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2003 MAR 27 P 4: 43

OFFICE WEST VIRGINIA SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE

Regular Session, 2003

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Committee Substitute Cor SENATE BILL NO. 405	
(By Senator _Plymale, et al)
PASSED March 8, 2003	
In Effect)

FILED

2003 MAR 27 P 4: 43

OFFICE WEST VIRGINIA SECRETARY OF STATE

ENROLLED

COMMITTEE SUBSTITUTE

FOR

Senate Bill No. 405

(SENATORS PLYMALE, HELMICK, PREZIOSO, LOVE, HUNTER, ROWE, JENKINS, ROSS, OLIVERIO, DEMPSEY, MINARD AND SMITH, original sponsors)

[Passed March 8, 2003; in effect from passage.]

AN ACT to repeal article five-h, chapter sixteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended; and to amend and reenact articles five-d and five-t of said chapter, all relating to the changing of personal care homes and residential board and care homes to assisted living residences; defining assisted living; defining limited and intermittent nursing care; establishing limitations and exceptions to definitions; clarifying licensure requirements; specifying duties of licensees; providing for residents to contract for additional services; clarifying responsibilities of property owners; providing for emergency rules; extending

Enr. Com. Sub. For S. B. No. 405] 2

the care home advisory board for an additional six months; and making technical changes throughout.

Be it enacted by the Legislature of West Virginia:

That article five-h, chapter sixteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be repealed; and that articles five-d and five-t of said chapter be amended and reenacted, all to read as follows:

ARTICLE 5D. ASSISTED LIVING RESIDENCES.

§16-5D-1. Purpose.

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- 1 (a) It is the policy of this state to encourage and promote
- 2 the development and utilization of resources to ensure the
- 3 effective care and treatment of persons who are dependent
- 4 upon the services of others by reason of physical or mental
- 5 impairment who may require limited and intermittent
- 6 nursing care, including those individuals who qualify for
- 7 and are receiving services coordinated by a licensed
- 8 hospice. Such care and treatment requires a living envi-
- 9 ronment for such persons which, to the extent practicable,
- 10 will approximate a normal home environment. To this
- 11 end, the guiding principle for administration of the laws of
- 12 the state is that such persons shall be encouraged and
- 13 assisted in securing necessary care and treatment in
- 14 noninstitutional surroundings.
- 15 (b) In recognition that for many such persons effective
- 16 care and treatment can only be secured from proprietary,
- 17 voluntary and governmental assisted living residences, it
- 18 is the policy of this state to encourage, promote and
- 19 require the maintenance of assisted living residences so as
- 20 to ensure protection of the rights and dignity of those
- 21 using the services of assisted living residences.
- 22 (c) The provisions of this article are hereby declared to
- 23 be remedial and shall be liberally construed to effectuate
- 24 its purposes and intents.

§16-5D-2. Definitions.

- 1 (a) As used in this article, unless a different meaning 2 appears from the context:
- 3 (1) "Assisted living residence" means any living facility, residence or place of accommodation, however named, 4 available for four or more residents, in this state which is 5 advertised, offered, maintained or operated by the ownership or management, whether for a consideration or not, 7 for the express or implied purpose of having personal assistance or supervision, or both, provided to any resi-9 dents therein who are dependent upon the services of 10 others by reason of physical or mental impairment and 11 12 who may also require nursing care at a level that is not 13 greater than limited and intermittent nursing care: Pro-14 vided. That the care or treatment in a household, whether for compensation or not, of any person related by blood or 15 16 marriage, within the degree of consanguinity of second 17 cousin to the head of the household, or his or her spouse, 18 may not be deemed to constitute an assisted living resi-19 dence within the meaning of this article. Nothing con-20 tained in this article applies to hospitals, as defined under section one, article five-b of this chapter; or state institu-21 tions, as defined under section three, article one, chapter 22 twenty-five of this code or section six, article one, chapter 23 24 twenty-seven of this code; or personal care homes operated 25 by the federal government or the state; or institutions 26 operated for the treatment and care of alcoholic patients; 27 or offices of physicians; or hotels, boarding homes or other 28 similar places that furnish to their guests only room and 29 board; or to homes or asylums operated by fraternal orders 30 pursuant to article three, chapter thirty-five of this code;
- 31 (2) "Deficiency" means a statement of the rule and the 32 fact that compliance has not been established and the 33 reasons therefor;
- 34 (3) "Department" means the state department of health 35 and human resources;
- 36 (4) "Division" means the bureau for public health of the37 state department of health and human resources;

- 38 (5) "Limited and intermittent nursing care" means direct 39 hands on nursing care of an individual who needs no more 40 than two hours of nursing care per day for a period of time no longer than ninety consecutive days per episode: 41 42 *Provided*, That such time limitations shall not apply to an individual who, after having established a residence in an 43 44 assisted living residence, subsequently qualifies for and receives services coordinated by a licensed hospice and 45 such time limitations shall not apply to home health 46 services provided by a medicare-certified home health 47 agency. Limited and intermittent nursing care may only 48 49 be provided by or under the supervision of a registered professional nurse and in accordance with rules proposed 50 by the secretary for legislative approval in accordance 51 with the provisions of article three, chapter twenty-nine-a 52 of this code: 53
- 54 (6) "Nursing care" means those procedures commonly employed in providing for the physical, emotional and 55 rehabilitational needs of the ill or otherwise incapacitated 56 which require technical skills and knowledge beyond that 57 which the untrained person possesses, including, but not 58 59 limited to, such procedures as: Irrigations, catheterization, special procedures contributing to rehabilitation and 60 administration of medication by any method which 61 62 involves a level of complexity and skill in administration not possessed by the untrained person; 63
- 64 (7) "Person" means an individual and every form of 65 organization, whether incorporated or unincorporated, 66 including any partnership, corporation, trust, association 67 or political subdivision of the state;
- 68 (8) Personal assistance" means personal services, includ-69 ing, but not limited to, the following: Help in walking, 70 bathing, dressing, feeding or getting in or out of bed, or 71 supervision required because of the age or mental impair-72 ment of the resident;
- 73 (9) "Resident" means an individual living in an assisted 74 living residence for the purpose of receiving personal 75 assistance or limited and intermittent nursing services;

- 76 (10) "Secretary" means the secretary of the state depart-
- 77 ment of health and human resources or his or her designee;
- 78 and
- 79 (11) "Substantial compliance" means a level of compli-
- 80 ance with the rules such that identified deficiencies pose
- 81 no greater risk to resident health or safety than the
- 82 potential for causing minimal harm.
- 83 (b) The secretary may define in rules any term used
- 84 herein which is not expressly defined.

§16-5D-3. Powers, duties and rights of secretary.

