

Benevolent care Support is the cornerstone of the UMRC-Porter Hills Foundation (“Foundation”). This policy upholds our commitment that qualified residents should always have a loving place to call home.

## **Article I. – Purpose**

The purpose of this policy is to set forth the principles and guidelines for providing benevolent care support for our residents who have outlived their financial resources and are otherwise unable to pay the full cost of care, to achieve the following goals:

- Enable the Foundation to grant the maximum amount of benevolent care support, as defined below, that can be responsibly maintained, consistent with the Uniform Prudent Management of Institutional Funds Act, applicable law, and the Foundation’s spending policy.
- Deploy benevolent care support in a prudent manner intended to help as many truly in need residents as possible over the long term, taking into account distributable funds, as defined in the Foundation spending policy, actually available at the Foundation for benevolent care.
- Uphold donor intent as protected by both federal and state law

## **Article II. –Benevolent Care Policy Qualifications**

It is the intent of the Foundation to ensure that anyone who is qualified and admitted to Chelsea Retirement Community (CRC); Porter Hills Village (PHV); Meadowlark Retirement Village (MRV); Cook Valley Estates (CVE), or the Cedars of Dexter (CD) (each a “Community”), will have a life-long home if they outlive their financial resources.

Benevolent care is financial support (“benevolent care support”) paid by the Foundation to a Community for a resident’s care, to supplement the portion of monthly fees that the resident is unable to pay, after the resident has exhausted all available resources available including insurance or other forms of third-party assistance.

Following successful qualification for admission and compliance with the qualification criteria below, residents who later outlive their financial resources will be provided benevolent care support, commensurate with the determination of the resident’s financial need to ensure the resident stays at the level of care within the Community (independent

living, assisted living, etc.) that is determined, in consultation with the Community Executive Director, clinical leadership, the resident and the resident's family, to be most appropriate to support the resident's needs.

To qualify for benevolent care support, a resident must:

1. Disclose, through a sworn statement, all assets and income at the time of admission into the Community. If applicable, applicant must disclose long term care insurance and any membership in a continuing care at home program. Failure to disclose all assets and income will constitute automatic ineligibility for benevolent care support.

Residents who fail or refuse to disclose all income, assets, and liabilities at time of admission (sometimes called "waiving disclosure"), and at the time of application for benevolent care support, are ineligible for benevolent care support.

2. Have expended all of the resident's available assets, including without limitation real estate and its proceeds and the cash value of life insurance, toward their care in the Community (subject to Medicaid spousal impoverishment rules). Benefits from long term care insurance or continuing care at home programs must first be used towards resident care before benevolent care is applied. Available assets will be determined by the UMRC/Porter Hills d/b/a Brio Living Services Finance Department in accordance with its standards from time to time, consistent with Medicaid rules, if applicable
3. Assign to the Community the refundable portion of their entrance fee, refund, life lease arrangement (if applicable), or any other material refundable deposit, to apply against monthly fees. Any unused portion of the assigned refundable portion of a resident's entrance fee will be returned to the resident or beneficiary upon discharge from the Community.
4. Apply for benevolent care support, using forms provided by the Foundation.
5. As part of its review for financial need, UMRC/Porter Hills and the Foundation reserve the right to require individuals seeking benevolent care to apply for and/or

be approved for Medicaid and/or provide additional information related to income, assets, liabilities or other financial or tax information.

6. Continue to contribute any available assets and income (available assets and income will be determined by UMRC/Porter Hills in accordance with their standards from time to time, consistent with Medicaid rules if applicable) to monthly fees and costs.
7. If a resident moved into UMRC/Porter Hills with long term care insurance or continuing care at home benefits, resident must notify UMRC/Porter Hills before making any changes to benefits/membership.
8. If an existing resident is considering an application for membership to a continuing care at home program, UMRC/Porter Hills reserves the right to require resident to complete an updated financial application. Failure to do so may result in ineligibility for benevolent care.
9. For legally married couples to whom Medicaid spousal impoverishment rules apply under applicable law, the following requirements apply:
  - The couple may be required to move into a smaller/less expensive unit on the same or a different Community.
  - If one of the spouses is an assisted living resident and one spouse is an independent living resident, the independent living resident will be required to move to a smaller/less expensive independent living residence in order to qualify to receive benevolent care support for one or both spouses.
10. A resident must notify the Community's Executive Director who will coordinate with the central Finance Department at least 6 months in advance of depleting their resources to avoid delay in benevolent care support.
11. An independent living resident will be required to move to a smaller/less expensive independent living residence in order to receive benevolent care support.
12. Refrain from any divestiture or "spending down" of assets, excessive spending, out of pocket expenditures in excess of \$25,000 in any five-year period for private duty nurses when assisted living or skilled nursing was an option, or similar practices. A financial



# Benevolent Care Policy 23-B

review will be completed at the time of all benevolence requests. Any divestitures or spending down (for example, excess private duty expenses, gifting, assignment or transfer of funds or assets to others, to a trust, or to charity, or excess expenses beyond personal care) will make a resident ineligible for benevolent care support.

13. In order to remain eligible for benevolent care, residents must agree to providing updated financial information to UMRC/Porter Hills when requested.
14. If a resident is approved for benevolent care, the resident must agree in writing to notify UMRC/Porter Hills if their financial status improves, such as through a gift, inheritance or from life insurance proceeds. The resident must agree to repay all or a portion of benevolent care with assets that are subsequently received.

If a resident is denied benevolent care support, the resident may appeal the decision to the UMRC/Porter Hills benevolent care committee (made up of the Foundation President or designee, UMRC/Porter Hills' operational leadership and the finance department) for review. The decision of the UMRC/Porter Hills benevolent care committee is final and not appealable.

## **Article III. – Annual Benevolent Care Spending Amounts**

Admissions criteria to Communities will be set based on actuarial calculations that are based on annual forecast of funds available for benevolent care support. Funds for benevolent care vary by Community and amounts available may be based on the restricted funds donated for the benefit of a particular Community.

Amounts available annually for benevolent care support are based on the following:

1. Endowment and quasi-endowment investment earnings as outlined in the Foundation spending policy.
2. Temporarily restricted gifts designated by donors for use immediately for benevolent care.
3. Unrestricted gifts designated by the Foundation Board for use in benevolent care.

Working with the UMRC/Porter Hills Finance Department, the Foundation will recommend an annual benevolent care budget, for approval by the board of the Foundation and UMRC/Porter Hills board. The recommended budget will be based on the anticipated number of qualified residents in need of benevolent care support and forecasted funds available for benevolent care support, specifically for each Community and consistent with express donor intent on location in which benevolent care dollars can be used.

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1 In the context of this policy, private duty is non-medical care provided in the home that is for companionship or support of activities of daily living such as meal support, bathing, cleaning, light housekeeping and dressing provided by individuals who are not required to have specific medical training. Private duty expenses (out of pocket, not-insurance covered) may not exceed \$25,000 during a 5-year period (the timeframe aligns with the 5-year Medicaid look back).

This policy regarding the UMRC-Porter Hills Foundation benevolent care program was approved by the UMRC-Porter Hills Foundation Board of Directors on May 7, 2024 and the UMRC and Porter Hills Board of Trustees on May 14, 2024 and replaces all policies related to benevolent care.

4874-8975-3426 v2 [37365-4]