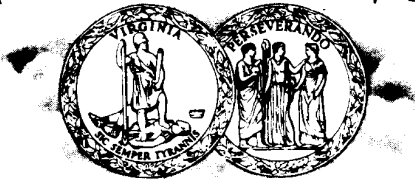


COMMONWEALTH OF VIRGINIA

STEVEN T. FOSTER
COMMISSIONER OF INSURANCE



Box 1157
RICHMOND, VA 23209
TELEPHONE: (804) 786-3741
TDD/VOICE: (804) 225-3806

STATE CORPORATION COMMISSION BUREAU OF INSURANCE

August 17, 1990

ADMINISTRATIVE LETTER 1990-14

**TO: All Continuing Care Retirement Communities ("CCRCs")
Approved in Virginia**

RE: Clarification of Virginia Insurance Code Section 38.2-4904 -- Annual Disclosure Statements

Section 38.2-4904(A) of the Code of Virginia stipulates that within four months following the end of the provider's fiscal year, each provider shall file with the Commission and make available by written notice to each resident at no cost an annual disclosure statement which shall contain the information required for the initial disclosure statement. In addition, Virginia Code Section 38.2-4904(D) states that any amendments to a filed disclosure statement must be filed with the Commission before it is delivered to any resident or prospective resident and that the provider must notify each resident of the existence of the amendments.


Accordingly, each resident is entitled, without charge, to his or her own copy of the annual disclosure statement, including any amendments, upon request by the resident of the provider. Upon the provider giving written notice to each resident advising that the annual disclosure statement is available and after a request by the resident for a copy thereof, the provider must furnish the resident with a gratis copy of the statement.

Administrative Letter 1990-14
August 17, 1990
Page Two

We hope that this letter will clarify the requirements of Virginia Code Section 38.2-4904. Should you have any questions regarding the contents of this letter, please direct them, in writing, to:

Andy R. Delbridge, CFE, CIE, FLMI
Supervisor, Company Licensing
& Regulatory Compliance
Financial Regulation Division
P. O. Box 1157
Richmond, VA 23209

Sincerely,



Steven T. Foster
Commissioner of Insurance