- 1 In the administration of this article, the secretary has the
- 2 following powers, duties and rights:
- 3 (a) To enforce rules and standards for assisted living
- 4 residences which are adopted, promulgated, amended or
- 5 modified by the secretary;
- 6 (b) To exercise as sole authority all powers relating to
- 7 the issuance, suspension and revocation of licenses of
- 8 assisted living residences;
- 9 (c) To enforce rules adopted, promulgated, amended or
- 10 modified by the secretary governing the qualification of
- 11 applicants for assisted living residences, including, but not
- 12 limited to, educational requirements, financial require-
- 13 ments, personal and ethical requirements;
- 14 (d) To receive and disburse federal funds and to take
- 15 whatever action not contrary to law as may be proper and
- 16 necessary to comply with the requirements and conditions
- 17 for the receipt of federal funds;
- 18 (e) To receive and disburse for authorized purposes any
- 19 moneys appropriated for the division by the Legislature;
- 20 (f) To receive and disburse for purposes authorized by
- 21 this article, any funds that may come to the division by
- 22 gift, grant, donation, bequest or devise, according to the

- 23 terms thereof, as well as funds derived from the division's
- 24 operation or otherwise;
- 25 (g) To make contracts and to execute all instruments
- 26 necessary or convenient in carrying out the secretary's
- 27 functions and duties; and all such contracts, agreements
- 28 and instruments shall be executed by the secretary;
- 29 (h) To appoint officers, agents, employees and other 30 personnel and fix their compensation:
- 31 (i) To offer and sponsor educational and training pro-
- 32 grams for assisted living residences' administrative,
- 33 management and operational personnel;
- 34 (j) To undertake survey, research and planning projects
- 35 and programs relating to administration and operation of
- 36 assisted living residences and to the health, care, treatment
- 37 and service in general of residents of assisted living
- 38 residences:
- 39 (k) To assess civil penalties for violations of assisted
- 40 living residence standards in accordance with section ten
- 41 of this article:
- 42 (1) To inspect any assisted living residence and any
- 43 records maintained therein subject to the provisions of
- 44 section ten of this article:
- 45 (m) To establish and implement procedures, including
- 46 informal conferences, investigations and hearings, subject
- 47 to applicable provisions of article three, chapter twenty-
- 48 nine-a of this code, and to enforce compliance with the
- 49 provisions of this article and with rules issued hereunder
- 50 by the secretary;
- 51 (n) To subpoena witnesses and documents, administer
- 52 oaths and affirmations and to examine witnesses under
- 53 oath for the conduct of any investigation or hearing. Upon
- 54 failure of a person without lawful excuse to obey a sub-
- 55 poena to give testimony and upon reasonable notice to all
- 56 persons affected thereby, the secretary may apply to the

57 circuit court of the county in which the hearing is to be 58 held or to the circuit court of Kanawha County for an 59 order compelling compliance;

- 60 (o) To make complaint or cause proceedings to be instituted against any person for the violation of the 61 62 provisions of this article or of rules issued hereunder by the secretary. Such action may be taken by the secretary 63 64 without the sanction of the prosecuting attorney of the county in which proceedings are instituted if the prosecut-65 ing attorney fails or refuses to discharge his or her duty. 66 The circuit court of Kanawha County or the circuit court 67 of the county in which the conduct has occurred shall have 68 jurisdiction in all civil enforcement actions brought under 69 this article and may order equitable relief without bond. 70 71 In no such case may the secretary or any person acting 72 under the secretary's direction be required to give security for costs; 73
- 74 (p) To delegate authority to the secretary's employees 75 and agents to perform all functions of the secretary except 76 the making of final decisions in adjudications; and
- 77 (g) To submit an annual report to the governor, the Legislature and the public. The report shall describe the 78 79 assisted living residence licensing and investigatory 80 activities of the division during the year and the nature 81 and status of other activities of the division and may 82 include comment on the acts, policies, practices or procedures of any public or private agency that affect the rights. 83 health or welfare of residents of assisted living residences. 84 85 The annual report shall include a list of all assisted living 86 residences in the state and such of the following informa-87 tion as the secretary determines to apply: Whether the 88 assisted living residences are proprietary or nonpropri-89 etary; the classification of each assisted living residence; 90 the name of the owner or owners; the total number of beds; 91 the number of private and semiprivate rooms; the costs per diem for private residents; the number of full-time em-92 ployees and their professions; recreational programs; 93

- 94 services and programs available as well as the costs
- 95 thereof; and whether or not those assisted living residences
- 96 listed accept medicare and medicaid residents. The report
- 97 shall also contain the division's recommendations as to
- 98 changes in law or policy which it deems necessary or
- 99 appropriate for the protection of the rights, health or
- 100 welfare of residents of assisted living residences in the
- 101 state.

§16-5D-4. Administrative and inspection staff.

- 1 The secretary may, as he or she determines necessary,
- 2 employ administrative employees, inspectors or other
- 3 persons as may be necessary to properly carry out the
- 4 provisions of this article. All employees of the division
- 5 shall be members of the state civil service system. Inspec-
- 6 tors and other employees as may be duly designated by the
- 7 secretary shall act as the secretary's representatives and,
- 8 under the direction of the secretary, shall enforce the
- 9 provisions of this article and all duly promulgated rules of
- the secretary and, in the discharge of official duties, shall
- 11 have the right of entry into any place maintained as an
- 12 assisted living residence at any time.

§16-5D-5. Rules; minimum standards for assisted living residences.

- 1 (a) The secretary shall propose rules for legislative
- 2 approval in accordance with the provisions of article three,
- 3 chapter twenty-nine-a of this code to carry out the pur-
- 4 poses and intent of this article and to enable the secretary
- 5 to exercise the powers and perform the duties conferred
- 6 upon the secretary by this article.
- 7 (b) The secretary shall propose rules establishing mini-
- 8 mum standards of operation of assisted living residences,
- 9 including, but not limited to, the following:
- 10 (1) Administrative policies, including:
- 11 (A) An affirmative statement of the right of access to
- 12 assisted living residences by members of recognized

- 13 community organizations and community legal services
- 14 programs whose purposes include rendering assistance
- 15 without charge to residents, consistent with the right of
- 16 residents to privacy; and
- 17 (B) A statement of the rights and responsibilities of residents:
- 19 (2) Minimum numbers and qualifications of personnel,
- 20 including management, medical and nursing, aides,
- 21 orderlies and support personnel, according to the size and
- 22 classification of the assisted living residence;
- 23 (3) Safety requirements;
- 24 (4) Sanitation requirements;
- 25 (5) Protective and personal services to be provided;
- 26 (6) Dietary services to be provided;
- 27 (7) Maintenance of health records;
- 28 (8) Social and recreational activities to be made avail-
- 29 able;
- 30 (9) Physical facilities;
- 31 (10) Requirements related to provision of limited and
- 32 intermittent nursing; and
- 33 (11) Such other categories as the secretary determines to
- 34 be appropriate to ensure resident's health, safety and
- 35 welfare.
- 36 (c) The secretary shall include in rules detailed standards
- 37 for each of the categories of standards established pursu-
- 38 ant to subsections (b) and (d) of this section and shall
- 39 classify such standards as follows:
- 40 (1) Class I standards are standards the violation of
- 41 which, as the secretary determines, would present either
- 42 an imminent danger to the health, safety or welfare of any
- 43 resident or a substantial probability that death or serious
- 44 physical harm would result;
- 45 (2) Class II standards are standards which the secretary
- 46 determines have a direct or immediate relationship to the

- health, safety or welfare of any resident, but which do not create imminent danger;
- 49 (3) Class III standards are standards which the secretary 50 determines have an indirect or a potential impact on the 51 health, safety or welfare of any resident.
- 52 (d) An assisted living residence shall attain substantial 53 compliance with standards established pursuant to section 54 five of this article and such other requirements for a 55 license as may be established by rule under this article.

