

BILL ANALYSIS

H.B. 2697
By: Galindo
Human Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Continuing care retirement communities offer quality care to seniors but often require a hefty down-payment and high monthly fees. Through a continuing care at home program, seniors are offered some of the same benefits of a continuing care retirement community at a reduced rate while being able to stay in their homes. These types of programs provide access to services such as on-campus wellness centers, dining, and special events. Additionally, participants may be eligible for home-based services such as transportation, meals, and home health care. H.B. 2697 seeks to provide an affordable alternative to seniors who require some level of care but would also like to stay in their homes.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the commissioner of insurance in SECTION 9 of this bill.

ANALYSIS

H.B. 2697 amends the Health and Safety Code to expand the definition of "continuing care," defined for purposes of the Texas Continuing Care Facility Disclosure and Rehabilitation Act as the furnishing of a living unit, together with personal care services, nursing services, medical services, or other health-related services, regardless of whether the services and the living unit are provided at the same location, to an individual who is not related by consanguinity or affinity to the person furnishing the care and under a continuing care contract, to include the furnishing of personal care services, nursing services, medical services, or other health-related services to such an individual in the individual's residence or otherwise enabling the individual to remain in the individual's residence. The bill specifies that the term "facility" does not include an individual's residence if the residence is not a living unit provided by a person who undertakes to provide continuing care under a continuing care contract. The bill specifies that statutory provisions relating to a disclosure statement regarding a change of circumstances at a facility, a prohibition against requiring a resident who executes a continuing care contract to move into a facility before the expiration of the period during which the contract may be rescinded, and the cancellation of a contract for reasons of death or incapacity before occupancy apply only to a continuing care contract to provide continuing care in a living unit of a facility. The bill requires the commissioner of insurance by rule to establish requirements for escrow release, different from the requirements for releasing an entrance fee to the provider, for money received as an entrance fee in connection with a continuing care contract in circumstances in which a living unit is not furnished to the resident. The bill requires the commissioner of insurance to adopt rules necessary to implement the bill's provisions not later than December 1, 2015.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.