

Report on Examination

of

Florida Presbyterian Homes, Inc.

Lakeland, FL

as of

December 31, 2022



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SCOPE OF EXAMINATION

The Florida Office of Insurance Regulation (“OIR”), Life & Health Financial Oversight unit, conducted a routine examination of Florida Presbyterian Homes, Inc., pursuant to Section 651.105, Florida Statutes. The objective of the examination was to determine the extent of compliance with the provisions of Chapter 651, Florida Statutes, and Rule Chapter 69O-193, Florida Administrative Code. The examination covered the period of January 1, 2019, through December 31, 2022.

COMPANY HISTORY

Florida Presbyterian Homes, Inc., a Florida not-for-profit corporation, was granted a certificate of authority by the OIR to offer continuing care contracts on March 6, 1980. Florida Presbyterian Homes, Inc. operates the continuing care retirement community (“CCRC”) facility located in Lakeland, Florida.

Florida Presbyterian Homes operates on the calendar year from January 1 through December 31. As of December 31, 2022, Florida Presbyterian Homes reported in its annual statement filed with the OIR: 287 Continuing Care Units consisting of 177 Independent Living Units, 34 Assisted Living, 8 Memory Care, and 68 Skilled Nursing Units. As of December 31, 2022, there were 296 individuals reported residing at Florida Presbyterian Homes. The facility reports, pursuant to a continuing care contract, 210 residents in Independent Living, 45 residents in Assisted Living and Memory Care, and 22 residents in Skilled Nursing.

SUMMARY OF FINDINGS

Notifications to the OIR

Finding 1:

In one instance, pursuant to Section 651.026(2)(a), Florida Statutes, Florida Presbyterian Homes failed to notify the OIR of any change in status with respect to the information required to be filed under Section 651.022(2), Florida Statutes, for each new management company or manager not employed by a management company.

Finding 2:

In one instance, pursuant to Section 651.043(2), Florida Statutes, Florida Presbyterian Homes failed to provide notification to the OIR in writing or electronically of any change in management within 10 business days.

Finding 3:

In one instance, pursuant to Rule 69O.193.003(6), Florida Administrative Code, Florida Presbyterian Homes failed to submit to the OIR documents required to comply with the filing requirements of Section 651.043(2), Florida Statutes.

Resident Council Required Disclosures

Finding 4:

In two instances, pursuant to Section 651.081(2), Florida Statutes, Florida Presbyterian Homes failed to provide documentation demonstrating that the newly elected President or Chair of the Residents' Council was given a copy of Chapter 651, Florida Statutes and rules adopted thereunder, within 30 days after election.

Finding 5:

In two instances, pursuant to Section 651.085(3), Florida Statutes, Florida Presbyterian Homes failed to provide documentation demonstrating that the designated resident representative was

notified by the provider at least 14 days of any meeting of the full governing body at which the annual budget and proposed changes or increases in resident fees or services are on the agenda or will be discussed.

Finding 6:

In one instance, pursuant to Section 651.091(2)(d), Florida Statutes, Florida Presbyterian Homes failed to provide documentation demonstrating a notice was given to the President or Chair of the Residents' Council within 10 business days after issuance of a final examination report or the initiation of any legal or administrative proceeding by the OIR.

Finding 7:

In two instances, pursuant to Section 651.091(2)(f), Florida Statutes, Florida Presbyterian Homes failed to provide documentation demonstrating that a copy of the full Annual Report was distributed to the President or Chair of the Residents' Council within 30 days after filing the annual statement with the OIR.

Finding 8:

In two instances, pursuant to Section 651.091(2)(f), Florida Statutes, Florida Presbyterian Homes failed to provide documentation demonstrating that a copy of the most recent third-party financial audit filed with the annual statement was distributed to the President or Chair of the Residents' Council within 30 days after filing the annual statement with the OIR.

Finding 9:

In one instance, Florida Presbyterian Homes failed to provide documentation demonstrating that the information described in Section 651.085(4), Florida Statutes, was provided in writing to the President or Chair of the Residents' Council, pursuant to Section 651.091(2)(g), Florida Statutes.

Finding 10:

In two instances, pursuant to Section 651.091(2)(h), Florida Statutes, Florida Presbyterian Homes failed to provide documentation demonstrating that a summary of entrance fees collected, and refunds made during the time-period covered in the annual statement, and the refund balances due at the end of the report period, was given to the President or Chair of the Residents' Council.

Finding 11:

In six instances, pursuant to Section 651.091(2)(i), Florida Statutes, Florida Presbyterian Homes failed to provide documentation demonstrating that a copy of each Quarterly Report was delivered to the President or Chair of the Residents' Council within 30 days after the quarterly statement is filed with the OIR.

Disclosure Documents

Finding 12:

In three instances, pursuant to Section 651.091(4), Florida Statutes, Florida Presbyterian Homes failed to provide documentation demonstrating a true and complete copy of the current full disclosure document to be used was filed with the OIR before use.

Finding 13:

In two instances, pursuant to Section 651.091(3), Florida Statutes, for the statute change that went into effect January 1, 2020, Florida Presbyterian Homes failed to file and use disclosure documents that included the requirements set forth in Section 651.091(3)(k) and (l), Florida Statutes.

Finding 14:

In three instances, pursuant to Section 651.091(3), Florida Statutes, for the statute change that went into effect July 1, 2023, Florida Presbyterian Homes failed to file and use disclosure documents that included the requirements set forth in Section 651.091(3) (k), (l), and (m), Florida Statutes.

MINIMUM LIQUID RESERVE

As of December 31, 2022, Florida Presbyterian Homes had a Minimum Liquid Reserve that was funded in accordance with Section 651.035, Florida Statutes.

SUMMARY OF RECOMMENDATIONS

Notifications to the OIR

Findings 1, 2, and 3: The OIR recommends Florida Presbyterian Homes ensures the OIR is timely provided information and documentation for managers or management companies, in accordance with requirements of Chapter 651, Florida Statutes and Rule Chapter 69O-193, Florida Administrative Code.

Resident Council Required Disclosures

Findings 4, 5, 6, 7, 8, 9, 10, and 11: The OIR recommends Florida Presbyterian Homes establish adequate procedures and controls to ensure the statutory availability, distribution, and posting of reports and records are distributed to the President or Chair of the Residents' Council, in accordance with Section 651.091(2), Florida Statutes.

Disclosure Documents

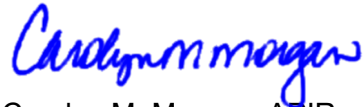
Findings 12, 13, and 14: The OIR recommends that Florida Presbyterian Homes review its current disclosure documents to ensure the disclosures comply with Section 651.091(3), Florida Statutes, and amend the disclosure documents, if needed. The OIR further recommends Florida Presbyterian Homes file with OIR a true and complete copy of the full disclosure document before use, in accordance with Section 651.091(4), Florida Statutes.

CONCLUSION

This Report of Examination is based upon the information provided to the OIR from Florida Presbyterian Homes and additional research conducted by the OIR.

The following individuals from the Florida Office of Insurance Regulation participated in the examination: Michael Rockwell, Senior Management Analyst Supervisor; Steven Waites, Financial Specialist; Al Garabedian, Financial Specialist.

Respectfully submitted,



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Director
Life & Health Financial Oversight
Florida Office of Insurance Regulation
Date Signed: 4/12/24