§16-5D-6. License required; application; fees; duration; renewal.

(a) There shall be one assisted living residence license for 1 2 each assisted living residence. Subject to the provisions of section seventeen of this article, no person may establish, 3 4 operate, maintain, offer or advertise an assisted living residence within this state unless and until he or she 5 obtains a valid license therefor as provided in this article. 6 7 which license remains unsuspended, unrevoked and 8 unexpired. No public official or employee may place any person in, or recommend that any person be placed in, or 9 10 directly or indirectly cause any person to be placed in, any assisted living residence, as defined in section two of this 11 12 article, which is being operated without a valid license 13 from the secretary. The licensee shall be responsible for, 14 and shall have complete control of, the operation and premises of the assisted living residence and the personal 15 16 assistance and supervision provided to the residents: Provided, That the secretary may review any leases or any 17 contracts, subcontracts, agreements or arrangements for 18 the provision of on-site services to the residents of an 19 assisted living residence to ensure the proper care, safety 20 and welfare of current or potential residents. Nothing in 21 22 this article shall be construed to prevent or prohibit the 23 ability of a resident of an assisted living residence to contract or arrange for, and to receive, privately paid 24 25nursing care or personal assistance in addition to those 26services provided by the licensee, subject to the consent and cooperation of the licensee and consistent with the 2728 duties and responsibilities imposed by this section.

- 29 (b) Nothing in this article shall be construed to require the licensing of landlords or property owners who are not 30 involved in the provision of supervision, personal assis-31 tance, limited and intermittent nursing care or other on-32 site professional services for the residents of an assisted 33 living residence or in the advertising, recruitment of 34 residents, transportation of residents or other substantial 35 and ongoing services for the operation or maintenance of 36 the assisted living residence. 37
- 38 (c) The procedure for obtaining a license shall be as 39 follows:
- (1) The applicant shall submit an application to the 40 secretary on a form to be prescribed by the secretary, 41 containing such information as may be necessary to show 42 that the applicant is in compliance with the standards for 43 assisted living residences as established by this article and 44 the rules lawfully promulgated by the secretary hereunder. 45 The application and any exhibits thereto shall provide the 46 following information: 47
- 48 (A) The name and address of the applicant;
- 49 (B) The name, address and principal occupation:
- 50 (i) Of each person who, as a stockholder or otherwise, 51 has a proprietary interest of ten percent or more in the 52 applicant;
- 53 (ii) Of each officer and director of a corporate applicant;
- 54 (iii) Of each trustee and beneficiary of an applicant 55 which is a trust; and
- 56 (iv) Where a corporation has a proprietary interest of 57 twenty-five percent or more in an applicant, the name, 58 address and principal occupation of each officer and 59 director of the corporation;
- 60 (C) The name and address of the owner of the premises 61 of the assisted living residence or proposed assisted living 62 residence, if he or she is a different person from the 63 applicant, and in such case, the name and address:

- 64 (i) Of each person who, as a stockholder or otherwise,
- 65 has a proprietary interest of ten percent or more in the
- 66 owner;
- 67 (ii) Of each officer and director of a corporate applicant;
- 68 (iii) Of each trustee and beneficiary of the owner if it is
- 69 a trust: and
- 70 (iv) Where a corporation has a proprietary interest of
- 71 twenty-five percent or more in the owner, the name and
- 72 address of each officer and director of the corporation;
- 73 (D) Where the applicant is the lessee or the assignee of
- 74 the assisted living residence or the premises of the pro-
- 75 posed assisted living residence, a signed copy of the lease
- 76 and any assignment thereof;
- 77 (E) The name and address of the assisted living residence
- 78 or the premises of the proposed assisted living residence;
- 79 (F) The proposed bed quota of the assisted living resi-
- 80 dence and the proposed bed quota of each unit thereof;
- 81 (G) An organizational plan for the assisted living
- 82 residence indicating the number of persons employed or to
- 83 be employed, the positions and duties of all employees;
- 84 (H) The name and address of the individual who is to
- 85 serve as administrator;
- 86 (I) Such evidence of compliance with applicable laws
- 87 and rules governing zoning, buildings, safety, fire preven-
- 88 tion and sanitation as the secretary may require; and
- 89 (J) Such additional information as the secretary may
- 90 require.
- 91 (d) Upon receipt and review of an application for license
- 92 made pursuant to subsection (a) of this section and inspec-
- 93 tion of the applicant assisted living residence pursuant to
- 94 section ten of this article, the secretary shall issue a license
- 95 if he or she finds:
- 96 (1) That an individual applicant, and every partner,
- 97 trustee, officer, secretary and controlling person of an

- 98 applicant which is not an individual, is a person responsi-
- 99 ble and suitable to operate or to direct or participate in the
- 100 operation of an assisted living residence by virtue of
- 101 financial capacity, appropriate business or professional
- 102 experience, a record of compliance with lawful orders of
- the department, if any, and lack of revocation of a license
- 104 during the previous five years;
- 105 (2) That the assisted living residence is under the super-
- 106 vision of an administrator who is qualified by training and
- 107 experience; or
- 108 (3) That the assisted living residence is in substantial
- 109 compliance with standards established pursuant to section
- 110 five of this article and such other requirements for a
- 111 license as the secretary may establish by rule under this
- 112 article.
- (e) The secretary may deny an initial or renewal license
- 114 if the information provided in an application or report is
- known by the applicant to be false or the applicant fails to
- 116 report required information or for any other reason
- permitted by law or rules promulgated pursuant to this
- 118 article.
- (f) Any license granted by the secretary shall state the
- 120 maximum bed capacity for which it is granted, the date
- 121 the license was issued and the expiration date. Licenses
- shall be issued for a period not to exceed one year for
- 123 assisted living residences: *Provided*, That any such license
- 124 in effect for which timely application for renewal, together
- 125 with payment of the proper fee has been made to the state
- division of health in conformance with the provisions of
- 120 division of hearth in comormance with the provisions of
- $\,$ 127 $\,$ this article and the rules issued the reunder and prior to the
- $\,$ 128 $\,$ expiration date of the license shall continue in effect until:
- 129 (1) One year following the expiration date of the license; or
- 130 (2) the date of the revocation or suspension of the license
- 131 pursuant to the provisions of this article; or (3) the date of
- 132 issuance of a new license, whichever date first occurs.
- 133 Each license shall be issued only for the premises and
- persons named in the application and is not transferable

