



Florida Office of Insurance Regulation

**APPLICATION FOR CERTIFICATE OF AUTHORITY FOR A
CONTINUING CARE PROVIDER**

This packet is designed to assist individuals in preparing the application in accordance with Florida Statutes and Rules and to facilitate expeditious processing of the application by the Florida Office of Insurance Regulation (Office).

Please submit all documents required by this packet in searchable PDF format unless otherwise indicated or required by Florida Statutes.

If this packet requires submission of forms or rates, upon receipt of an email notification of acceptance of the application, the Applicant is directed to return to the Industry Portal <https://www.floir.com/iportal> and select Insurance Regulation Filing System (IRFS) to begin the submission of forms and/or rates.

In order for a submission to be considered a complete application, all required information must be included in the filing, including the completed application checklist.

The completed application packet must be submitted to the Office at the following link:

<https://www.floir.com/iportal>

Any questions concerning this application packet may be directed to lhappcoord@floir.com.

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR A CONTINUING CARE PROVIDER

INSTRUCTIONS

SECTION I - APPLICATION FEES

Section I-1 **Application Fees**

Applicant must pay the application fee of \$75 U.S. Dollars ("USD") pursuant to Section 651.015(2)(a), Florida Statutes. This fee is due at the time the application packet is filed and is not refundable.

Section I-2 **Fingerprint Processing Fees**

Applicants are required to pay a fee directly to the vendor for the processing of the fingerprint cards as required in Section IV-4.

SECTION II – LEGAL

Section II-1 **Authorization Letter**

Provide a letter of authorization for anyone other than company personnel or the company-sponsoring agent, designating the named individual to represent the Applicant.

Section II-2 **Certificate of Status**

Submit a certificate of status dated within the last year. A certificate of status is a document issued by the public official having supervision of the records of corporations in the Applicant's home state or jurisdiction of domicile, usually the Secretary of State or equivalent office, that shows the company is duly organized in the state or jurisdiction of domicile and that all taxes and fees have been paid.

Section II-3 **Changes to Any Previously Submitted Legal Documents**

If there have been any revisions, amendments, or other changes to the Section II – Legal documents filed with the **Application for Provisional Certificate of Authority for a Continuing Care Provider, Form OIR-CI-4 71, ("PCOA")**, please submit the revised documents or amendments. If the revised documents or amendments required certification in the PCOA application, a properly certified document or amendment should be provided. If none of the documents provided with the PCOA application have been revised, amended, or otherwise changed, submit a statement that there have been no revisions, amendments, or other changes to the Section II – Legal documents provided with the PCOA application and that there are no new documents to submit.

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR A CONTINUING CARE PROVIDER

SECTION III - FINANCIAL

Section III-1 Feasibility Study

Submit an independent feasibility study that complies with the requirements of Section 651.023(1)(b), Florida Statutes. The Application Checklist below lists the required components of the feasibility study.

The provider may submit any other information it deems relevant and appropriate to enable the Office to make a more informed determination. If such information is submitted, please provide an explanation of why the additional information is relevant and appropriate for the Office to consider in reviewing the application filing.

Section III-2 Changes to Any Previously Submitted Financial Documents

If there have been any revisions, amendments, or other changes to the Section III – Financial documents filed with the Application for Provisional Certificate of Authority for a Continuing Care Provider, (Form OIR-C1-471) please submit the revised documents or amendments. If none of the documents provided with the PCOA application have been revised, amended, or otherwise changed, submit a statement that there have been no revisions, amendments, or other changes to the Section III – Financial documents provided with the PCOA application and that there are no new documents to submit.

Section III-3 Financing Plan Documentation

Submit documents evidencing that commitments have been secured for both construction financing and long-term financing, or that a documented plan acceptable to the Office has been adopted by the Applicant for long-term financing.

Please provide financing agreements, commitments, letters of intent to finance, term sheets, or other agreements or similar documents with affiliates, lenders, or underwriters that describe the proposed plan for the financing and funding plan for the proposed facility. Please note if the documents are drafts or in final form. Provide executed copies for any agreements that are already in-force.

