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HOUSE BILL NO. 297
AMENDMENT IN THE NATURE OF A SUBSTITUTE
 (Proposed by the House Committee on _____
 on _____)

(Patron Prior to Substitute—Delegate Seibold)

A *BILL* to amend the Code of Virginia by adding in Chapter 18 of Title 63.2 an article numbered 1.1, consisting of sections numbered 63.2-1808.2 through 63.2-1808.5, relating to assisted living facilities; resident referral agencies; required disclosures; civil penalty.

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Chapter 18 of Title 63.2 an article numbered 1.1, consisting of sections numbered 63.2-1808.2 through 63.2-1808.5, as follows:

Article 1.1.

Resident Referral Agencies.

§ 63.2-1808.2. Definitions.

As used in this article, unless the context requires a different meaning:

"Referral fee" means any compensation, whether monetary or in-kind, received by a resident referral agency in exchange for referring a resident who moves into an assisted living facility as a result of the referral provided.

"Resident" means an individual who is considering moving into an assisted living facility, the individual's legal representative, or a personal representative designated by the individual resident.

"Resident referral agency" means any individual or entity that receives compensation from an assisted living facility for providing resident referrals to an assisted living facility.

§ 63.2-1808.3. Resident referral agencies.

A. An assisted living facility is not obligated to participate with any resident referral agency. Nothing in this chapter shall restrict the ability of an assisted living facility and resident referral agency to negotiate the terms of their business relationship, consistent with applicable law.

B. Contact and information requests made of the resident referral agency by family members, friends, and other contacts of the prospective resident shall not be considered an agreement for services by the resident. The resident referral agency shall (i) provide all disclosures pursuant to § 63.2-1808.4 to the resident prior to the submission of personal information by the resident and (ii) obtain documented acknowledgement by the resident that such disclosures have been provided.

§ 63.2-1808.4. Resident referral agencies; required disclosures.

Resident referral agencies shall disclose the following information to residents:

1. A description of the services provided by the resident referral agency;

2. A statement identifying whether a compensation arrangement between the resident referral agency and any assisted living facility exists;

3. A statement that not all licensed assisted living facilities may be included in the list of recommendations provided by the resident referral agency;

4. A statement that assisted living facilities may also be identified through noncommercial sources, including the Department of Social Services, nonprofit organizations, and public internet searches;

5. A statement that the resident may stop using the services of the resident referral agency at any time without cause or penalty; and

6. Any ownership, management, or financial interest the resident referral agency has in an assisted living facility to which the resident is referred.

§ 63.2-1808.5. Enforcement; civil penalty.

The Attorney General shall enforce the requirements of this chapter. Any person that fails to comply with this chapter is subject to a civil penalty not to exceed \$1,000 per violation. Such penalty shall be collected by the Attorney General and the proceeds shall be deposited into the general fund.