

Senate Bill No. 1662

CHAPTER 401

An act to add Section 1569.657 to the Health and Safety Code, relating to residential care facilities for the elderly.

[Approved by Governor September 9, 2004. Filed with Secretary of State September 9, 2004.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1662, Soto. Residential care facilities for the elderly: rates.

Existing law regulates the licensure and operation of residential care facilities for the elderly, including setting forth the basic services a facility is required to provide. Existing law requires a licensee of a residential care facility for the elderly that increases the rates of fees for residents or makes increases in any of its rate structures for services to provide no less than 60 days' prior written notice to the resident or the resident's representative, setting forth the amount of the increase, the reason for the increase, and a general description of the additional costs, except for an increase in the rate due to a change in the level of care of the resident. A violation of the provisions relating to the licensure or operation of a residential care facility for the elderly is a crime.

This bill would require the licensee to provide the resident or the representative a written notice of a rate increase that is due to a change in the level of care within 2 business days after the change in the level of care.

This bill would make its provisions inapplicable to a provider who has entered into one or more continuing care contracts at a licensed residential care facility for the elderly pursuant to a certificate of authority, as defined, and to any resident who is a recipient of benefits under the State Supplementary Program for Aged, Blind and Disabled.

Because a violation of this bill's provisions would be a crime under existing law, this bill would impose a state-mandated local program by changing the definition of a crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. Section 1569.657 is added to the Health and Safety Code, to read:

1569.657. (a) For any rate increase due to a change in the level of care of the resident, the licensee shall provide the resident and the resident's representative, if any, written notice of the rate increase within two business days after initially providing services at the new level of care. The notice shall include a detailed explanation of the additional services to be provided at the new level of care and an accompanying itemization of the charges.

(b) This section shall not apply to any resident of the facility who is a recipient of benefits pursuant to Article 5 (commencing with Section 12200) of Chapter 3 of Part 3 of Division 9 of the Welfare and Institutions Code under the State Supplementary Program for Aged, Blind and Disabled.

(c) This section shall not apply to a provider who has entered into one or more continuing care contracts at a licensed residential care facility for the elderly pursuant to a certificate of authority, as defined in paragraph (5) of subdivision (c) of Section 1771.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

