



Sen. Laura Ellman

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10300HB4276sam001

LRB103 34669 LNS 73533 a

1 AMENDMENT TO HOUSE BILL 4276

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 4276 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Life Care Facilities Act is amended by  
5 adding Sections 5.1 and 5.2 as follows:

6 (210 ILCS 40/5.1 new)

7 Sec. 5.1. Pre-sale disclosures.

8 (a) Prior to the execution of a refundable life care  
9 contract and the transfer of any money or other property to a  
10 provider or escrow agent, the provider shall deliver to the  
11 consumer a pre-sale disclosure printed on paper. The pre-sale  
12 disclosure shall be signed by the consumer prior to executing  
13 the life care contract. The pre-sale disclosure shall include:

14 (1) the caption, "ENTRY FEE REFUNDS: CONSUMER NOTICE",  
15 in at least 28-point font and the remaining portion in at  
16 least 12-point font;

1           (2) the caption, "The timing of refunds for past  
2 residents may not be indicative of your refund experience.  
3 Your ability to collect on the full amount of the  
4 calculated refund may be modified or nullified pending  
5 market conditions, any future sale of this organization,  
6 or in the event of bankruptcy. Current residents, former  
7 residents awaiting refunds, and the estates of former  
8 residents awaiting refunds shall be provided with the most  
9 recent entry fee refund data disclosure upon request.";

10           (3) for refunds returned by the provider in the most  
11 recently completed calendar year:

12                   (A) the average number of months passed before the  
13 refund of an entry fee by the provider; and

14                   (B) the median number of months passed before the  
15 refund of an entry fee by the provider;

16           (4) the percentage of entry fee contracts awaiting  
17 refunds from the provider with wait times exceeding 24  
18 months as of the end of the most recently completed  
19 calendar year;

20           (5) the percentage of entry fee contracts awaiting  
21 refunds from the provider with wait times exceeding 36  
22 months as of the end of the most recently completed  
23 calendar year;

24           (6) the percentage of entry fee contracts awaiting  
25 refunds from the provider with wait times exceeding 60  
26 months as of the end of the most recently completed

1       calendar year;

2           (7) the number of entry fee contracts awaiting refunds  
3       from the provider as of the last day of the most recently  
4       completed calendar year; and

5           (8) the number of entry fee refunds returned by the  
6       provider in the most recently completed calendar year.

7       (b) For the purpose of determining the time a refund is  
8       due, the start time of the refund begins after the unit has  
9       been permanently vacated, returned to resalable condition, and  
10       the outgoing resident has a zero balance due, excluding  
11       outstanding balances to be payable by outside payors,  
12       including, but not limited to, Medicare, Medicaid, Managed  
13       Medicare, or within 30 days of the unit being permanently  
14       vacated and the outgoing resident has a zero balance due,  
15       whichever is shorter. Refund delays due to estate factors  
16       outside of the community's control, including, but not limited  
17       to, probate challenges, estate challenges, or an inability to  
18       confirm next of kin, are not included in the outstanding  
19       refunds to be disclosed.

20       (c) Pre-sale disclosures may include additional data by  
21       calendar year.

22       (d) If a payee for an entry fee refund cannot be  
23       determined, for purposes of calculating the data in subsection  
24       (a), a refund shall be considered complete when a new resident  
25       occupies the specified living unit.

26       (e) The most current pre-sale disclosure data detailed in

1 subsection (a) shall be made available, upon request, to  
2 current residents that have refundable entry fee contracts,  
3 former residents who have not yet received refunds for their  
4 refundable entry fees, and the estates of former residents who  
5 have not yet received refunds for their refundable entry fees.

6 (210 ILCS 40/5.2 new)

7 Sec. 5.2. Living unit reappropriation. If an unoccupied  
8 living unit is contemplated for use for a purpose other than as  
9 a living unit, including, but not limited to, an exam room or a  
10 storage room, and if there exist beneficiaries awaiting an  
11 entry fee refund, the beneficiaries of the entry fee refund  
12 must provide a signed acknowledgment of, and agreement to, the  
13 reappropriation that may be in effect up to a specific date.  
14 The reappropriation acknowledgment shall include:

15 (1) the caption, "ENTRY FEE REFUND DELAYS: CONSUMER  
16 NOTICE" in at least 28-point font and the remaining  
17 portion in at least a 12-point font;

18 (2) the caption, "Your agreement to this arrangement  
19 may result in the delayed sale of the living unit as well  
20 as the delayed return of the entry fee."; and

21 (3) a statement that the rights provided under this  
22 Section may not be waived."