- or assignable: *Provided*, *however*, That in the case of the
- transfer of ownership of an assisted living residence with
- an unexpired license, the application of the new owner for
- 138 a license shall have the effect of a license for a period of
- three months when filed with the secretary. Every license
- 140 shall be posted in a conspicuous place in the assisted living
- 141 residence for which it is issued so as to be accessible to and
- 142 in plain view of all residents and visitors of the assisted
- 143 living residence.
- 144 (g) An original license shall be renewable, conditioned
- 145 upon the licensee filing timely application for the exten-
- sion of the term of the license accompanied by the fee and
- 147 contingent upon evidence of compliance with the provi-
- 148 sions of this article and rules promulgated by the secretary
- 149 hereunder; the application shall be accompanied by:
- $150\,$ $\,$ (1) The information required in paragraphs (A), (B) and
- 151 (C), subdivision (1) of this subsection.
- 152 (2) A balance sheet of the assisted living residence as of
- 153 the end of its fiscal year, setting forth assets and liabilities
- 154 at such date, including all capital, surplus, reserve,
- 155 depreciation and similar accounts;
- 156 (3) A statement of operations of the assisted living
- 157 residence as of the end of its fiscal year, setting forth all
- 158 revenues, expenses, taxes, extraordinary items and other
- 159 credits or charges; and
- 160 (4) A statement of any changes in the name, address,
- 161 management or ownership information on file with the
- 162 secretary.
- (h) In the case of an application for a renewal license, if
- all requirements of section five of this article are not met,
- 165 the secretary may in his or her discretion issue a provi-
- 166 sional license, provided that care given in the assisted
- 167 living residence is adequate for resident needs and the
- 168 assisted living residence has demonstrated improvement
- and evidences potential for substantial compliance within
- 170 the term of the license: Provided, That a provisional

- 171 renewal may not be issued for a period greater than one
- year, may not be renewed and may not be issued to any
- 173 assisted living residence with uncorrected violations of any
- 174 Class I standard, as defined in subsection (c), section five
- 175 of this article.
- 176 (i) A nonrefundable application fee in the amount of 177 sixty-five dollars for an original assisted living residence
- $\,$ 178 $\,$ license shall be paid at the time application is made for the
- 179 license. An average cost of all direct costs for the initial
- 180 licensure for the preceding ten facilities based on the size
- 181 of the facility's licensed bed capacity shall be borne by the
- 182 applicant and shall be received by the secretary prior to
- 183 the issuance of an initial or amended license. The license
- 184 fee for renewal of a license shall be at the rate of six
- 185 dollars per bed per year for assisted living residences
- 186 except the annual rate per bed may be assessed for licenses
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- 187 issued for less than one year. The secretary may annually
- $\,$ 188 $\,$ adjust the licensure fees for inflation based upon the
- 189 consumer price index. The bed capacity for the holder of
- 190 each license shall be determined by the secretary. All
- 191 license fees shall be due and payable to the secretary,
- annually, and in the manner set forth in the rules promul-
- 193 gated by the secretary. The fee and application shall be
- 194 submitted to the secretary who shall retain both the
- 195 application and fee pending final action on the applica-
- 196 tion. All fees received by the secretary under the provi-
- 197 sions of this article shall be deposited in accordance with
- 198 section thirteen, article one of this chapter.

§16-5D-7. Cost disclosure; surety for residents' funds.

- 1 (a) Each assisted living residence shall disclose in
- 2 writing to all prospective residents a complete and accu-
- 3 rate list of all costs which may be incurred by them.
- 4 Residents are not liable for any cost not so disclosed.
- 5 (b) If the assisted living residence handles any money for
- 6 residents within the assisted living residence, the licensee
- 7 or his or her authorized representative shall give a bond in
- 8 an amount consistent with this subsection and with such

- 9 surety as the secretary shall approve. The bond shall be
- 10 upon condition that the licensee shall hold separately and
- 11 in trust all residents' funds deposited with the licensee,
- 12 shall administer the funds on behalf of the resident in the
- 13 manner directed by the depositor, shall render a true and
- 14 complete account to the depositor and the secretary when
- 15 requested, and at least quarterly to the resident, and upon
- 16 termination of the deposit, shall account for all funds
- 17 received, expended and held on hand. The licensee shall
- 18 file a bond in a sum to be fixed by the secretary based
- 19 upon the magnitude of the operations of the applicant, but
- 20 which sum may not be less than two thousand five hun-
- 21 dred dollars.
- 22 (c) Every person injured as a result of any improper or
- 23 unlawful handling of the money of a resident of a assisted
- 24 living residence may bring an action in a proper court on
- 25 the bond required to be posted by the licensee pursuant to
- 26 this subsection for the amount of damage suffered as a
- 27 result thereof to the extent covered by the bond. When-
- 28 ever the secretary determines that the amount of any bond
- 29 which is filed pursuant to this subsection is insufficient to
- 30 adequately protect the money of residents which is being
- 31 handled or whenever the amount of any bond is impaired
- 32 by any recovery against the bond, the secretary may
- 33 require the licensee to file an additional bond in such
- 34 amount as necessary to adequately protect the money of
- 35 residents being handled.
- 36 (d) The provisions of subsection (b) of this section do not
- 37 apply if the licensee handles less than twenty-five dollars
- 38 per resident and less than five hundred dollars for all
- 39 residents in any month.

§16-5D-8. Investigation of complaints.

- 1 (a) The secretary shall establish by rule procedures for
- 2 prompt investigation of all complaints of alleged viola-
- 3 tions by assisted living residences of applicable require-
- 4 ments of state law or rules, except for such complaint's that
- 5 the secretary determines are willfully intended to harass

- a licensee or are without any reasonable basis. Such procedures shall include provisions for ensuring the confidentiality of the complainant and of any other person
- 9 so named in the complaint and for promptly informing the
- complainant and the assisted living residence involved of 10
- the results of the investigation. 11
- 12 (b) If, after its investigation, the secretary determines 13 that the complaint has merit, the secretary shall take
- appropriate disciplinary action and shall advise any 14
- injured party of the possibility of a civil remedy under this 15
- 16 article.
- 17 (c) No assisted living residence may discharge or in any
- manner discriminate against any resident or employee for 18
- 19 the reason that the resident or employee has filed a
- 20 complaint or participated in any proceeding specified in
- 21 this article. Violation of this prohibition by any assisted
- 22 living residence constitutes ground for the suspension or
- 23 revocation of the license of the assisted living residence as
- 24 provided in section eleven of this article. Any type of
- 25 discriminatory treatment of a resident or employee by
- whom, or upon whose behalf, a complaint has been 26
- submitted to the secretary, or any proceeding instituted 27
- 28 under this article, within one hundred twenty days of the
- filing of the complaint or the institution of the action, 29
- shall raise a rebuttable presumption that the action was 30
- taken by the assisted living residence in retaliation for the 31
- complaint or action. 32

§16-5D-9. Inspections.

