Title 24-A, Chapter 73 Continuing Care Retirement Communities
§6203 Requirements for Issuance of Certificate Checklist

Applicant:

REQUIREMENT	STATUS	REFERENCE
1. Preliminary certificate of authority		
A. Application of certificate of need, if required under Title 22, section 304-A with department submission of a preliminary report of a recommendation for approval of the certificate of need and provider has applied for any other licenses/permits.		
B. Provider has submitted an application in duplicate to the superintendent which shall consist of the following items:		
(1) A copy of the provider's continuing care agreement;		
(2) A copy of the disclosure statement required by section 6209;		
(3) Financial statements prepared under GAAP;		
(4) A copy of the basic organizational document of the provider including: articles of incorporation, articles of agreement, certificate of organization or incorporation or charter and all amendments;		
(5) A copy of the provider's bylaws, certified by the corporate secretary;		
(6) A list of the names and addresses of stockholders and those persons who hold official positions responsible for the conduct of the affairs of the provider, including all members of the board of directors, the principal officers and persons having a 10% or greater equity or beneficial interest in the provider;		
Section 222, including the requirement of approval of the superintendent, the submission of tender offers or acquisition materials, information as to acquisitions or tender offers and examination of accounts, records, documents in the event of either:		
(a) Any tender offer for, or a request or invitation for tenders of, etc.; or		
(b) Any purchase, exchange, merger or acquisition of control of a provider;		
(7) A description of any action within the past 10 years for which the provider or any described in subparagraph (6):		
(a) Is presently under indictment or has been convicted of a Class A, B, C, or D crime that relates to business activities; or		
(b) Has had any state or federal license or permit related to business activities, including health care activities of the provider or that person, suspended or revoked as a result of an action brought by a government agency or department;		
(8) All principal officers and directors of the provider shall disclose in statements attested under oath any real or potential conflict of interest;		
(9) A copy of any management agreement between the provider and the person or persons responsible for the daily management of the facility, if other than the provider;		
(10) All contracts executed by the provider with 3rd parties which provide for the performance of health care or supportive services for the benefit of subscribers;		
(11) A descriptive statement of the provider's proposed operation, including an organizational chart setting out the position classifications of personnel responsible for health care and administration;		
(12) Proof of fidelity bonding of all individuals who handle the funds of continuing care retirement communities. The actual amount of the fidelity bond required will be determined by the superintendent, but the face amount of the bond may not be less than $100,000;		
(13) A description of the proposed method of marketing the plan for continuing care and a copy of any market research study performed;		
(14) A copy of all advertising materials;		
(15) A description of the mechanism by which subscribers will be afforded participation in policy matters of the organization;		

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(16) A description of the procedures developed by the provider to provide for the resolution of complaints initiated by subscribers concerning health care services and general operating procedures;		
(17) A power of attorney duly executed by the provider, if not domiciled in the State, appointing an agent for service of process in any legal action brought;		
(18) An actuarial study, certified by an actuary, demonstrating that the anticipated revenues and other financial resources will be sufficient to provide the services promised by the contract and indicating the method by which the reserve required by section 6215-A will be calculated;		
(19) A demonstration of the provider's ability to respond to claims for malpractice, employer's liability, workers' compensation coverages and all property and liability insurance relating to the facility, including fidelity bonds;		
(20) Pro forma projected financial statements for the provider for the coming 10 years, including notes of the statements, presented in conformity with the guidelines for forecasting as prescribed by the AICPA;		
(21) A copy of any application form which prospective subscribers will be required to complete;		
(23) A copy of the preliminary deposit agreement described in subsection 3, paragraph B, subparagraph (1); and		
(24) A copy of the escrow agreement described in subsection 3, paragraph E.		
C. The superintendent has determined that the continuing care agreement meets the requirements of section 6206, subsection 1.		
D. The superintendent has approved the application form, escrow agreement and preliminary deposit agreement.		
E. The provider has met all other requirements for a preliminary certificate of authority which the superintendent may prescribe in rules promulgated pursuant to this chapter.		
F. The department has certified that:		
(1) The advertising materials related to the continuing care agreements are not untrue or misleading;		
(2) The proposed continuing care agreement meets the requirement of section 6206, subsection 2; and		
(3) The disclosure statement meets the requirement of section 6209.		
G. The department has approved the adequacy of all services proposed under the continuing care agreement not otherwise reviewed under the certificate of need process.		
H. The superintendent finds that the provider has met the requirements under this chapter and that the provider has furnished evidence satisfactory to the superintendent that the provider's methods of operation do not make its proposed operation hazardous to the public or its subscribers in this State.		
I. The department certifies to the superintendent that the provider has demonstrated the willingness and potential ability to ensure that the health care services or supportive services, or both, will be provided in a manner to ensure availability, accessibility and continuity of services.		