

Maryland Continuing Care Residents Association The Voice of Continuing Care Residents

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SUBJECT:House Bill 1177 - Continuing Care Retirement Communities - Subscriber Rights and
Provider DuesCOMMITTEES:Health & Government Operations Committee
The Honorable Joseline A. Peña-Melnyk, ChairDATE:Thursday, March 7, 2024POSITION:FAVORABLE

The **Maryland Continuing Care Residents Association (MaCCRA)** is a not-for-profit organization representing the residents in continuing care retirement communities (CCRCs). Maryland has over 18,000 older adults living in CCRCs. The principal purpose of MaCCRA is to protect and enhance the rights and financial security of current and future residents while maintaining the viability of the providers whose interests are frequently the same as their residents (referred to as "subscribers" below). MaCCRA SUPPORTS efforts to enhance transparency, accountability, financial security, and preserve existing protections in law and regulation for current and future CCRC residents statewide.

On behalf of the Maryland Continuing Care Residents Association, we support House Bill 1177 which modifies the Subscriber Input provisions of Maryland's continuing care laws, adds a comprehensive statement of subscriber's rights and extends Maryland's Long Term Care Ombudsman Program to continuing care retirement communities (CCRCs).

Although not shareholders or owners, CCRC subscribers are the primary stakeholders of the CCRC - they are the reason for the CCRC's existence. They have each made substantial investments in and commitments to the CCRC essentially for the rest of their lives. And they have done so in reliance upon an extensive array of representations and promises made to them by the CCRC entity. Consequently, it is basic equity that the subscribers have some meaningful participation in the policies and operations of the CCRC.

We believe that the proposed revisions to 10-427 of the Human Services Article enhancing Subscriber Input will not only make subscriber's participation in the governance of their CCRCs more effective; but, in providing for greater transparency, they will also help discourage the "we-against-them" mentality prevalent in many if not most of our communities. We particularly support having additional subscriber members on the governing Board, which will remove the symbolic aspect of a single resident board member and encourage a greater sense of subscriber involvement in the governance of the enterprise.

Additionally, this proposal would counter the unnecessarily restrictive view governing boards take of the fiduciary obligations of subscriber board members in preventing them from discussing any actions and policies of the board with the other subscribers, not just confidential matters.

For these reasons, we respectfully request this Committee's favorable consideration of HB 1177.

For further information please contact:

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