If agreements have not been executed at the time of filing, please provide an explanation of the conditions precedent to the parties executing each agreement and a timeline of when the agreements are expected to be executed.

If bonds are to be issued in connection with the project, submit the official statement used in connection with the proposed bond issue, a copy of the bond indenture, and a sample form of the bond. Submit drafts if final versions are not yet available. The final documents will be due to the Office within 30 days after the bonds are issued.

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR A CONTINUING CARE PROVIDER

Section III-4 Satisfaction of Lending Conditions

For projects financed in whole or part by one or more lenders, whether affiliated or third-party, submit documentation from the lender(s) that all conditions of the lender have been satisfied to activate the commitment to disburse funds. The lender should explain any other conditions precedent to the disbursement of funds. This requirement does not apply to projects financed by public bond issue.

Section III-5 Sufficiency of Funds

Submit documents evidencing that the aggregate amount of entrance fees received by or pledged to the Applicant, plus anticipated proceeds from any long-term financing commitment, plus funds from all other sources in the actual possession of the Applicant, equal at least 100% of the aggregate cost of construction or purchasing, equipping, and furnishing the facility plus 100% of the anticipated startup losses of the facility.

Submit documents evidencing that Applicant will be able to comply with the minimum liquid reserve requirements of Section 651.035, Florida Statutes.

Section III-6 Audited Annual Financial Statements

Submit a complete audited financial report of the Applicant, prepared by an independent certified public accountant in accordance with generally accepted accounting principles, as of the date the Applicant commenced business operations or for the fiscal year that ended immediately preceding the date of the application, whichever is later.

If Applicant relies on funding from an affiliate or controlling company, provide the most recent annual financial statements or audit for that entity as well.

Section III-7 Unaudited Quarterly Financial Statements

Submit complete unaudited quarterly financial statements attested to by the Applicant for each quarter after the date of the last audit.

Section III-8 Escrow Statements

Submit documents evidencing that the Applicant has complied with the escrow requirements of Section 651.023(5), Florida Statutes, and will be able to comply with Section 651.035, Florida Statutes. Statements should be dated within 1 month of the filing date of the Application.

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR A CONTINUING CARE PROVIDER

Section III-9 Reservation Deposit Requirement

Submit documentation evidencing that the project has a minimum of 30% of the units reserved for which the provider is charging an entrance fee. The Office may not issue a Certificate of Authority until it has received documentation evidencing that a minimum of 50% of the units have been reserved.

In order for a unit to be considered reserved, the provider must collect a minimum deposit of the lesser of \$40,000 USD or 10% of the then-current entrance fee for that unit. Initial entrance fee means the total entrance fee charged by the facility to the first occupant of a unit.

As evidence of meeting the reservation deposit requirement, please submit a schedule detailing each unit reservation. For each reservation, the schedule should include the name(s) of the payor or resident(s), the unit being reserved, the price of the care contract, and the amount of money paid, and the date the reservation contract was executed. The schedule should also include the percentage of units that have been reserved.

The schedule should be supported by one or more entrance fee escrow statement(s) submitted as part of Applicant's response to Section III-8. The entrance fee escrow statement(s) need not include every item detailed in the schedule, but should provide enough detail for the Office to substantiate the accuracy of the schedule. For example, the escrow statement may include the amount of funds in escrow broken down by the name(s) of the payor or resident(s) or unit number. If the statement issued by the escrow agent is not sufficient to verify the individual reservations submitted in the schedule, Applicant may submit other documentation providing sufficient detail that is certified by the escrow agent to be true and correct.

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR A CONTINUING CARE PROVIDER

SECTION IV - MANAGEMENT

Section IV-1 Management Information Forms

Please submit a Management Information Form (Form OIR-C1-2221) fully describing the management, ownership, and control of Applicant up to and including any 10% or greater shareholders of the ultimate parent. A Management Information Form should be submitted for each entity in the ownership chain.

Forms should contain the first, middle, and last name of each officer, director, and 10% or greater owner of the entity named on the form.

Section IV-2 Biographical Information Package

Each person listed in Section IV-1, must submit a complete Biographical Information Package.

