

Report on Examination

of

Meridian Park Village

Limited Partnership

d/b/a

Vi at Lakeside Village

Lantana, Florida

as of

June 30, 2019



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SCOPE OF EXAMINATION

The Florida Office of Insurance Regulation (“OIR”), Life & Health Financial Oversight unit conducted a routine examination of Meridian Park Village Limited Partnership, 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, 2013 through June 30, 2019.

COMPANY HISTORY

Meridian Park Village Limited Partnership, a Florida Limited Partnership was granted a certificate of authority by the OIR to offer continuing care contracts on May 1, 1995. CC-Lantana, Inc. is the General Partner and CC-Lantana II, Inc., is the Limited Partner of Meridian Park Village. Meridian Park Village doing business as Vi at Lakeside Village operates a continuing care retirement community facility located in Lantana, Florida. Meridian Park Village is managed by Classic Residence Management Limited Partnership, an affiliated entity.

As of December 31, 2018, Meridian Park Village reported in its Annual Report filed with the OIR: 305 Continuing Care Units consisting of 250 Independent Living Units and 55 Assisted Living Units; 60 Skilled Nursing Units consisting solely of Sheltered Beds; and 50 Rental Units. As of that date, there were 362 individuals reported residing at Meridian Park Village: 274 pursuant to a continuing care agreement; 24 skilled nursing-community patients (non-CCRC); and 64 pursuant to a rental agreement.

SUMMARY OF FINDINGS

The following is a summary of findings. The findings are discussed in more detail in the pages that follow with recommendations beginning on page 5.

REQUIRED DISCLOSURES

Meridian Park Village provided a list of 195 continuing care contracts executed during the scope period of the examination. A sample of 60 transactions was selected and reviewed for compliance with Section 651.055(4), Florida Statutes, and Section 651.091(3), Florida Statutes (2018).

Finding 1:

Section 651.055(4), Florida Statutes, provides in part that before the transfer of any money or other property to a provider by or on behalf of a prospective resident, the provider shall present a typewritten or printed copy of the contract to the prospective resident and all other parties to the contract. The provider shall also secure a signed, dated statement from each party to the contract certifying that a copy of the contract with the specified attachment was received.

In one instance, Meridian Park Village failed to provide a typewritten or printed copy of the contract to the prospective resident prior to the transfer of money or property, as required by Section 651.055(4), Florida Statutes. In this instance, reservation contract related funds were received by Meridian Park Village on June 26, 2017; the document acknowledging the receipt of a copy of the contract was signed and dated September 29, 2017.

Finding 2:

Section 651.091(3), Florida Statutes (2018), provides in part that before entering into a contract to furnish continuing care, the provider undertaking to furnish the care, or the agent of the provider,

shall make full disclosure, and provide copies of specific disclosure documents to the prospective resident or his or her legal representative.

In one instance, Meridian Park Village failed to provide or make available for examination documentation to establish that all prospective residents or their legal representatives were timely provided the required disclosure documents, pursuant to Section 651.091(3), Florida Statutes (2018).

DISCLOSURE DOCUMENTS

The disclosure documents utilized by Meridian Park Village during the scope period of the examination were reviewed for compliance with Section 651.091(3), Florida Statutes (2018), and Section 651.091(4), Florida Statutes.

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Finding

Section 651.091(3)(c), Florida Statutes, includes as a required disclosure the disclosure of all ownership interests.

Meridian Park Village failed to include in six versions of its disclosure documents information pertaining to all ownership interests, as required by Section 651.091(3)(c), Florida Statutes. The disclosure documents failed to include information regarding the General Partner, CC-

Lantana, Inc., Limited Partner, CC-Lantana II, Inc., and the ultimate parent company, CC-Development Group, Inc., of Meridian Park Village. The six disclosure document versions were: "6.2012"; "9.2014"; "8.2015"; "3.2016"; "10/31/2016"; and "1.2019".

MINIMUM LIQUID RESERVE

As of June 30, 2019, the Meridian Park Village's Minimum Liquid Reserve was funded in accordance with Section 651.035, Florida Statutes.

SUMMARY OF RECOMMENDATIONS

REQUIRED DISCLOSURES

Finding 1. The OIR recommends Meridian Park Village ensure that in accordance with Section 651.055(4), Florida Statutes, “[b]efore the transfer of any money or other property to the provider by or on behalf of a prospective resident, the provider shall present a typewritten or printed copy of the contract to the prospective resident and all other parties to the contract. The provider shall secure a signed, dated statement from each party to the contract certifying that a copy of the contract with the specified attachment, as required pursuant to this chapter, was received.”

Finding 2. The OIR recommends Meridian Park Village ensure that prospective residents or their legal representatives are provided the required disclosure documents prior to entering into a continuing care contract and a written acknowledgement of receipt of the disclosure documents is obtained, in accordance with Section 651.091(3), Florida Statutes.

DISCLOSURE DOCUMENTS

The OIR recommends Meridian Park Village 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 Meridian Park Village file with the OIR a true and complete copy of the full disclosure document before use, in accordance with Section 651.091(4), Florida Statutes.

CONCLUSION

This Final Report of Examination is based upon the information provided to the OIR from Meridian Park Village Limited Partnership and additional research conducted by the OIR.

The following individuals from the Office of Insurance Regulation participated in the examination: Bernie L. Stoffel, Senior Management Analyst Supervisor; Alicia Thompkins-Perryman, APIR, Financial Specialist; and Kyle Barber, Financial Specialist.

Respectfully submitted,



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