

§ 58-64-25. Contract for continuing care; specifications.

- (a) Each contract for continuing care shall provide that:
- (1) The party contracting with the provider may rescind the contract within 30 days following the later of the execution of the contract or the receipt of a disclosure statement that meets the requirements of this section, and the resident to whom the contract pertains is not required to move into the facility before the expiration of the 30-day period; and
 - (2) If a resident dies before occupying a living unit in the facility, or if, on account of illness, injury, or incapacity, a resident would be precluded from occupying a living unit in the facility under the terms of the contract for continuing care, the contract is automatically canceled; and
 - (3) For rescinded or canceled contracts under this section, the resident or the resident's legal representative shall receive a refund of all money or property transferred to the provider, less (i) periodic charges specified in the contract and applicable only to the period a living unit was actually occupied by the resident; (ii) those nonstandard costs specifically incurred by the provider or facility at the request of the resident and described in the contract or any contract amendment signed by the resident; (iii) nonrefundable fees, if set out in the contract; and (iv) a reasonable service charge, if set out in the contract, not to exceed the greater of one thousand dollars (\$1,000) or two percent (2%) of the entrance fee.
- (b) Each contract shall include provisions that specify the following:
- (1) The total consideration to be paid.
 - (2) Services to be provided.
 - (3) The procedures the provider shall follow to change the resident's accommodation if necessary for the protection of the health or safety of the resident or the general and economic welfare of the residents.
 - (4) The policies to be implemented if the resident cannot pay the periodic fees.
 - (5) The terms governing the refund of any portion of the entrance fee in the event of discharge by the provider or cancellation by the resident.
 - (6) The policy regarding increasing the periodic fees.
 - (7) The description of the living quarters.
 - (8) Any religious or charitable affiliations of the provider and the extent, if any, to which the affiliate organization will be responsible for the financial and contractual obligations of the provider.
 - (9) Any property rights of the resident.
 - (10) The policy, if any, regarding fee adjustments if the resident is voluntarily absent from the facility; and
 - (11) Any requirement, if any, that the resident apply for Medicaid, public assistance, or any public benefit program.
 - (12) The procedures for determining when the individual will transition to receiving lodging and health-related services in the event that a contract allows for the provision or arrangement of continuing care without lodging. (1989, c. 758, s. 1; 1991, c. 196, s. 4; 2010-128, s. 3.)