

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 70B, § 11B(c), (d), and (e).

In subsection (a)(2)(i) of this section, the former reference to the amount "actually" set aside is deleted as surplusage.

In subsection (c) of this section, the reference to "computing" operating reserves is substituted for the former reference to "calculating" operating reserves for consistency with subsection (a) of this section.

Defined terms: "Certified financial statement" § 10-401

"Department" § 10-101

"Facility" § 10-401

"Provider" § 10-401

10-422. OPERATING RESERVES — DRAWING FUNDS FROM RESERVES.

(A) NOTICE OF WITHDRAWAL.

A PROVIDER SHALL NOTIFY THE DEPARTMENT IN WRITING IMMEDIATELY ON THE WITHDRAWAL OF ANY AMOUNT FROM THE FUNDS AVAILABLE TO SATISFY THE OPERATING RESERVES REQUIRED BY § 10-420(B) OF THIS SUBTITLE.

(B) WRITTEN PLAN.

WITHIN 30 DAYS AFTER MAKING A WITHDRAWAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION, THE PROVIDER SHALL SUBMIT TO THE DEPARTMENT A WRITTEN PLAN FOR RESTORING THE RESERVES TO THE LEVEL REQUIRED BY § 10-420(B) OF THIS SUBTITLE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 70B, § 11B(f).

In subsection (b) of this section, the reference to "a withdrawal described in subsection (a) of this section" is substituted for the former reference to "such draw" for clarity.

Also in subsection (b) of this section, the reference to the "reserves" is substituted for the former reference to the "funds in the reserve" for brevity and consistency throughout this part.

Defined terms: "Department" § 10-101

"Provider" § 10-401

10-423. OPERATING RESERVES — UNCONVERTED FACILITIES.

(A) AMOUNT.

FOR A FACILITY THAT HAS NOT BEEN THE SUBJECT OF A CONVERSION AND THAT HAS RESIDENTS WHO ARE NOT PARTIES TO CONTINUING CARE AGREEMENTS, THE PROVIDER SHALL SET ASIDE OPERATING RESERVES EQUAL TO AT LEAST 15% OF THE PRO RATA PROPORTION OF THE NET OPERATING EXPENSES CALCULATED UNDER SUBSECTION (B) OF THIS SECTION.