

Report on Examination

of

CCRC OPCO – Sun City Center, LLC

d/b/a

Freedom Plaza

Sun City Center, FL

as of

December 31, 2023



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SCOPE OF EXAMINATION

The Florida Office of Insurance Regulation (“OIR”), Life & Health Financial Oversight unit, conducted a routine examination of CCRC OPCO – Sun City Center, LLC d/b/a Freedom Plaza (“Freedom Plaza”), 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, 2021, through December 31, 2023.

COMPANY HISTORY

CCRC OPCO – Sun City Center, LLC, a Delaware Limited Liability Company was granted a certificate of authority by the OIR to offer continuing care contracts on December 12, 2014. CCRC OPCO – Sun City Center, LLC operates Freedom Plaza a Continuing Care Retirement Community (“CCRC”) facility located in Sun City Center, Florida. Freedom Plaza is managed by Life Care Service, LLC.

Freedom Plaza operates on a calendar year from January 1 through December 31. As of December 31, 2023, Freedom Plaza reported in its Annual Report filed with the OIR: 650 Continuing Care Units consisting of 425 Independent Living, 67 Assisted Living, 18 in Memory Care, 113 Skilled Nursing, and 27 Rental. As of December 31, 2023, there were 740 individuals reported residing at Freedom Plaza. The facility reports, pursuant to a continuing care contract, 521 residents in Independent Living, 81 residents in Assisted Living and Memory Care, and 9 residents in Skilled Nursing. There are 129 residents without a continuing care contract.

SUMMARY OF FINDINGS

Resident Council Required Disclosures

Finding 1:

In one instance, pursuant to section 651.091(2)(j), Florida Statutes, Freedom Plaza 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 was filed with the OIR.

Finding 2:

In three instances, pursuant to section 651.091(2)(h), Florida Statutes, Freedom Plaza failed to provide documentation demonstrating that the information described in section 651.085(4), Florida Statutes, was provided in writing to the President or Chair of the Residents' Council.

Minimum Liquid Reserve

Finding 3:

In one instance, pursuant to section 651.035(11), Florida Statutes, Freedom Plaza failed to fund the Minimum Liquid Reserve shortfall within 10 business days after the end of any fiscal quarter due to a change in the market value of the invested funds.

Finding 4:

In one instance, pursuant to section 651.011(16)(a), Florida statutes, Freedom Plaza was impaired as the facility failed to maintain its minimum liquid reserve as required under section 651.035, Florida Statutes.

Quarterly Meetings with Residents

Finding 5:

In six instances, pursuant to section 651.085(1), Florida Statutes, Freedom Plaza failed to accurately report the dates in which quarterly meetings were held in the Annual Reports.

MINIMUM LIQUID RESERVE

As of December 31, 2023, Freedom Plaza had a Minimum Liquid Reserve that was funded in accordance with section 651.035, Florida Statutes.

SUMMARY OF RECOMMENDATIONS

Resident Council Required Disclosures

Findings 1 and 2: The OIR recommends Freedom Plaza establish adequate procedures and controls to ensure 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.

Minimum Liquid Reserve

Findings 3 and 4: The OIR recommends that Freedom Plaza establish adequate procedures and controls to ensure that the statutory required Minimum Liquid Reserve remains funded in accordance with section 651.035, Florida Statutes.

Quarterly Meetings with Residents

Finding 5: The OIR recommends Freedom Plaza ensures that the dates of quarterly meetings with residents pursuant to section 651.085(1), Florida Statutes, are properly reported, in accordance with section 651.026, Florida Statutes

CONCLUSION

This Report of Examination is based upon the information provided to the OIR from Freedom Plaza and additional research conducted by the OIR.

The following individuals from the Florida Office of Insurance Regulation participated in the examination: Michael Rockwell, Financial Administrator; Steven Waites, Financial Specialist; Al Garabedian, Financial Specialist.

Respectfully submitted,



Carolyn M. Morgan, APIR
Director
Life & Health Financial Oversight
Florida Office of Insurance Regulation
Date Signed: 11/5/24