

(19) State that the subscriber has received and reviewed the latest certified financial statement and that a copy of the certified financial statement was received at least 2 weeks before signing the agreement;

(20) Provide that the facility will make available to the subscriber, upon request, any certified financial statement transmitted to the Department;

(21) Where applicable, describe the conditions under which the provider may be issued a certificate of registration, describe the conditions under which the provider may use escrowed deposits, and state the amount of the subscriber's deposit that may be used upon issuance of a certificate of registration;

(22) State that fees collected by a provider under the terms of a continuing care agreement may not be used for purposes other than those set forth in the agreement; [and]

(23) ALLOW A SUBSCRIBER TO DESIGNATE A BENEFICIARY FOR RECEIPT OF ANY REFUNDABLE PORTION OF THE ENTRANCE FEE, IF:

~~(I) THE DESIGNATION OF A BENEFICIARY IS MADE IN A FORM ACCEPTABLE TO THE DEPARTMENT.~~

~~(II) (I) THE DESIGNATION IS IN WRITING; AND~~

~~(III) (II) THE DESIGNATION IS WITNESSED BY TWO OR MORE COMPETENT WITNESSES; AND~~

~~(IV) THE DESIGNATION IS NONCONTINGENT; AND~~

~~(V) THE DESIGNATION IS SPECIFIED IN PERCENTAGES AND ACCOUNTS FOR 100 PERCENT OF THE REFUND DUE; AND~~

[(23)]. (24) Contain the following statement in boldface type, and in the largest type used in the agreement: "A preliminary certificate of registration or certificate of registration is not an endorsement or guarantee of this facility by the State of Maryland. The Maryland Department of Aging urges you to consult with an attorney and a suitable financial advisor before signing any documents."

(b) [A] EXCEPT AS PROVIDED IN SUBSECTION (A)(23) OF THIS SECTION, A requirement of this section shall not apply to any continuing care agreements entered into before the effective date of the requirement.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2001.

Approved April 20, 2001.