



Maryland Continuing Care Residents Association
Protecting the Future of Continuing Care Residents
The Voice of Continuing Care Residents at Annapolis

SUBJECT: House Bill 215 - Continuing Care Providers - Financial Stress Tests, Transparency, and Governing Bodies
COMMITTEE: House Health Committee
The Honorable Heather Bagnall, Chair
DATE: February 5, 2026
POSITION: **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 20,000 older adults living in 38 licensed CCRCs. The principal purpose of MaCCRA is to protect and enhance the rights, well-being, and financial security of current and future residents while maintaining the viability of the providers whose interests are frequently the same as their residents. 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 MaCCRA, we support the intent and goals of House Bill 215.

A CCRC is a type of retirement community where a continuum of aging care needs—from independent living, to assisted living, and to skilled nursing care—can all be met within the community. The emphasis of the CCRC model is to enable residents to avoid having to move, except to another level of care within the community, as their health needs change. Residents start in independent living, where they live in their own apartments or cottages and maintain an independent lifestyle. As residents age or their health needs change, they can transition to assisted living or skilled nursing care (and back again) within the same community.

CCRC governing boards understandably treat the CCRC as a business and their decision-making is guided by the goal of having a successful business. But, for residents, their CCRC is not simply a business - it is their home, more often than not for life. Since the residents are both the primary beneficiaries of this business and the stakeholders that bear the primary financial risk of this business, it is essential that the governing board have significant resident input in the ultimate decision-making process. Without meaningful participation in the governance of the CCRC, the residents must rely on transparency and full disclosure by the CCRC governing board and an acknowledgement by the governing board of its fiduciary responsibility to the residents. The bill's efforts to clarify this important dynamic is greatly appreciated!

A CCRC is a unique entity given the status of the residents. Most importantly, it is the residents who bear the financial risk of these enterprises. They pay substantial entrance fees in advance for future services. They pay a monthly service fee that finances the operation of the facility which is subject to increase based on the management of the facility over which the residents have no control. Larger-than-expected increases in these monthly fees could erode the residents' existing assets or make the CCRC

unaffordable to them.

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 essential 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, including input in the ultimate management of the CCRCs, particularly regarding budget adoption and the setting of service fees. The bill's efforts to clarify this important dynamic is greatly appreciated!

With this understanding, we support legislation that seeks to improve the CCRC resident experience and ask for a favorable report on House Bill 215.

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