



Larry Hogan | Governor Boyd K. Rutherford | Lt. Governor Rona E. Kramer | Secretary

MEMORANDUM

To: **Continuing Care Executive Directors/Administrators**

From: **Lori J. Webb, Division Chief, Continuing Care**

Date: **September 2021**

Subject: **Procedures for Annual Renewal Applications for FYE 06-30 Communities**

In order to facilitate the efficient review of Renewal Certificates of Registration for all Continuing Care Retirement Communities (“CCRCs”), the Maryland Department of Aging (the “Department”) is providing the following information in advance of the submission of an Application for Renewal Certificate of Registration (“Application”), pursuant to Code of Maryland Regulations (“COMAR”) 32.02.01.13, for those CCRCs with a fiscal year end of June 30, 2021. **Please be advised that all applications are due on or before October 31, 2021:**

1. The Department requires the submission of certain operating reserve information as part of Exhibit G to the Application. The 2021 Application has been revised to specify that this information includes steps being taken to meet the operating reserve requirements effective beginning January 1, 2023, as set forth in the Human Services Article, Section 10-420(b) (ii) of the Annotated Code of Maryland. Please see the 2021 Application form attached hereto. The 2021 form is also available on the Department’s website at www.aging.maryland.gov/Pages/CCRC.aspx. Please do not use the old form.
2. In the event of a debtor covenant violation and/or downgrading of a bond rating during the fiscal year ending June 30, 2021, the Department requires the submission of a statement related to such violation(s), including a summary of such violation(s), any waiver given, any measures taken to address or correct, and the current status.
3. The Department requires the submission of certain financial ratios as part of Exhibit G to the Application. If any ratios are below the median, a brief explanation is required. Please see the 2021 Application form attached hereto for further detail.
4. Extensions of time to file an Application pursuant to COMAR 32.02.01.13F will not be routinely approved by the Department. Such extensions will only be approved by the Department if sufficient cause is determined by the Department. Late fees of \$10.00 per unit as provided for in COMAR 32.02.01.13F, in addition to the renewal fee of \$25.00 per unit as provided for in COMAR 32.02.01.13C(12), will be charged for late submissions if the Department has not approved an extension, for sufficient cause, pursuant to the procedures set forth in COMAR 32.02.01.13F.

5. **Providers must promptly notify the Department of any minor changes in unit counts, due to combinations or other modifications of any kind**, in order to ensure accurate data throughout provider materials. Please be sure that all such minor changes in unit counts are reflected accurately in the amount of renewal fees paid pursuant to COMAR 32.02.01.13C(12), as well as in the CCRC's Disclosure Statement and all materials submitted as part of the Application pursuant to COMAR 32.02.01.13C. As always, renovations and expansions, as defined in COMAR 32.02.01.01, must be submitted to the Department for approval pursuant to COMAR 32.02.01.15 and 32.02.01.17, respectively.
6. Please be reminded that all Application forms **must be notarized** and must be submitted to the Department both electronically and in hard copy. Due to COVID-19, the Department requests that the full application, including all exhibits and attachments, be submitted electronically. This is in addition to the regular hard copy submission of materials as well as fees.

The Department is providing you with this information now in order to provide all CCRCs with a fiscal year end of June 30, 2021, with sufficient time to prepare well in advance of the Application submission date of no later than October 31, 2021. The Department appreciates your cooperation and assistance in these matters. Please feel free to contact Lori Webb at lorraine.webb@maryland.gov or Amera Bilal at amera.bilal@maryland.gov if you have any questions or need additional information.