. *The term does not include*
23 *a deposit made under a reservation agreement.*

24 (c) "Home" means the facility or facilities occupied, or planned to be
25 occupied, by five or more residents where the provider undertakes
26 pursuant to the continuing care contract to provide continuing care to such
27 residents.

28 (d) "Provider" or "continuing care provider" means ~~the~~ a person,
29 corporation, partnership, association or other legal entity which agrees to
30 provide, *at a minimum*, continuing care to residents in a home *as a*:

31 (1) *Nursing facility licensed under the adult care home licensure act,*
32 *K.S.A. 39-923 et seq., and amendments thereto; and*

33 (2) *place or facility, as defined by K.S.A. 39-923, and amendments*
34 *thereto, which is located in Kansas.*

35 (e) "Resident" means an individual or individuals who have entered
36 into an agreement with a provider for continuing care in a home.

1 (f) "Commissioner" means commissioner of insurance of the state of
2 Kansas.

3 (g) *"Reservation agreement" means an agreement that requires the*
4 *payment of a deposit to reserve a living unit for a prospective resident.*

5 Sec. 2. K.S.A. 40-2235 is hereby amended to read as follows: 40-
6 2235. No provider shall act as or hold themselves out to be a continuing
7 care provider, as defined in this act, in this state, unless the provider shall
8 hold a certificate of registration as a continuing care provider issued by the
9 commissioner of insurance. Application for such certificate shall be made
10 to the commissioner on a form prescribed by such commissioner and shall
11 be accompanied by a filing fee of ~~\$50~~ \$1,000. Such certificate may be
12 continued for successive annual periods by notifying the commissioner of
13 insurance of such intent and payment of a ~~\$25~~ \$250 continuation fee.
14 Such certificate shall be issued to a continuing care provider or continued
15 by the commissioner unless the commissioner after due notice and hearing
16 shall have determined that the continuing care provider is not in
17 compliance with this act.

18 Sec. 3. K.S.A. 40-2231 and 40-2235 are hereby repealed.

19 Sec. 4. This act shall take effect and be in force from and after its
20 publication in the statute book.