

**Report on Examination**

**of**

**KC Palm Beach Gardens LLC**

**d/b/a**

**La Posada**

**Palm Beach Gardens, 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 KC Palm Beach Gardens LLC d/b/a La Posada (“La Posada”), 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, 2014, through December 31, 2022.

## **COMPANY HISTORY**

KC Palm Beach Gardens LLC, a Florida for-profit, was granted a certificate of authority by the OIR to offer continuing care contracts on August 12, 2002. KC Palm Beach Gardens LLC operates the continuing care retirement community facility La Posada located in Palm Beach Gardens, Florida.

La Posada operates on a calendar year from January 1 through December 31. As of December 31, 2022, La Posada reported in its Annual Report filed with the OIR: 250 Continuing Care Units consisting of 202 Independent Living Units, and 48 Assisted Living Units. The facility reports 40 Skilled Nursing Units and 43 Rental Units. As of December 31, 2022, there were 370 individuals reported residing at La Posada. The facility reports, pursuant to a continuing care contract, 246 residents in Independent Living, 17 residents in Assisted Living and Memory Care, and 6 residents in Skilled Nursing. The facility reported 101 residents without a continuing care contract.

## **SUMMARY OF FINDINGS**

### Quarterly Meetings with Residents

#### Finding 1:

In 12 instances, pursuant to Section 651.085(1), Florida Statutes, La Posada failed to accurately report the dates in which quarterly meetings were held in the Annual Report.

## **MINIMUM LIQUID RESERVE**

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

## **SUMMARY OF RECOMMENDATIONS**

### Quarterly Meetings with Residents

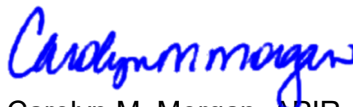
Finding 1: The OIR recommends La Posada ensures that the quarterly meetings are properly reported as required in the Annual Report, in accordance with Section 651.085(1), Florida Statutes.

## CONCLUSION

This Report of Examination is based upon the information provided to the OIR from KC Palm Beach Gardens LLC 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: 10/10/23