

CALCRA News

California
Continuing Care
Residents Association

Volume IV, Issue X
Spring 2008

FROM THE PRESIDENT

In my four and one half years as your President, I have oftentimes sought renewal and inspiration from looking back on the accomplishments of a handful of courageous predecessors who withstood strong opposition from powerful forces within the provider community to bring CALCRA to fruition. Even though much work still lies ahead for present day CALCRA, the need for exertive resident representation in those years was even greater.



Walter P. Rozett

The original body of law and regulations governing continuing care retirement communities was written by providers who, at that time had no idea that somewhere in the future, residents would come along and expect consideration for their point of view rather than the paternalistic approach contained in early regulations. Providers have had to accept that today's residents are too savvy to accept anything without question and are willing to fight for what they perceive as their rights.

CALCRA began 13 years ago, started by a coalition of stout-hearted residents led by Jim and Maude Transue of the Sequoias in Portola Valley. Their immediate purpose was to obtain a legal right for residents to address complaints and concerns to previously unresponsive providers. A parallel objective, one that is still before us, was to obtain a rational and understandable process for establishing monthly fees. The tenacity, diligence and just plain hard work of those early activists produced the first legislation, AB 827, in 1995.

This enactment resulted in more than forty changes of existing regulations. These ranged from making the requirements for

permits to accept deposits understandable to residents, requiring an annual reporting of the CCRC's financial condition to residents, and prudently restricting the types of investments authorized for funds held in trust.

This legislation was vigorously opposed by the provider association, now known as Aging Services. That practice, If anything, has intensified in recent years. This opposition has come from an apparently dominant group of providers who believe they should be able to operate only as they see fit, no matter what the impact of their actions might be on the quality of life or the financial security of residents of their communities.

Since its formation, CALCRA has successfully pursued eight separate pieces of legislation. This work has not only obtained previously denied rights for residents, but has also served to gain more information and protection for residents by obliging providers to be more transparent and accountable. The following is a list of rights residents have gained with legislation CALCRA has supported:

- Providers are required to hold semi-annual meetings with open dialogue with residents, free from recrimination.
- A 30 day notice and a meeting with residents are required before monthly fees can be increased.
- Residents have the right to organize resident associations and to elect a resident council.

Continued to page 3

Executive Board

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& Secretary

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Ed Delaney

Norm Eichberg
Denise Fleig

Art Halenbeck
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Boyd Steele
Bernard Werth

Members - At - Large

CALCRA

1515 Shasta Dr., #2109
Davis, CA 95616

Phone: (530) 747-6229

Fax: (530) 747-6229

E-Mail:

wrozett@urcad.org

Inside this issue:

<i>From the President</i>	1
<i>Director Nominations</i>	1
<i>Hope for the Mind</i>	2
<i>Clarification of Previous Article</i>	2
<i>Newsletters by Email</i>	2
<i>The Importance and Role of Residents' Financial Committees</i>	3
<i>Why Residents Are Better Off Today Than They Were 10 Years Ago</i>	4

DIRECTOR NOMINATIONS

Members are notified that "at large" director nominations will be accepted from July 1 until August 16, 2008. If you know of a CALCRA member in good standing who would like to become a member of the board please follow the instructions in our bylaws:

1. Obtain the qualification, experience and consent statement of the nominee.
2. Send the information to CALCRA secretary, Barbara Krings, Eskaton Village, 3939 Walnut Avenue #401, Carmichael, CA 95608

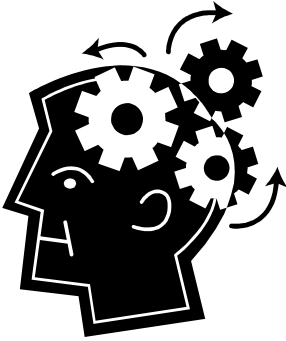
HOPE FOR THE MIND

Recent, very promising developments in the new field of neuroscience are expected to provide significant help for seniors concerned with the growing inability of their minds to cope with many of the tasks of everyday life. These developments are taking place not only in basic research on how the brain works, but also in applying these discoveries to the design of computer programs intended to "rejuvenate" the minds of seniors.

Contrary to the misconceptions that had been accepted until recently, the brain is not a static organ. Until recently it was believed that after the age of about ten, no new neurons were created and the brain slowly lost its resiliency and its ability to cope with many of the functions of daily life. It has now been demonstrated that, at any age, and in a favorable environment, the number of neurons in our brains can be increased and that, when properly stimulated, every neuron has a surprising resiliency with the ability to generate new "branches" and new connections.

