

## Certificate of Authority

The Continuing Care Contracts Branch (CCCB) issues a Provisional Certificate of Authority (PCOA) to an Applicant/Provider

The PCOA allows the Provider to enter into continuing care contracts. It is valid for one year.

The Provider must comply with all requirements of the Health & Safety Code pertaining to Continuing Care Retirement Communities, including submission of annual audited financial statements and reserve reports.

During this year, the Provider must demonstrate that it has:

- (1) executed continuing care contracts with payment of a full entrance fee for a threshold percentage of the residential living units and demonstrated to the Department that the CCRC will be financially viable,
- (2) a minimum five-year financial plan of operation satisfactory to the Department; and,
- (3) adequate reserves to meet statutory requirements.

If the Provider is unable to meet the minimum requirements within a year, the PCOA may be extended. The Provider must have good cause and demonstrate to the CCCB that it is capable of meeting the requirements during the extension period.

The CCCB issues a **Certificate of Authority** (COA) to the Provider. The COA is valid unless forfeited by operation of law, inactivated by the Provider, or suspended or revoked by the Department.