

Report on Examination

of

Cypress Cove at HealthPark Florida, Inc.

Fort Myers, FL

as of

September 30, 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 Cypress Cove at HealthPark Florida, Inc. (“Cypress Cove”), 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 690-193, Florida Administrative Code. The examination covered the period of October 1, 2019, through September 30, 2022.

COMPANY HISTORY

Cypress Cove at HealthPark Florida, Inc., a Florida not-for-profit corporation, was granted a certificate of authority by the OIR to offer continuing care contracts on July 23, 1997. Cypress Cove operates a continuing care retirement community (CCRC) facility located in Fort Myers, Florida. Cypress Cove is affiliated with or sponsored by Lee Healthcare Resources, a not-for-profit organization, and is managed by Lee F. P. Inc. D/B/A Cypress Living . The last management agreement was executed on October 1, 2023.

Cypress Cove operates during the fiscal year from October 1 through September 30. As of September 30, 2022, Cypress Cove reported in its annual report filed with the OIR: 529 Continuing Care units consisting of 377 Independent Living units, 31 Assisted Living units, 26 Memory Care units, 64 Skilled Nursing units, and 31 Rental units. As of September 30, 2022, there were 575 individuals reported residing at Cypress Cove. The facility reports, pursuant to a continuing care contract, 458 residents in Independent Living, 56 residents in Assisted Living and Memory Care, and 19 residents in Skilled Nursing. The facility reported 42 residents without a continuing care contract.

SUMMARY OF FINDINGS

Notifications to the OIR

Finding 1:

In three instances, pursuant to Section 651.043(2), Florida Statutes, Cypress Cove failed to notify the OIR, in writing or electronically, of any change in management within 10 business days. For each new management company or manager not employed by a management company, the provider shall submit to the OIR the information required by Section 651.022(2), Florida Statutes.

Finding 2:

In two instances, pursuant to Rule 69O.193.003(6), Florida Administrative Code, Cypress Cove failed to comply with the filing requirements of Section 651.043(2), F.S., with respect to the information required to be filed under Section 651.022(2), Florida Statutes, for each new management company or manager not employed by a management company.

Quarterly Filings

Finding 3:

In four instances, pursuant to Section 651.0261(1), Florida Statutes and Chapter Rule 69O.193.005(2)(a), Florida Administrative Code, Cypress Cove failed to file quarterly unaudited financial statements on OIR Form OIR-A3-974 within 45 days after the end of a fiscal quarter.

Disclosure Documents

Finding 4

In two instances, pursuant to Sections 651.091(3), Florida Statutes, Cypress Cove failed to make full disclosure to the prospective resident or his or her legal representative the information outlined in Sections 651.091(3)(b) and 651.091(3)(i), Florida Statutes.

Finding 5

In one instance, pursuant to Section 651.091(4), Florida Statutes, Cypress Cove failed to provide documentation demonstrating that a true and complete copy of the full disclosure documents that are used, were filed with the OIR before use.

MINIMUM LIQUID RESERVE

As of September 30, 2022, Cypress Cove 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: The OIR recommends Cypress Cove ensures that 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 69O-193, Florida Administrative Code.

Quarterly Filings

Finding 3: The OIR recommends Cypress Cove establish adequate procedures and controls to ensure that the reporting and filing requirements that are outlined in Section 651.0261, Florida Statutes, and Rule 69O.193.005 Florida Administrative Code are timely provided to the OIR.

Disclosure Documents

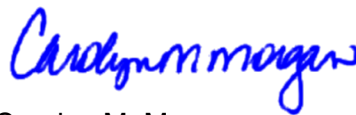
Findings 4 and 5: The OIR recommends Cypress Cove file with the OIR a true and complete copy of the full disclosure documents to the Regulatory Electronic Filing System (“REFS”) as outlined in Section 651.091(4), Florida Statutes, containing all items listed and described in Section 651.091(3), Florida Statutes when necessary.

CONCLUSION

This Report of Examination is based upon the information provided to the OIR from Cypress Cove 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
Director
Life & Health Financial Oversight
Florida Office of Insurance Regulation
Date Signed: 4/29/25