

ORANJ Leaf



An occasional electronic publication of the
Organization of Residents Associations of New Jersey www.oranjccrc.org

This second issue of *ORANJ Leaf* is about NaCCRA – National Continuing Care Resident Associations.

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NaCCRA – National Continuing Care Resident Associations by Maggie Heineman

Dan Seeger, president of NaCCRA, spoke briefly, only ten minutes, at the October ORANJ plenary meeting. We learned that there are 600,000 residents of CCRCs in the United States, only 2.5% of the market potential, and that only 11 states have a state association like ORANJ. The purpose of NaCCRA is to provide a vehicle working to empower those who have invested in CCRCs and to facilitate their actions of mutual support. Dan gave examples of contracts that have an escape clause allowing the institution to make unilateral changes to contracts. This is one of the problems that the proposed National Bill of Rights is designed to address. ([link to March 26 draft of the National Bill of Rights](#)). A Bill of Rights discussion kit is available from NaCCRA and Seeger said that, because of ORANJ's success in passage of the Bill of Rights for Independent Living, New Jersey input would be helpful.

Seeger's talk sparked my curiosity and so I took a look at the two NaCCRA websites: naccra.com and naccrau.com. I hope this report will send a few readers to the sites for their own investigations.

The menu across the top of naccra.com includes Advocacy, State Associations, Newsletter, Meetings, News, and About NaCCRA. Each of these menu items except "News" has a dropdown menu with a number of submenus.

THE ADVOCACY DROPDOWN MENU includes these sections:

🍊 **Bill of Rights**

🍊 **Financial Fairness**

🍊 **Accounting Validity**

🍊 **CCRC Governance**

🍊 **Federal Matters**

🍊 **Issues**

🍊 **[Model Law Proposals](#)** – Sixteen Model Law Proposals are catalogued, summarized and linked to a proposed standard. There are model laws for Governance, Financial Guarantee, Financial Responsibility, CCRC Fiduciary Act, Financial Viability and Rehabilitation Act, CCRC Standard Valuation, Prepaid Medicaid Reserve, and Investment Regulation, Nonforfeiture, Contracts, Transfers, Continuing Care at Home, Conversion to Enable Resident Ownership, Self Certification, Federal Trusted Provider Status, and Federal End of Life Palliation.

THE NEWSLETTER ARCHIVE includes 49 issues of NaCCRA *Life Line* going back to 2006. In reviewing recent issues and the first issue of 2015, I found that a number of Ellen Handler's articles in ORANJ had been included in *Life Line*. I also discovered reports by Jack Cummings, NaCCRA Secretary and Director of Research. He is a volunteer from a CCRC in Carlsbad, CA. The links below go to some of his recent articles.

🍊 Developments in Long Term Care – [Mar/Apr 2014 page 3](#)

🍊 How Financially Strong is your CCRC? – [July/Aug 2014 page 3](#)

🍊 Let's Talk Bankruptcy – [Sep/Oct 2014 page 6](#) Jack Cummings has written an excellent article which demonstrates why this subject is very important for CCRCs even though it is in fact a **VERY RARE EVENT**. He argues that bankruptcy restructuring is likely to benefit those who have a financial say but not those who don't, namely, the residents. Judges tend to accept such an arrangement because they are overworked and look for expeditious solutions. In a nonprofit situation, which characterizes many CCRCs, administrators do not have personal equity investments in the business that they manage. Their only financial stake is their compensation. As he says, "Residents are the primary providers of equity investment capital for non-profit CCRCs, yet they are viewed as no more than contracting customers or licensees. Residents only have a say in the financial decisions that affect them if other stakeholders, including the courts, allow it."

NaCCRA is well aware of the inequities in this situation and is trying to find a better solution which would move the continuing care industry on a sounder footing. As Cummings says, "NaCCRA is not antagonistic toward providers. NaCCRA is fully cognizant of the financial challenges that providers face. In its efforts to make continuing care attractive for future generations of residents, NaCCRA is committed to gaining resident protections commensurate with resident trust. This can allow the continuing care model to evolve as the sound model for national aging policy."

🍊 Should Residents Fear Bankruptcy? – [Nov/Dec 2014 page 3](#)

🍊 Tough Love After Bankruptcy – [Jan/Feb 2015 page 9](#)

THE MEETINGS SECTION OF THE WEBSITE has minutes, teleconferences and videos of annual conferences, board meetings, and special events going back to 2011. The video I recommend is of an October 19, 2014 [NaCCRA Panel on Resident Finances and Involvement in CCRC Governance](#). While the entire panel is over two hours, it is divided into sections, and the table of contents on that page indicates how long each section is. For example Jack Cummings presentation on "The Challenge of Changing the Provider Mentality" is 30 minutes and the panel's response to a question from the audience "Are CCRCs a Ponzi Scheme?" is 15 minutes.



NACCRAU – THE RESIDENTS LEARNING CENTER is a separate site at naccrau.com

The categories are "Our World," "Our Lives," "Our Health," and "CCRC Living." There are many topics in each category and many videos.

Q. Who can contribute to the Resident Learning Center?

A: This is a moderated website so contributions must be submitted to the contact person to be reviewed by the Advisory Board before they can be accepted for publication.