

Report on Examination

of

Buena Vida Estates Incorporated

d/b/a

Buena Vida Estates

West Melbourne, Florida

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 Buena Vida Estates Incorporated d/b/a Buena Vida Estates (“Buena Vida”), 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, 2014, through December 31, 2022.

COMPANY HISTORY

Buena Vida Estates Incorporated, (“Buena Vida”) a Florida not-for-profit organization, was granted a certificate of authority by the OIR to offer continuing care contracts on February 2, 1982. Buena Vida Estates Incorporated operates the continuing care retirement community facility Buena Vida Estates located in West Melbourne, Florida.

Buena Vida operates on a calendar year from January 1 through December 31. As of December 31, 2022, Buena Vida reported in its Annual Report filed with the OIR: 219 Continuing Care Units consisting of 187 Independent Living Units and 32 Assisted Living Units. As of December 31, 2022, there were 279 individuals reported residing at Buena Vida. The facility reports, pursuant to a continuing care contract, 243 residents in Independent Living, and 30 residents in Assisted Living and Memory Care, and 4 residents in Skilled Nursing. The facility reported 2 residents without a continuing care contract.

SUMMARY OF FINDINGS

Notifications to the OIR

Finding 1:

In three instances, pursuant to Sections 651.026(2)(a), Florida Statutes and Chapter Rule 690.193.003(6), Florida Administrative Code, Buena Vida 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 two instances, pursuant to Section 651.043(2), Florida Statutes (effective July 1, 2019) and Rule Chapter 690.193.003(6), Florida Administrative Code, Buena Vida failed to notify the office, in writing or electronically, of any change in management within 10 business days.

Finding 3:

In two instances, pursuant to Section 651.026(2)(c), Florida Statutes, Buena Vida failed to accurately report the increase in maintenance fees to the OIR as required in the Annual Report.

Disclosure Documents

Finding 4:

In one instance, pursuant to Section 651.091(4), Florida Statutes, Buena Vida failed to provide documentation demonstrating that a true and complete copy of the full disclosure documents that are used, were filed with the OIR before use.

Finding 5:

In three instances, pursuant to Section 651.091(3), Florida statutes, Buena Vida failed to make full disclosure to the prospective resident or his or her legal representative the information outlined in Section 651.091(3)(d), 651.091(3)(k), and 651.091(3)(i), Florida Statutes.

- Subsequent Event: Buena Vida has filed the new (Ch. 2023-295 effective July 1, 2023) statutory required disclosure documents to the OIR.

MINIMUM LIQUID RESERVE

As of December 31, 2022, Buena Vida 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 Buena Vida 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.

Finding 3: The OIR recommends Buena Vida ensures that the increases in maintenance fees are properly reported as required in the Annual Report, in accordance with Section 651.026(2)(c), Florida Statutes.

Disclosure Documents

Findings 4 and 5: The OIR Recommends Buena Vida file with the OIR a true and complete copy of the full disclosure documents to the Regulatory Electronic Filing System (“REFS”) as outlined in Section 651.091(4), Florida Statutes, containing all items listed and described in Section 651.091(3), Florida Statutes when necessary.

CONCLUSION

This Report of Examination is based upon the information provided to the OIR from Buena Vida Estates Incorporated 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.

Respectfully submitted,



Carolyn M. Morgan, APIR
Director
Life & Health Financial Oversight
Florida Office of Insurance Regulation
Date Signed: 12/4/23