The Biographical Information Package consists of the following forms:

- OIR-C1-1423, "Uniform Certificate of Authority Application (UCAA) Biographical Affidavit"
- OIR-C1-938, "Fingerprints and Social Security Number"
- OIR-C1-0500, "UCAA Biographical Affidavit Addendum Blank"
- OIR-C1-0501, "UCAA Biographical Affidavit Addendum Education"
- OIR-C1-0502, "UCAA Biographical Affidavit Addendum Employment"
- OIR-C1-0503, "UCAA Biographical Affidavit Addendum General"
- OIR-C1-0504, "UCAA Biographical Affidavit Addendum Licenses"
- OIR-C1-0505, "UCAA Biographical Affidavit Addendum Professional"
- OIR-C1-0506, "UCAA Biographical Affidavit Addendum Residence"
- OIR-C1-0507, "UCAA Biographical Affidavit Addendum Societies"
- OIR-C1-0509, "Uniform Certificate of Authority Application (UCAA) Biographical Affidavit Cover Letter Holding Company Structure"

Each person must complete forms OIR-C1-1423 and OIR-C1-938, as well as all additional forms that are applicable to that individual.

Each form must be signed, and form OIR-C1-1423 must be notarized.

All questions must be answered. All "Yes" answers must be explained.

Individuals who have previously submitted a Biographical Information Package to the Office may inquire with the Office to determine if the previous submission is recent enough to meet this requirement.

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR A CONTINUING CARE PROVIDER

Section IV-3 Background Investigative Report

A background investigation report must be provided for each person required to provide a Biographical Information Package. These reports must be ordered from and submitted by a background investigation vendor directly to the Office at bkgmd-inv@flor.com who has been approved for use by the National Association of Insurance Commissioners. Submission should be in Microsoft Word format, with appropriate reference to the applicant in the subject of each transmittal e-mail.

Reports should be submitted prior to, or contemporaneously with, the submission of each application filing. The application will not be considered complete until all required background investigation reports are received. Attach proof of payment confirming that all background reports have been ordered when submitting the application.

A list of approved vendors can be found at <https://content.naic.org/industry-ucaa-third-party>. The applicant is responsible for the reports and for handling billing arrangements with the selected vendor. Questions regarding this process may be directed to pcappcoord@flor.com (Property and Casualty applicants) or to lhappcoord@flor.com (Life and Health applicants).

Section IV-4 Fingerprinting and Social Security Number Submission

Each person submitting a Biographical Information Package under Section IV-2 must also submit their fingerprints to the Office. Please refer to our website at www.flor.com/home/company-admissions/fingerprint-instructions for specific instructions on the payment for and submission of fingerprints. Information about the uses and retention of fingerprints is included in form OIR-C1-938.

In addition, pursuant to Section 119.071(5), Florida Statutes, social security numbers collected by an agency are confidential and exempt from disclosure under Section 119.07(1), Florida Statutes, and Section 24(a), Art. I of the State Constitution, and must be segregated on a separate page, which is included as part of form OIR-C1-938, which must be submitted as part of the Biographical Information Package.

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR A CONTINUING CARE PROVIDER

CHECKLIST

Applicant Name: _____

Federal Identification Number: _____

Home Office Address: _____
(Street Address) (City) (State) (Zip Code)

Phone Number: _____

Please complete and check off all items prior to submission. Applicant should provide an explanation for any items that have not been checked off and submitted.

Please note that if any material change occurs in the facts set forth in this application while it is pending before the Office, an amendment setting forth such change must be filed with the Office within 10 business days after the Applicant becomes aware of such change, and a copy of the amendment must be sent by registered mail to the principal office of the facility and to the principal office of the controlling company. Submit copies of the registered mail return receipts when filing with the Office.