The field of neuroscience is literally exploding. This is due to the use of new, very sophisticated brain scanning technologies to study brain functions. It is essentially impossible to keep track of all the dimensions of the field so it is necessary to focus on specific areas of interest. Great progress is being made in the treatment of strokes, Parkinson's and Alzheimer's. Also, there is a great deal of competition in marketing brain fitness programs because of the potential financial rewards. Other stimulation is coming from the interest of the baby-boomers in the field and the work being done in the academic world.

There are many ways to become knowledgeable about neuroscience: books published by neuroscientists for the non-specialist; "brain fitness" newsletters such as www.sharpbrains.com; articles on brain functions in newspapers and neuroscience periodicals as well as television programs, particularly on PBS. There are also a number of companies specialized in the design



and creation of computer programs intended to train the brain in order to improve its various functions.

For those who wish to acquire a general overview of the neuroscience field, there are many excellent books with which the non-scientist should feel comfortable such as: *Change Your Brain, Change Your Life* by Daniel Amen and *The Brain That Changes Itself* by Norman Doidge. To get an idea of what a book has to offer, you may go to Amazon and access reviews.

There is also a wealth of interesting web sites that can be accessed, by entering "brain fitness" in your browser. There are a number of programs that may be worthwhile investigating. One of the best known companies in this field is Posit Science which has been actively marketing two programs: the Brain Fitness Program dealing with listening/memory and Insight dealing with visual processing/memory (www.positscience.com). Another is Dakim at www.dakim.com which has designed an individualized system. A series of very good small books providing "Mind Maintenance

by Andre Dermant, Los Gatos Meadows

Techniques Exercises" is published by Brainwaves at www.brainwaves.com.

A few retirement communities have already organized "brain fitness centers" where seniors can exercise their mind just as they do their bodies in physical fitness centers. Valle Verde and The Terraces use Posit Science, Eskaton Village uses Dakim.

In order to be able to decide what software would be a good candidate for your community, it is a good idea to have a knowledgeable adviser who is able to recommend the software most suitable for the community since there are several approaches to the brain fitness field. Some communities may want a package with the relevant hardware along with the software. It may be desirable to have suitable personnel providing proper guidance, a computer room, and the right equipment. Other systems are sufficiently individualized that users can be on their own, after proper guidance.

I shall be pleased to answer any questions that you may have on this important topic. Additionally, I would appreciate learning about those communities that are planning or are using brain fitness programs. My email address is adseale@aol.com, my telephone: (408) 354-0462.

CLARIFICATION OF PRIOR ARTICLE

by Bernard G. Werth

In the Fall 2007 issue of CALCRA News" *, I mentioned that ABHOW had "dangerously depleted their reserves". Apparently the choice of words may have left the impression that I was referring to the present, and that ABHOW had depleted their statutory reserves. In retrospect, I should have

worded that sentence more precisely. ABHOW had never depleted its statutory reserves. Further I have no reason to believe that ABHOW's current financial situation is anything but sound. I regret any misunderstanding or confusion that may have arisen.

NEWSLETTER BY E-MAIL

Tom Streeter, of Canterbury Woods in Pacific Grove, maintains the CALCRA membership list and handles the printing and distribution of the newsletter. With much effort and much help, he is distributing this issue by e-mail to those who prefer to receive it that way. The advantage from CALCRA's view is



that it saves postage and printing; the advantage to the member is that the newsletter will arrive a bit earlier. Any member who wishes to convert to an e-mail newsletter should advise Tom at tom223@pacbell.net. Similarly, anyone receiving it by e-mail who wishes to have a hard copy should also contact him.

THE IMPORTANCE AND ROLE OF RESIDENTS' FINANCIAL COMMITTEES

by Ed DeLaney, St. Paul's Towers

I'm a resident at St. Paul's Towers in Oakland, which is one of five Life Care facilities owned and managed by Episcopal Senior Communities (ESC). One of our "jokes" is that living here is like being on a cruise ship headed towards each individual's final destination: management is the captain and the crew, and we are just passengers. Another view that I prefer is that we are shareholders in an enterprise which we have bought into as long term investors. As such we don't manage the company or have any direct claim on the company's assets, but we certainly have rights to key information on the performance of management, an expectation of accountability for management performance, and an atmosphere of open communication and mutual respect. Financial management is a critical aspect of performance, and residents' financial committees are important for Residents' Councils to establish.

A few months ago, our Residents' Council established a Financial Study Group which includes residents with past financial and management experience. Generally, our Group will: try to participate in our management's formulation of next year's and subsequent budgets; review and analyze financial reports; coordinate

with other ESC Life Care facilities; meet with management to discuss financial issues; and communicate with the residents and the Resident Council on financial matters.

In the few months that we have been operating as a committee, we have obtained last year's budget formulation schedule, and have been given some encouragement for participation in the next year's budget. I have recently learned that the Health and Safety Code not only requires consultation with the residents association during the annual budget planning process but also requires an evaluation of the effectiveness of the consultation every two years so we look forward to full participation in the future.

