

March 18, 2026

The Honorable Heather Bagnall, Chair House Health Committee  
The Honorable Bonnie Cullison, Vice Chair House Health Committee  
The Honorable Lesley Lopez, Chair Elder & Long Term Care Subcommittee

Dear Chair, Vice Chair, Subcommittee Chair and Members of the Committee:

I write to express my strong support for HB 424 and to ask for your favorable action on this bill.

I am a resident at Asbury Methodist Village (AMV) in Gaithersburg, having moved to this facility in May, 2021. AMV is a Continuing Care Retirement Community (CCRC) owned by Asbury Atlantic, Inc., (Atlantic), a 501 (c) 3 non-profit corporation. As such, Atlantic is our “provider.” The sole member, and thus the owner, of Atlantic is Asbury Communities, Inc. (ACOMM), also a non-profit corporation. Pursuant to existing law, one of our residents serves on the Atlantic Board. No residents serve on the ACOMM Board.

Atlantic is a controlled, non-operating subsidiary of ACOMM. As such, resident membership on the Atlantic Board is of little value. Atlantic’s bylaws confirm that all significant authority is retained by ACOMM. Among other powers, ACOMM has reserved in the Atlantic bylaws the right to:

1. Remove any member of the Atlantic Board, **with or without cause**.
2. Fill all Atlantic Board vacancies.
3. Approve Mission and Vision Statements.
4. Initiate and approve all amendments to the Atlantic Articles of Incorporation and bylaws.
5. Approve Atlantic’s Operating and Capital Budgets.
6. Approve Development Projects.
7. Approve Indebtedness.

As the sole member of Atlantic and as the entity which has reserved to itself all of the above powers (and more), Atlantic exists only to shield the parent (ACOMM) from regulatory scrutiny and the fiduciary obligations owed to subscribers. That is not to say that this arrangement is illegal, or even unethical. But it is clearly not transparent and it denies to resident subscribers any effective voice in the governance and operation of their community. HB 424,

which grants residents the right to be heard in a place where it makes a difference, vindicates that right.

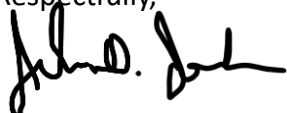
It is important for subscribers to have a meaningful voice in decisions which affect their lives. Service on a Board of Directors which has no power does not serve that purpose. That is why HB 424 is so important: It adds a subscriber to the governing board which has real power—the ACOMM board in our case.

This bill also strengthens the protections provided by Maryland Statute 10-440, which prohibits the transfer of Maryland CCRC assets out of state without the consent of the Maryland Department of Aging. Over several years, ACOMM transferred millions of dollars to Inverness, a CCRC in Oklahoma. Many of those dollars came from subscribers at AMV, who paid them to Atlantic, our “provider.” Atlantic then transferred those assets to ACOMM, which sent them to Oklahoma. When Inverness went bankrupt in 2019, a \$37 million loss was booked against AMV. A similar scenario developed when two Asbury CCRCs in Tennessee pursued voluntary insolvency proceedings in 2024. The situation continues in 2026, with transfers from ACOMM to Albright Care Services, a Pennsylvania entity. Had ACOMM been recognized as our “provider” in prior years, millions of dollars would not have fled Maryland without Department of Aging approval. By including a parent corporation as a “provider” this loophole will be closed.

I wish to emphasize that if HB 424 is enacted into law, it will not impact the Maryland’s 2027 Budget in any fashion.

Thank you for your consideration. Please do not hesitate to contact me if you have any questions or if I may be of further assistance.

Respectfully,

A handwritten signature in black ink, appearing to read "John D. Jordan". The signature is fluid and cursive, with a large initial "J" and "D".

John D. Jordan, President  
AMV Chapter - MaCCRA