SECTION I – APPLICATION FORM AND FEES

- ☐ 1. Application fee paid
- ☐ 2. All fingerprint fees paid electronically
 - ☐ a. Copies of online payment confirmation
- ☐ 3. Application certification and checklist

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR A CONTINUING CARE PROVIDER

CHECKLIST

SECTION II – LEGAL

- ☐ 1. Authorization Letter
- ☐ 2. Certificate of Status
- ☐ 3. Updates or amendments to any previously submitted legal documents, or statement of no changes made and no documents to submit

Legal Documents Previously Submitted with PCOA Application (for reference):

- a. Organizational Documents
 - i. Certified by the Secretary of State (if applicable)
- b. Bylaws
 - i. Certified by corporate Secretary
- c. Certificate of Status
- d. Fictitious Name Filing (if applicable)
- e. Parent Companies and Controlling Partners
 - i. Organizational Documents
 - Certified by the Secretary of State (if applicable)
 - ii. Bylaws
 - Certified by corporate Secretary
 - iii. Certificate of Status
 - iv. Fictitious Name Filing (if applicable)
 - v. Organizational Charts
 - With ownership percentages
- f. Service of Process Form

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR A CONTINUING CARE PROVIDER

CHECKLIST

SECTION III – FINANCIAL

☐ 1. Feasibility Study

☐ a. Prepared by an independent certified public accountant or an independent consulting actuary

☐ b. Indicate the page number where each of the following required elements is located within the feasibility study:

A description of the proposed facility, including:

The location pg _____

The size pg _____

The healthcare delivery system pg _____

Anticipated completion date pg _____

Proposed construction program pg _____

The primary market area pg _____

The secondary market area, if applicable pg _____

Projected unit sales per month pg _____

Projected revenues, including: pg _____

Anticipated entrance fees pg _____

Monthly service fees pg _____

Nursing care revenues, if applicable pg _____

Other sources of revenue pg _____

Projected expenses, including: pg _____

Staffing requirements and salaries pg _____

Cost of property, plant, and equipment pg _____

Depreciation expense pg _____

Interest expense pg _____

Marketing expense pg _____

Other operating expense pg _____

Projected balance sheet of the Applicant pg _____

Expectations for the financial condition of the project, including: pg _____

Projected cash flow statement pg _____

Estimate of funds necessary to cover startup losses pg _____

Form OIR-C1-473

Effective: 04/24

Rule 69O-136.100, F.A.C.

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR A CONTINUING CARE PROVIDER

Inflation factor, if any, and a statement of how and where it is applied	pg _____
Project costs	pg _____
Total amount of debt financing required	pg _____
Marketing activities, including:	pg _____
Actual marketing results to date	pg _____
Marketing projections	pg _____
Resident rates, fees, and charges	pg _____
The breakeven point	pg _____
The competition	pg _____
Resident contract provisions, including:	pg _____
The projected amount of contractual liability attributable to refundable contracts	pg _____
Any other factors that may affect the feasibility of the facility	pg _____
Appropriate population projections, including:	pg _____
Morbidity assumptions	pg _____
Mortality assumptions	pg _____
Any other assumptions used in the study	pg _____
 The name of the person who prepared the feasibility study and their experience in preparing similar studies or otherwise consulting in the field of continuing care	 pg _____
 Financial forecasts or projections prepared in accordance with standards adopted by the American Institute of Certified Public Accountants or in accordance with standards for feasibility studies for continuing care retirement communities adopted by the Actuarial Standards Board	 pg _____
 If the study is prepared by an independent certified public accountant, it must contain an examination opinion or a compilation report containing a financial forecast or projections for the first 5 years of operations which take into account an actuary's mortality and morbidity assumptions as the study relates to turnover, rates, fees, and charges.	 pg _____

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR A CONTINUING CARE PROVIDER

If the study is prepared by an independent consulting actuary, it must contain mortality and morbidity assumptions as the study relates to turnover, rates, fees, and charges and an actuary's signed opinion that the project as proposed is feasible and that the study has been prepared in accordance with standards adopted by the American Academy of Actuaries.

pg _____

In addition to the list above, any other information that the Applicant deems relevant and appropriate to enable the Office to make a more informed determination may be included in the feasibility study.

