

40-2232. Same; provider's annual disclosure statement; contents; requirement to furnish. A provider shall be required to complete an annual disclosure statement prescribed by the commissioner and shall be required to deliver the disclosure statement to individuals who are prospective residents, or current residents who request such disclosure statement. The text of the disclosure statement shall contain the following information:

(a) The name and business address of the provider and a statement of whether the provider is an individual, partnership, corporation or any other legal entity.

(b) The names of the individual or individuals who constitute the provider or, if the provider is a partnership, corporation or other legal entity, whether for profit or not for profit, the names of the officers, directors, trustees or managing or general partners of the provider. If the provider is a corporation, the name of any individual who owns 10% or more of the stock of such corporation shall also be disclosed.

(c) With respect to a provider which is either not incorporated or not established and operated on a not-for-profit basis, the names and business addresses of any individual having any ownership or any beneficial interest in the provider and a description of such individual's interest in or occupation with the provider.

(d) A statement as to whether or not the provider is, or is affiliated with, a religious, charitable or other nonprofit organization and the extent of the affiliation, if any; the extent to which any affiliate organization will be responsible for the financial and contractual obligations of the provider; the provision of the United States internal revenue code, if any, under which the provider or any of the provider's affiliates is or are exempt from the payment of federal income taxes; and, a statement of whether the home is exempt from local property taxation.

(e) A statement that the provider is required to have an annual certified audit by a certified public accountant and that a copy of such audit shall be made available upon request.

(f) If the operation of the home has not yet commenced, and with receipt of contract considerations as defined in K.S.A. 40-2231 (a) and (b), the provider shall provide a statement of the anticipated source and application of the funds used or to be used in the purchase or construction of the facility, including but not limited to:

(1) An estimate of such costs as financing expense, legal expense, land costs, marketing costs and other similar costs which the provider expects to incur or become obligated for prior to the commencement of operations;

(2) A description of any mortgage loan or any other financing intended to be used for the financing of the facility, including the anticipated terms and costs of such financing;

(3) An estimate of the total entrance fee to be received from or on behalf of residents at or prior to commencement of operation; and

(4) An estimate of the funds, if any, which are anticipated to be necessary to fund start-up losses and provide reserve funds to assure full performance of the obligations of the provider under continuing care contracts.

(g) A statement as to whether the manager or any official or director of the provider, has been convicted of a crime or been a party of any civil action claiming fraud, embezzlement, fraudulent conversion or misappropriation of property which resulted in a judgment against such person and whether any such person has had any state or federal license or permits related to care and housing suspended or revoked.

(h) A statement of the years of experience of the provider and manager in the operation of homes providing continuing care.

(i) A statement of the fiscal year of the provider.

History: L. 1989, ch. 73, § 2; July 1.