

Date of Hearing: June 25, 2024

ASSEMBLY COMMITTEE ON HUMAN SERVICES

Alex Lee, Chair

SB 1352 (Wahab) – As Amended June 19, 2024

**SENATE VOTE:** 36-0

**SUBJECT:** Continuing care retirement communities

**SUMMARY:** Expressly requires a Continuing Care Retirement Community (CCRC) provider, at the time or before a resident signs a continuing care contract, and when a resident is proposed to be moved to a different level of care, to provide the resident with a copy of their rights; and if the resident is moving into the CCRC's skilled nursing facility, a copy of the rights to residents of skilled nursing facilities.

**EXISTING LAW:**

- 1) Provides that residents of CCRCs shall not be deprived of any civil or legal right, benefit, or privilege guaranteed by law, by the California Constitution, or the United States Constitution, solely by reason of status as a resident of a community. (Health and Safety Code [HSC] § 1771.7(a))
- 2) Provides that all residents in residential living units in CCRCs shall have all of the following rights:
  - a) To live in an attractive, safe, and well maintained physical environment;
  - b) To live in an environment that enhances personal dignity, maintains independence, and encourages self-determination;
  - c) To participate in activities that meet individual physical, intellectual, social, and spiritual needs;
  - d) To expect effective channels of communication between residents and staff, and between residents and the administration or provider's governing body;
  - e) To receive a clear and complete written contract that establishes the mutual rights and obligations of the resident and the CCRC;
  - f) To manage his or her financial affairs;
  - g) To be assured that all donations, contributions, gifts, or purchases of provider-sponsored financial products shall be voluntary, and may not be a condition of acceptance or of ongoing eligibility for services;
  - h) To maintain and establish ties to the local community; and,
  - i) To organize and participate freely in the operation of independent resident organizations and associations. (HSC § 1771.7(c)).

- 3) Provides that CCRCs shall maintain an environment that enhances the residents' self-determination and independence including the formation of a resident association and establishing policies and procedures that promote the sharing of information between residents and management. (HSC § 1771.7(d))
- 4) Establishes the California Residential Care Facilities for the Elderly (RCFE) Act to provide for the licensure and regulation of RCFEs as a separate category within the existing licensing structure of the California Department of Social Services (CDSS). (HSC § 1569 *et seq.*)
- 5) Requires the CCRC provide a copy of the bill of rights at any time when the resident is proposed to be moved to a different level of care. (HSC § 1771.7(e))
- 6) Requires CDSS to consolidate and develop one comprehensive Patients' Bill of Rights for skilled nursing facilities and shall be a mandatory attachment to all skilled nursing facility, intermediate care facility, and nursing facility contracts, as specified. (HSC § 1599.61 *et seq.*)
- 7) Allows CDSS to impose and collect a civil penalty upon a CCRC for a violation. (HSC § 1569.49)
- 8) Provides requirements for all CCRC contracts with residents. (HSC § 1788)

**FISCAL EFFECT:** According to the Senate Appropriations Committee, pursuant to Senate Rule 28.8, the April 17, 2024, version of this bill would result in negligible state costs.

**COMMENTS:**

**Background:** *Continuing Care Retirement Communities.* CCRCs are designed to allow aging adults 60 years of age or older to reside in one facility or campus as their care needs increase overtime. This model allows adults to “age in place.” A CCRC is a facility where services promised in a continuing care contract are provided. CCRCs can be apartment-type dwellings, high-rise buildings, a subdivision setting, or any other housing design. Most CCRCs have designated assisted living units and a skilled nursing facility either on or near the facility.

CCRCs require residents to sign a contract that sets forth the range of services, sometimes at an additional cost, depending on the type of contract, to be provided by the CCRC to the resident. Contracts must include a promise to provide a range of services at a CCRC for a period longer than one year, in exchange for payment. Usually, but not always, the promise is effective for the life of the resident. CDSS reviews each provider's continuing care contract form to assure they contain all provisions required by HSC § 1788.

CCRCs offer a broad range of contract options so that they have the flexibility to offer a range of services that meet their consumers' varying needs. Each CCRC offers different options on costs of service, payment methods, services provided, and other elements, including lifestyle choices. All CCRCs must obtain an RCFE license and if they offer skilled nursing services, must hold a Skilled Nursing Facility License issued by the California Department of Public Health.

**Author's Statement:** According to the Author, “Aging adults are deserving of dignity, and that includes not being subjected to discriminatory practices associated with their housing, medical care, who they choose to associate with, or the cultural practices they keep. Our communities have become more diverse over the decades, and that means our aging population is becoming

more diverse. We have seniors who don't simply require accommodations based on their aging, but culturally competent care, as well. This may include the type of food options available to them, living/visitation arrangements with family members, the ability to worship freely in their community, and the freedom to live with their partners regardless of marital status or sex.

“While there is flexibility in the law to ensure age-based continuing care retirement communities are allowed to exist in the first place, we must be crystal clear that these flexibilities do not permit any form of discrimination based on sex, race, color, religion, national origin, marital status, registered domestic partner status, ancestry, actual or perceived sexual orientation, or actual or perceived gender identity. Informing prospective residents about the RCFE Bill of Rights will go far in ensuring equal treatment for all residents, and increase resident self-advocacy.”

**Equity Implications:** The current law lacks explicit protection against discrimination for residents based on civil rights protections as it pertains to their interaction with owners, providers and associations within continuing care communities. This exposes residents to potential mistreatment and undermines the principles of fairness and equal treatment.

While existing law already prevents discrimination in certain continuing care facilities, the lack of proactive disclosure of rights leaves residents in the independent living population feeling uncertain about the rights they have.

**Double referral:** This bill was previously heard in the Assembly Aging and Long Term Care Committee on June 18, 2024, and was approved on a 6-0 vote.

#### **RELATED AND PRIOR LEGISLATION:**

*AB 2171 (Wieckowski), Chapter 702, Statutes of 2014* established a bill of rights for residents of RCFEs and provided that a RCFE shall not discriminate against a person seeking admission or a resident based on sex, race, color, religion, national origin, marital status, registered domestic partner status, ancestry, actual or perceived sexual orientation, or actual or perceived gender identity.

#### **REGISTERED SUPPORT / OPPOSITION:**

##### **Support**

California Advocates for Nursing Home Reform  
California Assisted Living Association  
California Continuing Care Residents Association (CALCRA)

##### **Opposition**

None on file.

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