



DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

LIFE CARE PROVIDER ANNUAL REPORT – ARS § 20-1807

Enter the YEAR for this report below and the Due Date YEAR will appear:

Table with 5 columns: FISCAL YEAR END Month / Day, YEAR of this Report, REPORT DUE DATE Month / Day, YEAR due. Rows include February 28, June 30, October 31, and December 31.

(Full and Exact Provider Name)

(Statutory Home Office Address: Street & Number, City, State, Zip Code and phone number)

(Administrative Office Address: Street & Number, P.O. Box, City, State, Zip Code)

Phone No.: () Toll-Free: () Fax No.: ()

(Doing Business As / Facility Name)

(Facility Address: Street & Number, City, State, Zip Code and phone number)

NAIC No.(if assigned): Fed. ID No.:

organized under the laws of on (Month, Day, Year)

as a [] Non-Profit Corporation [] Stock Company [] Partnership [] Other (Specify):

hereby submits the attached sixteen (16) items of information and Exhibits thereto, in accordance with ARS § 20-1807.

Dated at , this day of , 20

I hereby depose and certify that I have prepared or reviewed this Report and it is true, complete, and correct to the best of my knowledge and belief.

Signature of Chief Executive Officer ONLY Type/Print Chief Executive Officer's Name and Title

Subscribed and sworn to before me, this day of , 20

Notary Signature

My Commission Expires

Stamp or Seal here

Type/Print Preparer's Name and Title

Preparer's Phone Number and E-Mail Address

Send the Annual Report filing to financialfilings@difi.az.gov. Do not also send a hard copy filing.

Make the \$450.00 payment through OPTins (ARIZONA APPLICATION/RENEWAL FEES) https://www.optins.org/ (there is a \$15.00 transaction fee) or mail check made payable to the Arizona Department of Insurance and Financial Institutions along with a cover letter to:

Insurance Financial Affairs Division
Arizona Department of Insurance and Financial Institutions
100 N. 15th Ave., Suite 261
Phoenix, Arizona 85007-2630

1. State the name, the address and a description of the physical property of the facility below.

2. a. **Make a written statement** below of the terms and conditions of the life care contracts to be used by the Provider, including the services to be provided to residents pursuant to the contract and the fees or charges to be paid by residents, including the method of payment of the fees or charges.

The life care contract shall provide that any person entering into the contract shall have a period of seven days within which to rescind the life care contract without penalty or further obligation beginning with the first full calendar day following the last to occur of: the execution of the contract, the payment of an initial sum of money as a deposit or application fee, receipt of a copy of the Provider's most recent annual report if the Provider has filed an annual report with the Director of Insurance pursuant to A.R.S. § 20-1807, or, if the Provider has not filed an annual report, a copy of the Provider's application. In the event of a rescission, all money or property paid or transferred by the person shall be fully refunded by the Provider. A person shall not be required to move into a facility until after the expiration of the seven-day rescission period.

- b. **Attach a copy** of the Life Care Contract as Exhibit 1.

3. If the Provider is not an individual, such as a corporation, partnership or trust, **make a written statement** below naming the fiscal year end date that is the last day of a calendar month and the type of legal entity and listing the interest and extent of such interest of each principal in the entity.

4. a. If the Provider is not an individual, list below the names of all members of the Board of Directors, Officers, Trustees, or Managing Partners.

b. **Attach, as Exhibit 2**, the executed NAIC UCAA Biographical Affidavit Form 11 for EACH person that has not filed a Biographical Affidavit within the previous 3-year period. A Biographical Affidavit is required immediately on the substitution or installation of a member of the board of directors or an officer, trustee or managing partner different from the information disclosed in the Provider’s application. The NAIC UCAA Biographical Affidavit Form 11 is located at https://www.naic.org/industry_ucaa.htm. Please make sufficient supply to distribute to all persons required to file at this time or in the near future. Each Affidavit must be complete for all information requested, and must be signed and notarized. Incomplete or improperly executed Affidavits are not acceptable.

**DATE BIOGRAPHICAL
AFFIDAVIT WAS LAST FILED**

NAME	TITLE	

5. (a) The number of residents of the facility to be provided services by the Provider pursuant to the life care contracts.

Number on last day of reporting fiscal year _____

Estimate number on following fiscal year end _____

- (b) The number of living units occupied pursuant to the life care contracts.

Number on last day of reporting fiscal year _____

Estimate number on following fiscal year end _____

- (c) The number of residents of the facility to be provided services by the Provider under **contracts other than life care**.

Number on last day of reporting fiscal year _____

Estimate number on following fiscal year end _____

- (d) The number of living units occupied pursuant to **contracts other than life care**.