- 1 (a) The secretary and any duly designated employee or
- agent thereof shall have the right to enter upon and into
- 3 the premises of any assisted living residence at any time
- 4 for which a license has been issued, for which an applica-
- 5 tion for license has been filed with the secretary, or which
- 6 the secretary has reason to believe is being operated or
- maintained as an assisted living residence without a 7
- license. If entry is refused by the owner or person in
- charge of the assisted living residence, the secretary shall

- 10 apply to the circuit court of the county in which the
- 11 assisted living residence is located or the circuit court of
- 12 Kanawha County for an order authorizing inspection and
- 13 the court shall issue an appropriate order if it finds good
- 14 cause.
- 15 (b) The secretary, by the secretary's authorized employ-
- 16 ees or agents, shall conduct at least one inspection prior to
- 17 issuance of a license pursuant to section six of this article
- 18 and shall conduct periodic unannounced inspections
- 19 thereafter to determine compliance by the assisted living
- 20 residence with applicable statutes and rules promulgated
- 21 thereunder. All assisted living residences shall comply
- 22 with rules of the state fire commission. The state fire
- 23 marshal, by his or her employees or authorized agents,
- 24 shall make all fire, safety and like inspections. The
- 25 secretary may provide for such other inspections as the
- 26 secretary may deem necessary to carry out the intent and
- 27 purpose of this article. If after investigating a complaint
- 28 the secretary determines that the complaint is substanti-
- 29 ated and that an immediate and serious threat to a resi-
- 30 dent's health or safety exists, the secretary may invoke any
- 31 remedies available pursuant to section eleven of this
- 32 article. Any assisted living residence aggrieved by a
- 33 determination or assessment made pursuant to this section
- 34 shall have the right to an administrative appeal as set
- 35 forth in section twelve of this article.

§16-5D-10. Reports of inspections; plans of correction; assessment of penalties and use of funds derived therefrom; hearings.

- 1 (a) Reports of all inspections made pursuant to section
- 2 nine of this article shall be in writing and filed with the
- 3 secretary and shall list all deficiencies in the assisted
- 4 living residence's compliance with the provisions of this
- 5 article and the rules adopted by the secretary hereunder.
- 6 The secretary shall send a copy of the report to the assisted
- 7 living residence by certified mail, return receipt requested,
- 8 and shall specify a time within which the assisted living

9 residence shall submit a plan for correction of deficiencies, 10 which plan shall be approved, rejected or modified by the 11 secretary. The surveyors shall allow audio taping of the 12 exit conference for licensure inspections with all costs 13 directly associated with the taping to be paid by the 14 assisted living residence provided that an original tape is 15 provided to surveyors at the end of taping.

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- (b) Upon an assisted living residence's failure to submit a plan of correction which is approved by the secretary or to correct any deficiency within the time specified in an approved plan of correction, the secretary may assess civil penalties as hereinafter provided or may initiate any other legal or disciplinary action as provided by this article.
- (c) Nothing in this section may be construed to prohibit the secretary from enforcing a rule, administratively or in court, without first affording formal opportunity to make correction under this section, where, in the opinion of the secretary, the violation of the rule jeopardizes the health or safety of residents or where the violation of the rule is the second or subsequent violation occurring during a period of twelve full months.
- 30 (d) Civil penalties assessed against assisted living residences shall be classified according to the nature of the 31 32 violation as defined in subsection (c), section five of this 33 article and rules promulgated thereunder by the secretary, 34 as follows: For each violation of a Class I standard, a civil penalty of not less than fifty nor more than five hundred 35 36 dollars shall be imposed; for each violation of a Class II 37 standard, a civil penalty of not less than twenty-five nor 38 more than fifty dollars shall be imposed; for each violation 39 of a Class III standard, a civil penalty of not less than ten 40 nor more than twenty-five dollars shall be imposed. Each 41 day a violation continues, after the date of citation, shall 42 constitute a separate violation. The date of citation is the 43 date the facility receives the written statement of deficien-44 cies.

- 45 (e) The secretary shall assess a civil penalty not to exceed 46 two thousand dollars against any individual who notifies, 47 or causes to be notified, an assisted living residence of the 48 time or date on which an inspection is scheduled to be 49 conducted under this article.
- 50 (f) If the secretary assesses a penalty under this section, the secretary shall cause delivery of notice of the penalty 51 by personal service or by certified mail. The notice shall 52 53 state the amount of the penalty, the action or circumstance for which the penalty is assessed, the requirement that the 54 55 action or circumstance violates and the basis upon which the secretary assessed the penalty and selected the amount 56 of the penalty. 57
- 58 (g) The secretary shall, in a civil judicial proceeding, 59 recover any unpaid assessment which has not been contested under section twelve of this article within thirty 60 61 days of receipt of notice of the assessment or which has 62 been affirmed under the provisions of that section and not 63 appealed within thirty days of receipt of the secretary's final order or which has been affirmed on judicial review, 64 as provided in section thirteen of this article. All money 65 collected by assessments of civil penalties or interest shall 66 67 be paid into a special resident benefit account and shall be 68 applied by the secretary only for the protection of the health or property of residents of assisted living residences 69 70 operated within the state that the secretary finds to be deficient, including payment for the costs of relocation of 71 72 residents to other facilities, operation of an assisted living 73 residence pending correction of deficiencies or closure and 74 reimbursement of residents for personal funds lost.
 - (h) The opportunity for a hearing on an action taken under this section shall be as provided in section twelve of this article. In addition to any other rights of appeal conferred upon an assisted living residence pursuant to this section, an assisted living residence shall have the right to request a hearing and seek judicial review pursuant to sections twelve and thirteen of this article to contest

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- 82 the citing by the secretary of a deficiency on an inspection
- 83 report, irrespective of whether the deficiency results in the
- 84 imposition of a civil penalty.

§16-5D-11. License limitation, suspension, revocation; ban on admissions; continuation of disciplinary proceedings; closure, transfer of residents, appointment of temporary management; assessment of interest; collection of assessments; hearings.