We have an agreement with management to provide us with records of the past year's capital projects costs and accomplishments. We will also review the current year's plans and progress to provide our comments and suggestions. We have received the quarterly financial report for the last quarter of Fiscal Year 2008 and expect to receive future reports.

We have met with the San Francisco Towers residents Financial Committee, and together with them are coordinating with the other three ESC Life Care facilities. We will meet in May with ESC management to discuss

financial issues. In the course of this work, we have found some deficiencies in the financial system, which ESC is in the process of improving.

I believe it is important for residents to have access to the financial information concerning the facility and the provider. Non-profit CCRCs have no shareholders. Residents are the basic source and the intended beneficiaries of the tax exempt status and are the source of funds for the operation. It is appropriate for management to understand its obligation to residents in the same manner that for profit operations are accountable to shareholders. This includes transparency in how management is conforming to the law including the Internal Revenue Code requirement that they operate at the lowest feasible cost. Management must also take into consideration payment of indebtedness, maintenance of adequate reserves sufficient to insure the life care of each resident, and provide reserves for physical expansion commensurate with the needs of the community and the existing resources of the organization. We are not just passengers on a cruise ship; our ability to monitor and influence the finances of the organization is critical to our quality of life and financial security.

PRESIDENT'S LETTER con't...

- Providers must consult with the resident council in the annual budgeting process.
- Providers must make available, at least semi-annually, a financial statement comparing actual to budgeted costs broken down by expense category. Multi-facility providers are required to break down financial statements by facility. Providers must submit detailed information on all reserves.
- Providers must make available to residents all information filed with the Department of Social Services including resident satisfaction surveys and citations against the provider.
- Residents have the right to select a representative to the provider

board of directors. Resident representatives are entitled to receive all information supplied to board members and are entitled to attend, speak and participate in all meetings of the board including most executive sessions.

- Every CCRC is required to file a disaster preparedness plan with the Department of Social Services.
- An appeal process is now a required addition to the provider's previous unilateral authority to transfer residents to higher levels of care.
- Residents rights in cases of liquidation or receivership have been strengthened.

CALCRA's work continues currently with SB 489, legislation which will provide protection for residents

contending with relocation due to a CCRC's complete or temporary closure. Historically, permanent closures have been rare, but temporary relocations occur with some frequency to enable needed renovations. Whenever a resident is forced to leave familiar surroundings, whether permanently or temporarily, it is essential to alleviate the harmful effects of the trauma experienced as much as is reasonably possible. That is the cornerstone of our legislation. The design of this bill, like all CALCRA bills in the past, will help protect residents and improve the integrity of the industry.

Clearly, there is still much more to be done. With your support that effort will go on.

WHY RESIDENTS ARE BETTER OFF TODAY THAN THEY WERE 10 YEARS AGO by Barbara Krings

I had the pleasant experience of being invited to Piedmont Gardens to speak about the current issues involving CALCRA. This lively group of interesting people asked very pertinent questions and the one that I asked, "Are you happy here at Piedmont Gardens?" was yes, but with some reservations. This answer is probably the one that most communities would give, if asked.

Why residents are happy is generally acknowledged to be because the services they receive are more than just acceptable. But, less likely to be acknowledged is that management is much more aware that they are being held to a higher standard because of the changes in the regulations that CALCRA has worked so hard to put into place. Relations between resident and provider have improved due to the financial reviews and the interchange between corporate executives and

resident representatives. When providers are open and responsive, the climate in the community is much more likely to produce an atmosphere of trust instead of doubt and mistrust because of what is unknown and perceived to be hidden because there is something wrong.

During my visit it became clear that the fear of the unknown at Piedmont Gardens due to impending renovations was responsible for the reservations expressed when asked about the happiness issue. The prospect of many months of noise, dust, and disruption is one that other communities have experienced. Changes in once desirable communities which no longer have the ability to attract new residents, will result in current residents experiencing possible relocation and probable inconvenience to achieve new state-of-the art improvements which will have the public beating a

path to these new, improved facilities. Competition is a compelling force.

CALCRA is currently sponsoring SB 489 which will, if passed, address the forced relocation of residents in the event of financial difficulties in the community as well as due to relocation because of renovations. Protection of residents is what CALCRA is all about and that is what is at issue with SB 489. Vulnerable residents need this legislation because they have signed contracts in good faith which they were led to believe would allow them to live in the homes of their choice without disruption and with peace of mind knowing that their interests would be honored. Passage of this bill with the original intent intact is of the utmost importance for the protection of all of the residents in California who deserve no less from their providers.

WWW.CALCRA.ORG
We're on the Web!!!

**California Continuing Care
Residents Association, Inc.
1515 Shasta Dr., #2109
Davis, CA 95616**