- ☐ 2. Updates of amendments to any previously submitted financial documents, or statements of no changes made and no documents to submit

Financial Documents Previously Submitted with PCOA Application (for reference):

- a. Plan of Operation
- b. Interrogatories
- c. Applicant's History in the Industry
 - i. Brief history of the company since its incorporation.
 - ii. History in Florida
 - iii. Management experience of individuals
 - iv. Experience of controlling company and management company
 - v. Detailed listing of continuing care experience
 - vi. Audited financial reports of comparable facilities
- d. Proof of Ownership, Right to Operate, or Manage
- e. Financial Ratio Projections
 - i. Days cash on hand
 - ii. Occupancy
 - iii. Debt service coverage ratio
- f. Minimum Liquid Reserve Projections
 - i. Debt Service Reserve
 - ii. Operating Reserve
 - iii. Renewal and Replacement Reserve
- g. Escrow Agreements
 - i. Entrance fee escrow agreement
 - ii. Seven-day escrow agreement
 - iii. Minimum liquid reserve escrow agreements
 - 1. Debt Service Reserve
 - 2. Operating Reserve
 - 3. Renewal and Replacement Reserve

Form OIR-C1-473

Effective: 04/24

Rule 69O-136.100, F.A.C.

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR A CONTINUING CARE PROVIDER

- h. Continuing Care Contracts**
 - i. Continuing care contracts**
 - ii. Reservation agreements**
 - iii. Waitlist agreements**
 - iv. Addendums**
- i. Contractors, Vendors, Services, and Other Agreements**
 - i. Marketing agreements**
 - ii. Development or construction contracts**
 - iii. Construction or long-term financing agreements**
 - iv. Leases of land or property**
 - v. Management agreements**
 - vi. Contracts related to the provision of the following to residents**
 - 1. Shelter**
 - 2. Food**
 - 3. Health care to residents**
 - vii. Affiliated contracts pursuant to Section 651.022(2)(b)8., Florida Statutes**
- j. Advertisements**

- ☐ **3. Financial Plan documentation**
- ☐ **4. Satisfaction of lending conditions**
- ☐ **5. Sufficiency of funds**
- ☐ **6. Annual financial statements**
 - ☐ **a. Complete audited financial report**
 - ☐ **b. Prepared by an independent certified public accountant**
- ☐ **7. Quarterly statements**
 - ☐ **a. Complete unaudited quarterly statements since date of last audit**
 - ☐ **b. Attested to by Applicant**
- ☐ **8. Escrow statements**
- ☐ **9. Reservation deposit requirement**
 - a. Schedule of deposits**
 - b. Escrow statement or supporting documentation**

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR A CONTINUING CARE PROVIDER

CHECKLIST

SECTION IV – MANAGEMENT

- ☐ 1. Management Information Form submitted for all required entities (Form OIR-C1-2221)
- ☐ 2. Biographical Information Package submitted for all required individuals
 - ☐ a. All information completed (no blanks)
 - ☐ b. "Yes" answers explained
 - ☐ c. Signed
 - ☐ d. Notarized
- ☐ 3. Background investigative reports for all required individuals. The reports must be based on the Biographical Information Packages submitted to the Office with this Application.
 - ☐ a. Proof of order and confirmation of payment submitted to the Office
- ☐ 4. A Fingerprints and Social Security Number form (Form OIR-C1-938) for each required individual.
 - ☐ a. All information completed (no blanks)
 - ☐ b. Fingerprints submitted for each individual required to file a Biographical Information Package

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR A CONTINUING CARE PROVIDER

APPLICATION CERTIFICATION

The below certification must be executed by two officers of Applicant, one of whom must be the President or Chief Financial Officer, and the other the Secretary*.

The undersigned state that they are officers having personal knowledge of this application submitted to the Florida Office of Insurance Regulation by _____ ("Applicant"), that they have read said application, and that they know the contents thereof and verify that the items indicated in the application checklist are true and complete to the best of their knowledge and have been submitted with the application. The undersigned represent that they have the authority to bind the Applicant, and that by their signatures on the instrument, the Applicant on behalf of which they have acted executed the instrument.

I understand that whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his or her official duties is guilty of a misdemeanor of the second degree, pursuant to Section 837.06, Florida Statutes, punishable as provided in Section 775.082 or Section 775.083, Florida Statutes.

By: _____

Print Name: _____

Title: _____

Date: _____

By: _____

Print Name: _____

Title: _____

Date: _____

*Other officers, or similar persons with the authority to bind Applicant, will be accepted only if Applicant does not have these positions.

Form OIR-C1-473

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