Number on last day of reporting fiscal year _____

Estimate number on following fiscal year end _____

6. **Make a written statement** below of the provisions that have been made or will be made to provide reserve funding or security by the Provider to enable the Provider to fully perform the Provider's obligations pursuant to life care contracts, including the establishment of escrow accounts, accounts in financial institutions, trusts or reserve funds.

7. **Make a written statement** below as to whether the Provider was or is affiliated with a religious, charitable or other nonprofit organization, the extent of any affiliation and the extent to which the affiliate organization will be responsible for the financial and contract obligations of the Provider.
8. If the Provider is a subsidiary corporation or the affiliate of another corporation, **make a written statement** below identifying the Parent Corporation or the other Affiliate Corporation and the primary activities of the parent or other affiliate corporation.

9. **Provide a written description** below of the business experience of the Provider in the operation of similar facilities and, if the facility will be managed on a day-to-day basis by a corporation or organization other than the Provider, a *description* of the business experience of the manager in the operation or management of similar facilities.

10. **Make a written statement** below as to whether the Provider, a promoter, a principal, a parent or subsidiary corporation, or an affiliate has had any injunctive or restrictive order of a court of record, or any suspension or revocation of any state or federal license or permit, arising out of or relating to business activity or health care applied against it, including without limitation actions affecting a license to operate a foster care facility, a health care institution, a retirement home, or a home for the aged.

11. **Make a written statement** below of any periodic rates to be initially paid by the residents, the method by which the rates are determined and the manner by which the Provider may adjust the rates in the future. If the facility is already in operation, or if the Provider operates one or more similar facilities within this state, the *statement* must include tables showing the frequency and average dollar amount of each increase in periodic rates at each facility for the previous five years or any shorter period as the facility may have been operated by the Provider.

12. **Make a written statement** below of the terms and conditions under which a life care contract may be canceled by the Provider or Resident, including any health and financial conditions required for a person to continue as a resident and any conditions under which all or any portion of the entrance fee will be refunded by the Provider.

13. If construction or purchase of the facility has not yet been completed, **make a written statement below of the anticipated source and application of the monies** (in financial statement form) to be used in the purchase or construction, including all of the following:
- (a) An estimate of the cost of purchasing or constructing and equipping the facility including related costs as financing expense, legal expense, land costs, occupancy development costs and all other similar costs that the Provider expects to incur or become obligated for before the commencement of operations.
 - (b) An estimate of the total entrance fees to be received from residents on completion of occupancy.
 - (c) A description of any mortgage loan or other long-term financing intended to be used for the financing of the facility, including the anticipated terms and costs of the financing.
 - (d) An estimate of any funds that are anticipated to be necessary to fund start-up losses and to assure full performance of the obligations of the Provider pursuant to life care contracts including any reserve fund escrow required by the Director pursuant to ARS § 20-1806.

14. **Attach as Exhibit 3**, certified financial statements of the Provider, Promoter and Manager **as of a date not more than ninety (90) days before the date the Annual Report is filed, that shall include a balance sheet and the related statements of income, retained earnings or equity and changes in financial position for the two most recent fiscal years** or any shorter period of time as the Provider, Promoter or Manager has been in existence. Each of these statements **shall be prepared in accordance with generally accepted accounting principles** and reported on **by a certified public accountant** in accordance with generally accepted auditing standards. The certified financial statements of the Promoter shall be filed with the Annual Report unless the Promoter is not currently employed by the Provider.

Assets shall be reported at values determined pursuant to ARS §§ 20-511 through 20-515. If the Director of Insurance and Financial Institutions deems it necessary to value any real estate, the Director may employ one or more competent appraisers for that purpose and the reasonable expense thereof shall be borne by the Provider.

15. **Attach as Exhibit 4**, an actuarial study prepared by a qualified actuary for the purpose of demonstrating that the project has sufficient revenues and funds, including reserves, for the project to continue as a viable operating concern. The actuarial study shall include a cash flow projection, an evaluation of the adequacy of current pricing structures and an analysis of the long-term relationship between the project's assets and liabilities. The Provider shall file the actuarial study on a triennial basis beginning with the year in which resident occupancy began at the facility pursuant to the permit issued to the Provider, or more often as required by the Director of Insurance and Financial Institutions. If an actuarial study is not filed with this Annual Report, state the date of the last filed actuarial study.

16. **Attach as Exhibit 5**, copies of the escrow agreements executed with an escrow agent pursuant to ARS §§ 20-1804 and 20-1806.

WE MAY ASSESS AND COLLECT A CIVIL PENALTY OF NOT MORE THAN \$25 FOR EACH DAY THAT YOUR ANNUAL REPORT IS LATE IF YOU FAIL TO TIMELY FILE YOUR ANNUAL REPORT OR PAY THE REQUIRED FILING FEE. ARS § 20-1807(F).