

Notes and News from **NaCCRA**

Monday, August 7, 2017

Many NaCCRA members and prospective members do not have email to receive these Notes and News. We urge you to share this news with anyone who you think might be interested.

You can help NaCCRA by putting a copy of Notes and News in every in-house mailbox in your CCRC.

Change and Continuity.

Martha Marks, who has long served NaCCRA as webmaster for www.naccra.com, has transferred that function to Ann MacKay of Maryland. Ann is taking on the tasks of webmaster, in addition to her assumption of the office of Secretary. We are very grateful to Ann for continuing the website without interruption.

Ann is seeking to create a website that is unified, accessible, clear, and responsive to the needs of members and others. If you have suggestions for Ann, direct them to her at info@naccra.com. Ann is also working with Communications Committee Chair, and Past President, Ruth Walsh to develop consistent visual branding for NaCCRA.

Challenges in New Mexico.

Martha Marks has also influenced NaCCRA's presence in the State of New Mexico. New Mexico has only minimal CCRC regulation so residents are handicapped when they seek information about provider stewardship for resident funding of CCRCs.

This lack of responsiveness has led to the beginnings of resident organizations at El Castillo Retirement Community in downtown Santa Fe and at La Vida Llena in Albuquerque. NaCCRA's leadership is very supportive of these developments.

Bob Nicholson, who has roots in New Mexico, and the late Bob Levine have worked with New Mexico residents to advance more resident-friendly policies at their CCRCs. NaCCRA remains committed to helping residents gain standing across the nation, including in the State of New Mexico.

New Mexico is but one state among many in which NaCCRA is building a growing presence.

Catch the Vision; Feel the Power.

NaCCRA's President, Basil Pflumm, is leading the NaCCRA Congress movement to better engage you, our members. The Congress will meet October 28th in New Orleans.

As part of the Congress NaCCRA conducted a survey to better focus on you and your needs. You can find the Congress results under resources at www.naccra.com.

An important undertaking for the Congress is the solicitation of short, one or two page, papers on topics of interest to you. President Pflumm has posed four questions:

- What can NaCCRA do for CCRC Residents?
- Who can serve as a champion for Ind. Members?
- What is needed in Guidelines, Model Legislatives, etc.?
- Who are the leaders and Where can they serve?

He is seeking open input from State Community Representatives. The papers can address these questions or can share individual state experiences that might provide a guide for other states. Ideas for best practices for state association leaders are also welcome. [Papers should be submitted to Basil Pflumm, President.](#)

Legislating Integrity.

It may seem self-evident that good character and integrity can't be legislated. Yet, that is what we often try to do when we ask lawmakers and regulators to resolve challenges that we experience in our CCRCs.

One example has come up recently in several states. It is the question of whether an entrance fee requirement should be justified and managed on actuarial principles. Some states mandate actuarial studies, while providers generally oppose such mandates. What does that have to do with integrity?

An actuarial study matches the contractual promises made by a CCRC with the income that funds those promises. It takes into account both the contingencies inher-

ent in promises that end when life ceases and the investment returns those entrance fees generate in the interim. If an entrance fee is associated with lifetime residency, it is inherently actuarial by its nature.

Since actuaries prognosticate the future, they make assumptions which they refine as that future unfolds. The projections gain credibility with the frequency of the studies. They also anticipate the provider's option to increase fees, though actuaries have no choice but to premise future fee anticipations on responsible providers who don't manipulate fees.

Choosing Integrity.

Does that actuarial thinking sound wishful? It is. There is always a temptation in the Executive Suite of any organization to place executive perquisites at least on a par with mission.

What we're finding is that many CCRC managers don't value actuarial studies but prefer to focus on the cash. When such studies are mandated, they are apt to be ignored and buried in a compliance drawer. A study that doesn't guide management is of no value whatsoever.

For residents, this means that they can have more confidence in management if management, of its own volition, asks for such studies and seeks to understand the implications as a guide to solid financial management. That imposes a healthy financial discipline on the management team.

Cultural Tensions.

Thinking of how management actions can seem to depart from what residents might expect, leads to the challenges that multi-site, multi-facility, multi-state providers face in their headquarters offices. This, too, has been a topic that has much engaged your NaCCRA leadership over the course of the last month.

Some providers with multiple sites, manage the operation with central services embedded within the communities they manage. This is true, for instance, for Spieker Senior Development Partners, a for-profit developer of CCRCs, which houses many central services at its La Costa Glen CCRC property. More common, though, is to have a Central Executive Office apart and remote from the communities it manages.

The danger with such Central Office isolation is that it can evolve an inward directed, self-congratulatory culture that is out of touch with the residents that the organiza-

tion exists to serve. It can also result in a growth of corporate overhead costs which diminish the value delivered to resident clients, not to mention the resulting negation of resident input into decision processes. How best can residents persuade the corporate interests on which they depend, including board members, that residents can contribute intelligently to the aspirations of the enterprise?

Ageism is a national challenge. There is a natural tendency within remote Central Offices to view residents stereotypically. Many, yes most, residents are not demented irrelevancies, but are capable, fully functioning human beings. Within nonprofit, entrance fee CCRCs, such residents deserve the respect afforded corporate owners since the residents are the beneficial, equitable owners implicit in the tax exempt, public benefit business model. Let us know your thinking within the forum on www.naccra.com or through the NaCCRA Congress.

Curious Factoid.

Bloomberg recently adjudged Massachusetts to be the most innovative state in America, followed by California, Washington, New Jersey, and Maryland in that order. Where do you think that innovation in the delivery of senior services is taking place? Technology has the potential to help the elderly as much or more than it has helped younger people. Let us know what you think. We want to hear from you.

Join NaCCRA to support our mission and to gain full access to member benefits.

Individual Membership with Mailed Newsletter \$20 a year

Name(s) _____

Address _____

Email _____

CCRC _____

Second Member in Household is \$15 a year, and Lifetime memberships are 10 times annual. Send membership to NaCCRA, 325 John Knox Road L103, Tallahassee, FL 32303. *Include address and phone.* Email: naccra@executiveoffice.org. If you

Notes and News from NaCCRA appears from time to time, whenever there is a need to keep NaCCRA members informed about current developments. **Please reproduce and distribute these Notes in your in-house mail boxes so others can know of NaCCRA.** Thank you for supporting NaCCRA. Our mission is to serve you.