

Report on Examination

of

The Christian and Missionary Alliance Foundation,

Inc.

d/b/a

Shell Point Retirement Community

Fort Myers, Florida

as of

June 30, 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 The Christian and Missionary Alliance Foundation, Inc. d/b/a Shell Point Retirement Community (“Shell Point”), 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 July 1, 2018, through June 30, 2022.

COMPANY HISTORY

The Christian and Missionary Alliance Foundation Inc., a Florida not-for-profit corporation, was granted a certificate of authority by the OIR to offer continuing care contracts on July 15, 1980. The Christian and Missionary Alliance Foundation Inc. operates the continuing care retirement community facility Shell Point Retirement Community, located in Fort Myers, Florida.

Shell Point operates on the fiscal year July 1 through June 30. As of June 30, 2022, Shell Point reported in its Annual Report filed with the OIR: 1,979 Continuing Care Units consisting of 1,333 Independent Living Units, 421 Assisted Living Units, 30 Memory Care Units, 180 Skilled Nursing Units, and 15 Rental Units. As of June 30, 2022, there were 2,456 individuals reported residing at Shell Point. The facility reports, pursuant to a continuing care contract, 1,984 residents in Independent Living, 357 residents in Assisted Living and Memory Care, and 89 residents in Skilled Nursing. The facility reported 26 residents without a continuing care contract.

SUMMARY OF FINDINGS

Notifications to the OIR

Finding 1:

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

Finding 2:

In one instance, pursuant to Rule Chapter 69O.193.003(6), Florida Administrative Code, Shell Point failed to submit the required documentation to comply with the filing requirements of Section 651.043(2), Florida Statutes, 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.

Resident Council Disclosures

Finding 3:

In three instances, pursuant to Sections 651.091(2)(g), Florida Statutes, Shell Point failed to provide documentation demonstrating that the third-party financial audit filed with the Annual Report, was distributed to the President or Chair of the Residents' Council within 30 days after filing the Annual Report with OIR.

Finding 4:

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

Finding 5:

In one instance, pursuant to Section 651.091(2)(d), Florida Statutes, Shell Point failed to provide notice to the President or Chair of the Residents' Council within 10 days after issuance of a final examination report.

Finding 6:

In two instances, pursuant to Section 651.091(2)(g), Florida Statutes, Shell Point failed to provide documentation that demonstrates that a copy of the full annual statement was distributed to the President or Chair of the Residents' Council within 30 days after filing the Annual Report with the OIR, and delegate a staff person to provide an explanation thereof.

Quarterly Meetings with Residents

Finding 7:

In three instances, pursuant to Section 651.085(3), Florida Statutes, Shell Point failed to provide documentation to demonstrate that the designated resident representative was notified by a representative of the provider at least 14 days in advance 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.

MINIMUM LIQUID RESERVE

As of June 30, 2022, Shell Point Retirement Community 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 and 2: The OIR recommends Shell Point establish adequate procedures and controls to ensure that the reporting and filing requirements set forth in Section 651.043(2), Florida Statutes, and Rule Chapter 69O.193.003(6), Florida Administrative Code, are properly provided to the OIR.

Resident Council Disclosures

Findings 3, 4, 5, and 6: The OIR recommends that Shell Point establish adequate procedures and controls to ensure that 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.

Quarterly Meetings with Residents

Finding 7: The OIR recommends that Shell Point maintain documentation to demonstrate that the designated resident representative was notified at least 14 days in advance 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, in accordance with Section 651.085(3), Florida Statutes.

CONCLUSION

This Report of Examination is based upon the information provided to the OIR from The Christian and Missionary Alliance Foundation dba Shell Point Retirement Community 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; and Al Garabedian, Financial Specialist.

Respectfully submitted,



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Director
Life & Health Financial Oversight
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Date Signed: 4/12/24