- 1 (a) The secretary shall, by order, impose a ban on the
- 2 admission of residents or reduce the bed quota of the
- 3 assisted living residence, or any combination thereof,
- 4 where he or she finds upon inspection of the assisted living
- 5 residence that the licensee is not providing adequate care
- 6 under the assisted living residence's existing bed quota
- 7 and that reduction in quota or imposition of a ban on
- 8 admissions, or any combination thereof, would place the
- 9 licensee in a position to render adequate care. Any notice
- 10 to a licensee of reduction in quota or ban on new admis-
- 11 sions shall include the terms of the order, the reasons
- 12 therefor and the date set for compliance.
- 13 (b) The secretary may suspend or revoke a license issued
- 14 under this article if he or she finds upon inspection that
- 15 there has been a substantial failure to comply with the
- 16 provisions of this article or the standards or rules promul-
- 17 gated pursuant hereto.
- 18 (c) Whenever a license is limited, suspended or revoked
- 19 pursuant to this section, the secretary shall file an admin-
- 20 istrative complaint stating facts constituting a ground or
- 21 grounds for the limitation, suspension or revocation. Upon
- 22 the filing of the administrative complaint, the secretary
- 23 shall notify the licensee in writing of the filing of the
- 24 administrative complaint, enclosing a copy of the com-
- 25 plaint, and shall advise the licensee of the availability of
- 26 a hearing pursuant to section twelve of this article. The
- 27 notice and copy of the administrative complaint shall be
- 28 served on the licensee by certified mail, return receipt
- 29 requested.

- 30 (d) The suspension, expiration, forfeiture or cancellation by operation of law or order of the secretary of a license 31 32 issued by the secretary or the withdrawal of an application 33 for a license after it has been filed with the secretary, may 34 not deprive the secretary of the secretary's authority to 35 institute or continue a disciplinary proceeding or a proceeding for the denial of a license application against the 36 licensee or applicant upon any ground provided by law or 37 to enter an order denying the license application or 38 39 suspending or revoking the license or otherwise taking disciplinary action on any such ground. 40
- 41 (e) In addition to other remedies provided in this article, 42 upon petition from the secretary, the circuit court of the county in which the conduct has occurred or is occurring, 43 or the circuit court of Kanawha County, may determine 44 45 that an assisted living residence's deficiencies under this article constitute an emergency immediately jeopardizing 46 47 the health, safety, welfare or rights of its residents and issue an order to: 48
- 49 (1) Close the assisted living residence;
- 50 (2) Transfer residents in the assisted living residence to 51 other facilities; or
- 52 (3) Appoint temporary management to oversee the 53 operation of the assisted living residence and to assure the 54 health, safety, welfare and rights of the assisted living 55 residence's residents where there is a need for temporary 56 management while:
- 57 (A) There is an orderly closure of the assisted living 58 residence; or
- (B) Improvements are made in order to bring the assisted
 living residence into compliance with all the applicable
 requirements of this article.
- (f) If the secretary petitions a circuit court for the closure
 of an assisted living residence, the transfer of residents or
 the appointment of a temporary management, the circuit
 court shall hold a hearing no later than seven days thereaf-

ter, at which time the secretary and the licensee or operator of the assisted living residence may participate and
present evidence.

- 69 (g) A circuit court may divest the licensee or operator of 70 possession and control of an assisted living residence in favor of temporary management. The temporary manage-71 72 ment shall be responsible to the court and shall have such 73 powers and duties as the court may grant to direct all acts 74 necessary or appropriate to conserve the property and 75 promote the health, safety, welfare and rights of the 76 residents of the assisted living residence, including, but not 77 limited to, the replacement of management and staff, the 78 hiring of consultants, the making of any necessary expen-79 ditures to close the assisted living residence or to repair or improve the assisted living residence so as to return it to 80 compliance with applicable requirements and the power to 81 82 receive, conserve and expend funds, including payments on 83 behalf of the licensee or operator of the assisted living 84 Priority shall be given to expenditures for residence. current direct resident care or the transfer of residents. 85
- 86 (h) The person charged with temporary management: (i) 87 Shall be an officer of the court; (ii) shall be paid by the licensee: (iii) is not liable for conditions at the assisted 88 89 living residence which existed or originated prior to his or 90 her appointment; (iv) is not personally liable, except for 91 his or her own gross negligence and intentional acts which result in injuries to persons or damage to property at the 92 93 assisted living residence during his or her temporary 94 management.
- 95 (i) No person may impede the operation of temporary 96 management. There shall be an automatic stay for a 97 ninety-day period subsequent to the establishment of 98 temporary management of any action that would interfere 99 with the functioning of the assisted living residence, 100 including, but not limited to, cancellation of insurance 101 policies, termination of utility services, attachments to 102 working capital accounts, foreclosures, evictions and

103 repossessions of equipment used in the assisted living 104 residence.

- 105 (j) A temporary management established for the purpose of making improvements in order to bring the assisted 106 107 living residence into compliance with applicable require-108 ments may not be terminated until the court has deter-109 mined that the assisted living residence has the manage-110 ment capability to ensure continued compliance with all 111 applicable requirements, except if the court has not made 112 such determination within six months of the establishment 113 of the temporary management, the temporary management 114 terminates by operation of law at that time and the 115 assisted living residence shall be closed. After the termi-116 nation of the temporary management, the person who was 117 responsible for the temporary management shall make an accounting to the court and after deducting from receipts 118 119 the costs of the temporary management, expenditures and 120 civil penalties and interest no longer subject to appeal, in 121 that order, any excess shall be paid to the licensee or 122 operator of the assisted living residence.
- 123 (k) The assessments for penalties and for costs of actions 124 taken under this article shall have interest assessed at five 125 percent per annum beginning thirty days after receipt of notice of the assessment or thirty days after receipt of the 126 127 secretary's final order following a hearing, whichever is 128 later. All assessments against an assisted living residence 129 that are unpaid shall be added to the assisted living residence's licensure fee and may be filed as a lien against 130 the property of the licensee or operator of the assisted 131 132 living residence. Funds received from assessments shall be 133 deposited as funds received as provided in section ten of 134 this article.
- 135 (l) The secretary shall have the power to promulgate 136 emergency rules that expand the power of the secretary in 137 excess of that provided in this article to the extent re-138 quired to comply with federal requirements, but any such 139 rules shall expand the power of the secretary to the

- 140 minimum extent required by federal requirements. The
- 141 rules are subject to the provisions of article three, chapter
- 142 twenty-nine-a of this code.
- 143 (m) The opportunity for a hearing on an action by the
- 144 secretary taken under this section shall be as provided in
- 145 section twelve of this article.

§16-5D-12. Administrative appeals for civil assessments, license limitation, suspension or revocation.

