

PROPOSED

SENATE AMENDMENTS TO H.B. 2199

(Reference to House engrossed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Section 20-1812, Arizona Revised Statutes, is amended to
3 read:

4 20-1812. Disclosure statement; contents; refunds

5 A. At the time of or before the execution of a life care contract
6 and the transfer of any money or other property to a provider pursuant
7 thereto, the provider shall deliver to the person with whom the life care
8 contract is entered into:

9 1. A disclosure statement that contains a copy of the provider's
10 certified financial statements and feasibility study prepared according to
11 section 20-1802 and any other information required by the director. The
12 cover of the disclosure statement shall contain the following statement in
13 bold-faced print: "A permit for this life care facility has been issued by
14 the Arizona department of insurance and financial institutions. This
15 permit does not constitute approval, recommendation or endorsement of the
16 life care facility by the department, nor does it evidence the accuracy or
17 completeness of the information in this statement."

18 2. IF THE LIFE CARE CONTRACT OFFERS A REFUND, A SEPARATE DISCLOSURE
19 DOCUMENT THAT INDICATES:

20 (a) WHETHER AN ENTRANCE FEE WILL BE CHARGED AND WHEN THE PERSON MUST
21 PAY THE ENTRANCE FEE.

22 (b) WHETHER ANY PART OF THE ENTRANCE FEE, OR ANY OTHER AMOUNT, PAID
23 AT ANY TIME BY THE CONTRACT HOLDER OR RESIDENT WILL BE REFUNDED TO THE
24 PERSON OR THE PERSON'S HEIRS.

1 (c) IF A REFUND WILL BE PAID TO THE PERSON OR THE PERSON'S HEIRS,
2 THE AMOUNT OR AMOUNTS TO BE PAID AND THE TIME FOR PAYMENT OF THE AMOUNTS.

3 (d) THE SPECIFIC CONDITIONS OR LIMITS, IF ANY, ON THE PAYMENT OF ANY
4 REFUND, INCLUDING A REQUIREMENT FOR REOCCUPANCY OF A VACATED UNIT, OR ANY
5 OTHER LIMIT OR CONDITION.

6 B. THE DISCLOSURE LANGUAGE PRESCRIBED IN SUBSECTION A, PARAGRAPH 2
7 OF THIS SECTION SHALL BE IN AT LEAST TEN-POINT BOLDFACE TYPE, SHALL BE
8 SIGNED BY THE CONTRACT HOLDER AND THE CONTRACT HOLDER'S PARTNER OR SPOUSE,
9 IF ANY, AND SHALL BE WITNESSED BY AT LEAST TWO INDEPENDENT PERSONS. THE
10 PURCHASER MUST SEPARATELY INITIAL EACH DISCLOSURE PRESCRIBED BY SUBSECTION
11 A, PARAGRAPH 2 OF THIS SECTION AND VERIFY THAT THE PERSON HAS READ AND
12 UNDERSTANDS THE INFORMATION PRESENTED IN EACH DISCLOSURE. THE PROVIDER
13 SHALL GIVE AN INITIALED COPY OF THE SEPARATE DISCLOSURE STATEMENT TO THE
14 CONTRACT HOLDER AT THE TIME OF SIGNING, AND THE PROVIDER SHALL KEEP A
15 SIGNED COPY OF THE INITIALED DISCLOSURE STATEMENT. THE DIRECTOR MAY
16 RECOMMEND OR REQUIRE THAT THE SEPARATE DISCLOSURES BE IN A SPECIFIED FORM.
17 THE FORM MUST CONTAIN THE INFORMATION REQUIRED BY THIS SECTION.

18 Sec. 2. Applicability

19 Section 20-1812, Arizona Revised Statutes, as amended by this act,
20 applies to new and existing life care contracts."

21 Amend title to conform

J.D. MESNARD

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