

Report on Examination

of

Suncoast Manor Retirement Community, Inc.

d/b/a

Westminster Suncoast

St. Petersburg, FL

as of

March 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 Suncoast Manor Retirement Community, Inc. d/b/a Westminster Suncoast (“Westminster Suncoast”), 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, 2019, through March 31, 2023.

COMPANY HISTORY

Suncoast Manor Retirement Community, Inc., a Florida not-for-profit corporation, was granted a certificate of authority by the OIR to offer continuing care contracts on February 15, 1980.

Suncoast Manor Retirement Community operates Westminster Suncoast, a Continuing Care Retirement Community (“CCRC”) facility located in St. Petersburg, Florida. Westminster Suncoast is managed by Westminster Services, Inc., an affiliated entity.

Westminster Suncoast operates during the fiscal year from April 1 through March 31. As of March 31, 2023, Westminster Suncoast reported in its Annual Report filed with the OIR: 312 Continuing Care Units consisting of 129 Independent Living, 31 Assisted Living, 120 Skilled Nursing, and 32 Rental units. Also, as of March 31, 2023, there were 317 individuals reported residing at Westminster Suncoast. The facility reports, pursuant to a continuing care contract, 155 residents in independent living, 20 residents in assisted living, and 21 residents in skilled nursing. The facility also reports 121 residents without a continuing care contract, which consists of 3 residents in independent living, 33 residents in assisted living, and 85 in skilled nursing.

SUMMARY OF FINDINGS

Notifications to the OIR

Finding 1:

In five instances, pursuant to Section 651.0261(1), Florida Statutes, and Chapter Rule 69O.193.005(2)(a), Florida Administrative Code, Westminster Suncoast failed to file the OIR Form OIR-A3-974 within 45 days after the end of the fiscal quarter.

Finding 2:

In 12 instances, pursuant to Section 651.043(2), Florida Statutes, Westminster Suncoast failed to provide notification to the OIR in writing or electronically of any change in management within 10 business days.

Finding 3:

In two instances, pursuant to Section 651.026(2)(a), Florida Statutes, Westminster Suncoast failed to notify the OIR of any change in status with respect to the information required to be filed under 651.022(2), Florida Statutes, for each new management company or manager not employed by a management company.

Contracts with Affiliates

Finding 4:

In one instance, pursuant to Section 651.1151(3), Florida Statutes, Westminster Suncoast failed to include a provision that the contract will be canceled upon issuance of an order by the office.

Quarterly Meetings

Finding 5:

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

Finding 6:

In one instance, pursuant to Section 651.085(1), Florida Statutes, Westminster Suncoast failed to provide documentation demonstrating that at least a 7-day advance notice of a quarterly meeting was provided to the residents.

Resident Council Required Disclosures

Finding 7:

In three instances, pursuant to Section 651.091(2)(i), Florida Statutes, Westminster Suncoast failed to provide documentation demonstrating that a copy of the quarterly statement was delivered to the President or Chair of the Residents' Council within 30 days after the quarterly statement is filed with the OIR.

Finding 8:

In one instance, pursuant to Section 651.091(2)(f), Florida Statutes, for 2020, Westminster Suncoast failed to provide documentation demonstrating that a copy of the full annual statement was delivered to the president or chair of the residents' council within 30 days after filing the Annual Report with the OIR.

Finding 9:

In one instance, pursuant to Section 651.091(2)(f), Florida Statutes, for 2020, Westminster Suncoast failed to provide documentation demonstrating that a copy of the most recent third-party financial audit filed with the annual report was delivered to the President or Chair of the Residents' Council within 30 days after filing the Annual Report with the OIR.

Finding 10:

In one instance, pursuant to Section 651.091(2)(h), Florida Statutes, Westminster Suncoast failed to provide documentation demonstrating that a summary of entrance fees collected, and refunds made during the time-period covered in the Annual Report and the refund balances due at the end of the report period was delivered to the President or Chair of the Residents' Council.

Finding 11:

In one instance, pursuant to Section 651.081(2)(a), Florida Statutes, Westminster Suncoast failed to provide documentation demonstrating that the newly elected President or Chair of the Residents' Council received a copy of chapter 651 within 30 days.

Finding 12:

In one instance, pursuant to Section 651.085(3), Florida Statutes, Westminster Suncoast failed to provide documentation demonstrating that the designated resident representatives were notified by the provider at least 14 days of any meeting of the full governing body at which the annual budget and proposed changes or increases in resident fees or services are on the agenda or will be discussed.

MINIMUM LIQUID RESERVE

As of December 31, 2022, Westminster Suncoast 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, 2, and 3: The OIR recommends Westminster Suncoast 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 690-193, Florida Administrative Code.

Contracts with Affiliates

Findings 4: The OIR recommends Westminster Suncoast review, and amend if needed, its contracts with affiliated entities to ensure compliance with the requirements of Section 651.1151(3), Florida Statutes.

Quarterly Meetings with Residents

Finding 5 and 6: The OIR recommends Westminster Suncoast 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.

Resident Council Required Disclosures

Findings 7, 8, 9, and 10: The OIR recommends Westminster Suncoast 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.

Finding 11: The OIR recommends Westminster Suncoast establish adequate procedures to document and provide newly elected President or Chair of the Residents' Council a copy of chapter 651 within 30 days after being elected.

Finding 12: The OIR recommends Westminster Suncoast maintains documentation to demonstrate that the designated representative of the Residents' Council was notified at least 14 days in advance of any meeting of the full governing body at which proposed changes in resident fees or services will be discussed, in accordance with Section 651.085(3), Florida Statutes.

CONCLUSION

This Report of Examination is based upon the information provided to the OIR from Suncoast Manor Retirement Community 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,



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Director
Life & Health Financial Oversight
Florida Office of Insurance Regulation
Date Signed: 9/3/24