- 1 (a) Any licensee or applicant aggrieved by an order
- 2 issued pursuant to sections five, six, ten or eleven of this
- 3 article may request a formal or informal hearing with the
- 4 secretary or program manager in order to contest the order
- 5 as contrary to law or unwarranted by the facts or both. If
- 6 the contested matter is not resolved at the informal
- 7 hearing, the licensee or applicant may request a formal
- 8 hearing before the secretary. An informal hearing is not a
- 9 prerequisite for requesting a formal hearing.
- 10 (b) Informal hearings shall be held within twenty
- 11 business days of the secretary's receipt of timely request
- 12 for appeal unless the licensee or applicant consents to a
- 13 postponement or continuance. In no event may the
- 14 informal hearing occur more than thirty business days
- 15 after the secretary receives a timely request for appeal.
- 16 Neither the licensee or applicant nor the secretary may be
- 17 represented by an attorney at the informal hearing.
- 18 Within ten business days of the conclusion of the informal
- 19 hearing, the secretary, program manager or designee shall
- 20 issue an informal hearing order, including the basis for the
- 21 decision. If the order is not favorable to the licensee or
- 22 applicant, the licensee or applicant may request an appeal
- 23 and a formal hearing. The secretary shall notify the
- 24 administrative hearing examiner of the request for appeal
- 25 within five business days of receiving the request for an
- 26 appeal and a formal hearing.
- 27 (c) If the applicant or licensee requests a formal hearing
- 28 without a prior informal hearing or if an applicant or

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- 29 licensee appeals the order issued as a result of the informal
- hearing, the secretary shall proceed in accordance with the 30
- 31 department's rules of procedure for contested case hear-
- 32 ings and declaratory rulings and the pertinent provisions
- 33 of article five, chapter twenty-nine-a of this code.
- (d) Following a formal hearing, the secretary shall make 35 and enter a written order either dismissing the complaint 36 or taking other action as is authorized in this article. The written order of the secretary shall be accompanied by findings of fact and conclusions of law as specified in section three, article five, chapter twenty-nine-a of this code and a copy of the order and accompanying findings 40 and conclusions shall be served upon the licensee and his 41 or her attorney of record, if any, by certified mail, return 43 receipt requested. If the secretary suspends an assisted living residence's license, the order shall also specify the conditions giving rise to the suspension to be corrected by the licensee during the period of suspension in order to entitle the licensee to reinstatement of the license. If the secretary revokes a license, the secretary may stay the effective date of revocation by not more than ninety days upon a showing that the delay is necessary to assure appropriate placement of residents. The order of the 52 secretary shall be final unless vacated or modified upon judicial review of the order in accordance with the provi-53 sions of section thirteen of this article.
 - (e) In addition to all other powers granted by this chapter, the secretary may hold the case under advisement and make a recommendation as to requirements to be met by the licensee in order to avoid either suspension or revocation. In such a case, the secretary shall enter an order accordingly and so notify the licensee and his or her attorney of record, if any, by certified mail, return receipt requested. If the licensee meets the requirements of the order, the secretary shall enter an order showing satisfactory compliance and dismissing the complaint and shall so notify the licensee and the licensee's attorney of record, if any, by certified mail, return receipt requested.

§16-5D-13. Judicial review.

- 1 (a) Any licensee adversely affected by an order of the
- 2 secretary rendered after a hearing held in accordance with
- 3 the provisions of section twelve of this article is entitled to
- 4 judicial review thereof. All of the pertinent provisions of
- 5 section four, article five, chapter twenty-nine-a of this
- 6 code shall apply to and govern with like effect as if the
- 7 provisions of said section were set forth in extenso in this
- 8 section.
- 9 (b) The judgment of the circuit court shall be final unless
- 10 reversed, vacated or modified on appeal to the supreme
- 11 court of appeals in accordance with the provisions of
- 12 section one, articlesix, chapter twenty-nine-a of this code.

§16-5D-14. Legal counsel and services for the secretary.

- 1 (a) Legal counsel and services for the secretary in all
- 2 administrative hearings and all proceedings in any circuit
- 3 court and the supreme court of appeals shall be provided
- 4 by the attorney general, his or her assistants or an attorney
- 5 employed by the secretary in proceedings in any circuit
- 6 court by the prosecuting attorney of the county as well, all
- 7 without additional compensation.
- 8 (b) The governor may appoint counsel for the secretary
- 9 who shall perform such legal services in representing the
- 10 interests of residents in assisted living residences in
- 11 matters under the jurisdiction of the secretary as the
- 12 governor shall direct. It shall be the duty of such counsel
- 13 to appear for the residents in all cases where they are not
- 14 represented by counsel. The compensation of such counsel
- 15 shall be fixed by the governor.

§16-5D-15. Unlawful acts; penalties; injunctions; private right of action.

- 1 (a) Whoever advertises, announces, establishes or
- 2 maintains or is engaged in establishing or maintaining an
- 3 assisted living residence without a license granted under
- 4 section six of this article, or who prevents, interferes with
- 5 or impedes in any way the lawful enforcement of this

- 6 article shall be guilty of a misdemeanor and, upon convic-
- 7 tion thereof, shall be punished for the first offense by a
- 8 fine of not more than one hundred dollars or by imprison-
- 9 ment in jail for a period of not more than ninety days, or
- 10 by both such fine and imprisonment, at the discretion of
- 11 the court. For each subsequent offense, the fine may be
- 12 increased to not more than two hundred fifty dollars, with
- imprisonment in jail for a period of not more than ninety
- $\,$ 14 $\,$ days, or both such fine and imprisonment at the discretion
- 15 of the court. Each day of a continuing violation after
- 16 conviction shall be considered a separate offense.
- 17 (b) The secretary may in his or her discretion bring an
- 18 action to enforce compliance with this article or any rule,
- 19 or order hereunder, whenever it appears to the secretary
- 20 that any person has engaged in, or is engaging in, an act or
- 21 practice in violation of this article or any rule or order
- 22 hereunder, or whenever it appears to the secretary that
- 23 any person has aided, abetted or caused or is aiding,
- 24 abetting or causing such an act or practice. Upon applica-
- 25 tion by the secretary, the circuit court of the county in
- 26 which the conduct has occurred or is occurring shall have
- 27 jurisdiction to grant without bond a permanent or tempo-
- 28 rary injunction, decree or restraining order.
- 29 (c) Whenever the secretary refuses to grant or renew a
- 30 license or revokes a license required by law to operate or
- 31 conduct an assisted living residence or orders a person to
- 32 refrain from conduct violating the rules of the secretary
- 33 and the person deeming himself aggrieved by the refusal,
- 34 revocation or order appeals the action of the secretary, the
- 35 court may, during pendency of the appeal, issue a restrain-
- 36 ing order or injunction upon proof that the operation of
- 37 the assisted living residence or its failure to comply with
- 38 the order of the secretary adversely affects the well-being
- 39 or safety of the residents of the assisted living residence.
- 40 Should a person who is refused a license or the renewal of
- 40 Biloula a person who is refused a fields of the refiewar of
- 41 a license to operate or conduct an assisted living residence
- 42 or whose license to operate is revoked or who has been
- 43 ordered to refrain from conduct or activity which violates

the rules of the secretary, fail to appeal or should such appeal be decided favorably to the secretary, then the court shall issue a permanent injunction upon proof that the person is operating or conducting an assisted living residence without a license as required by law or has continued to violate the rules of the secretary.

