



DATE: MARCH 29, 2016

TO: CONTINUING CARE RETIREMENT COMMUNITIES (“CCRCs”)

SUBJECT: ANNUAL FISCAL FILING REQUIREMENTS

FROM: FINANCIAL ANALYSIS DIVISION

This memorandum will serve as a guide to meet the filing requirements for documents due in 2013.

REQUIRED FILINGS (ONE COPY)			
√	DOCUMENT	DUE DATE *	CITATION **
	Request to file consolidated or combined audit filings in lieu of separate CPA reports.  Note: This request requires prior approval. If approved, the required consolidated or combined worksheets need to be subjected to audit procedures.	30 days prior to fiscal year end	31 Pa. Code § 147.7(c)
	CPA Report	Four (4) months after fiscal year end	31 Pa. Code § 147.3(c)
	Disclosure of Calculation of “Statutory Liquid Reserves” must be part of the audited financial statements notes or as a supplemental schedule.  Statutory Liquid Reserves amount must be part of the audited balance sheet as a separate balance sheet account.	Four (4) months after fiscal year end	40 P.S. § 3209 And 31 Pa. Code § 151.11(d)
	Disclosure of all “Deferred Revenues” (Deferred Revenues - Nonrefundable portion of entrance fees reported as deferred income & amortized over the actuarially determined life expectancy of each resident.)	Four (4) months after fiscal year end	31 Pa. Code § 151.11(d)
	Disclosure of funds maintained in an escrow account for entrance fees must be part of the audited financial statements notes.	Four (4) months after fiscal year end	40 P.S. § 3212

<b>REQUIRED FILINGS (ONE COPY)</b>			
√	<b>DOCUMENT</b>	<b>DUE DATE *</b>	<b>CITATION **</b>
	CPA Qualification Letter	Four (4) months after fiscal year end	31 Pa. Code §§ 147.4(e) & 147.6a
	CPA Awareness Letter Not required annually, but must be on file for the CPA performing the current year's audit	Four (4) months after fiscal year end	31 Pa. Code § 147.5(d)
	Communication of Internal Control Related Matters Noted in Audit	If issued by CPA Within 60 days of filing the CPA report	31 Pa. Code § 147.9a
	Notification of Adverse Financial Condition	If issued by CPA Within 5 business days of receipt, forward a copy to the Department & provide evidence of such to the	31 Pa. Code §§ 147.4(e) & 147.9
	Change in CPA letters		
	Notification of dismissal, resignation, or replacement	Within 5 business days of CPA dismissal, resignation, or replacement	31 Pa. Code § 147.5(c)
	CCRC's letter addressing whether there were disagreements 24 months prior to change	Within 10 business days of the notification letter	31 Pa. Code § 147.5(c)(1)
	Letter from the former CPA stating that they agree or disagree with the contents of the letter from the CCRC regarding disagreements 24 months prior to change	Concurrently with the CCRC's letter regarding disagreements	31 Pa. Code § 147.5(c)(2)
	Letter with the name and address of the independent CPA or accounting firm retained to conduct the annual audit and provide an awareness letter from same	Within 60 business days of the notification letter	31 Pa. Code §§ 147.5(c)(3) & (d)
	Current Resident's Agreement  Or a separate page stating that a copy of the resident's agreement was omitted as no changes were made since the prior filing.	Four (4) months after fiscal year end	31 Pa. Code § 151.8(f)
	Disclosure Statement ***  Note: This must be filed by the provider.	Four (4) months after fiscal year end	40 P.S. § 3207(b) and 31 Pa. Code § 151.7

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√	DOCUMENT	DUE DATE *	CITATION **
	Amendments to Disclosure Statement:		
	<p>A filing should be accompanied by a cover letter briefly outlining the sections of the disclosure statement amended.</p> <p>Material changes in the operation of a provider or facility which require an amendment to a disclosure statement may include, but are not limited to, the following:</p> <p>(1) Changes in the board of directors, officers, managing or general partners, administrators or trustees and managers which affect the management of a facility. <a href="#">Biographical affidavits</a> by these individuals shall be filed with the Department at the time an amended disclosure statement is filed.</p> <p>(2) New or additional mortgages, liens, security interests, loan commitments, long-term financing arrangements or leases, which transaction materially affects the real property of the facility. A copy of all pertinent documents evidencing the transactions shall be filed with the Department at the time an amended disclosure statement is filed.</p> <p>(3) Other material changes in the financial or factual information contained in the disclosure statement or statement in support of the provider's original application for a certificate of authority. Explanatory material and copies of pertinent documents concerning the material changes shall be filed with the Department at the time an amended disclosure statement is filed.</p>	Upon amendment or change	31 Pa. Code § 151.7.(e)
	Narrative statement of material differences of actual vs. pro forma income statement	Four (4) months after fiscal year end	40 P.S. § 3207(b)(1)
	Pro Forma Income Statement – for the next fiscal year	Four (4) months after fiscal year end	40 P.S. § 3207(b)(2)

**There are no provisions in statute or regulation that grant the Department authorization to approve an extension or waiver of the audited financial report filing due date for CCRCs.**

\*\* 31 Pa. Code Chapters 147 and 151 are available on The Pennsylvania Code website at: [Annual Audited Insurers' Financial Report](#) and [Continuing Care Providers](#).

\*\*\* **Filing fee** - There is a \$750 Disclosure Statement filing fee pursuant to 31 Pa. Code § 151.14(c). Please include a check with your filing made payable to Commonwealth of Pennsylvania.

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