- 50 (d) Any assisted living residence that deprives a resident 51 of any right or benefit created or established for the wellbeing of the resident by the terms of any contract, by any 52 53 state statute or rule or by any applicable federal statute or regulation shall be liable to the resident for injuries 54 55 suffered as a result of the deprivation. Upon a finding that a resident has been deprived of such a right or benefit and 56 57 that the resident has been injured as a result of the deprivation and unless there is a finding that the assisted living 58 residence exercised all care reasonably necessary to 59 prevent and limit the deprivation and injury to the resi-60 61 dent, compensatory damages shall be assessed in an 62 amount sufficient to compensate the resident for the 63 injury. In addition, where the deprivation of any right or 64 benefit is found to have been willful or in reckless disre-65 gard of the lawful rights of the resident, punitive damages 66 may be assessed. A resident may also maintain an action 67 pursuant to this section for any other type of relief, including injunctive and declaratory relief, permitted by 68 69 law. Exhaustion of any available administrative remedies 70 may not be required prior to commencement of suit 71 hereunder.
 - (e) The amount of damages recovered by a resident, in an action brought pursuant to this section, are exempt for purposes of determining initial or continuing eligibility for medical assistance under article four, chapter nine of this code and may neither be taken into consideration nor required to be applied toward the payment or part payment of the cost of medical care or services available under said article.

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80 (f) Any waiver by a resident or his or her legal represen-81 tative of the right to commence an action under this

- 82 section, whether oral or in writing, shall be null and void
- 83 as contrary to public policy.
- 84 (g) The penalties and remedies provided in this section
- 85 are cumulative and shall be in addition to all other penal-
- 86 ties and remedies provided by law.

§16-5D-16. Availability of reports and records.

- 1 The secretary shall make available for public inspection
- 2 and at a nominal cost provide copies of all inspections and
- 3 other reports of assisted living residences filed with or
- 4 issued by the secretary. Nothing contained in this section
- 5 may be construed or deemed to allow the public disclosure
- 6 of confidential medical, social, personal or financial
- 7 records of any resident. The secretary shall propose rules
- 8 for legislative approval in accordance with the provisions
- 9 of article three, chapter twenty-nine-a of this code as may
- 10 be necessary to give effect to the provisions of this section
- 11 and to preserve the confidentiality of medical, social,
- 12 personal or financial records of residents.

§16-5D-17. Licenses and rules in force.

- 1 (a) All licenses for personal care homes and residential
- 2 board and care homes which are in force on the first day
- 3 of July, two thousand three, shall continue in full force
- 4 and effect during the period for which issued unless sooner
- 5 revoked as provided in this article.
- 6 (b) All rules in effect on the first day of July, one thou-
- 7 sand nine hundred ninety-seven, which were adopted by
- 8 the secretary relating to licensing personal care homes and
- 9 residential board and care homes shall remain in full force
- 10 and effect until altered, amended or repealed by the
- 11 secretary.
- 12 (c) Notwithstanding any other provisions of this article,
- 13 the secretary shall promulgate emergency rules pursuant
- 14 to the provisions of section fifteen, article three, chapter
- 15 twenty-nine-a of this code by the first date of September,
- 16 two thousand three, to implement this program.

§16-5D-18. Separate accounts for residents' personal funds; consent for use; records; penalties.

- 1 (a) Each assisted living residence subject to the provi-
- 2 sions of this article shall hold in a separate account and in
- 3 trust each resident's personal funds deposited with the
- 4 assisted living residence.
- 5 (b) No person may use or cause to be used for any
- 6 purpose the personal funds of any resident admitted to any
- 7 assisted living residence unless consent for the use thereof
- 8 has been obtained from the resident or from a committee
- 9 or guardian or relative.
- 10 (c) Each assisted living residence shall maintain a true
- and complete record of all receipts for any disbursements
- 12 from the personal funds account of each resident in the
- 13 assisted living residence, including the purpose and payee
- 14 of each disbursement, and shall render a true account of
- 15 the record to the resident or his or her representative upon
- 16 demand and upon termination of the resident's stay in the
- 17 assisted living residence.
- 18 (d) Any person or corporation who violates any provision
- 19 of this section is guilty of a misdemeanor and, upon
- 20 conviction thereof, shall be fined not more than one
- 21 thousand dollars or imprisoned in jail not more than one
- 22 year, or both fined and imprisoned.

ARTICLE 5T. CARE HOME ADVISORY BOARD.

§16-5T-1. Care home advisory board created; membership; terms; meetings; compensation; termination.

- 1 (a) The care home advisory board, as previously created
- 2 and constituted under this section, is hereby continued to
- 3 gather information concerning personal care homes, as
- 4 defined and regulated in article five-d of this chapter, and
- 5 residential board and care homes, as defined and regulated
- 6 in article five-h of this chapter, and make its findings and
- 7 recommendations to the governor and the Legislature.
- 8 (b) The care home advisory board shall have seven
- 9 members: The president of the Senate or his or her

- 10 designee; the speaker of the House of Delegates or his or
- 11 her designee; the secretary of the department of health and
- 12 human resources or his or her designee; an operator of a
- 13 facility originally licensed as a personal care home in this
- 14 state; an operator of a facility originally licensed as a
- 15 residential board and care home in this state; and two
- 16 members of the public at large, one of whom shall be an
- 17 advocate for consumer rights.
- 18 (c) The governor shall appoint the members to the board
- 19 by and with the advice and consent of the Senate. Ap-
- 20 pointments under the provision of this article shall be for
- 21 a three-year term or the unexpired term, except in the
- 22 initial appointments as follows: One citizen member shall
- 23 be appointed for a two-year term; one citizen member
- 24 shall be appointed for a three-year term; and the care
- 25 home operator members shall be appointed for a one-year
- 26 term. Subsequent appointments to the committee shall be
- 27 for three-year terms. No member shall serve more than
- 28 two successive terms.
- 29 (d) The advisory board shall meet at least four times
- 30 annually at the times and places in the state that it
- 31 determines. A majority of the members constitutes a
- 32 quorum for the purpose of conducting business. The
- 33 secretary of the department of health and human resources
- 34 or his or her designee shall serve as chair of the advisory
- 35 board.
- 36 (e) Members of the advisory board are not entitled to
- 37 compensation for services performed as members, but are
- 38 entitled to reimbursement for all reasonable and necessary
- 39 expenses actually incurred in the performance of their
- 40 duties, which shall be paid from the funds of the depart-
- 41 ment of health and human resources.
- 42 (f) The care home advisory board shall continue to exist
- 43 until the last day of December, two thousand three, unless
- 44 sooner terminated, continued or reestablished by act of the
- 45 Legislature.

33 [Enr. Com. Sub. For S. B. No. 405

the foregoing bill is correctly enrolled.
Chairman/Senate Committee
Mug Bulchey Chalrman House Committee
Originated in the Senate.
In effect from passage.
Clerk of the Senate
Clerk of the House of Delegates
President of the Senate
Town Liss
Speaker House of Delegates
The within approved this the 27th
Day of March 1, 2003.
Governor

PRESENTED TO THE GOVERNOR

Date 3:00

Time 4.50Am