

September 20, 2007

Gary Teitel
Supervising Actuary
State of New York Insurance Department – Health Bureau
25 Beaver Street
New York, New York 10004
gteitel@ins.state.ny.us

RE: INS-33-06-00003-RC: Continuing Care Retirement Communities

Dear Mr. Teitel:

I am writing on behalf of the New York Association of Homes and Services for the Aging (NYAHSA) in response to the Department of Insurance's (DOI) proposed first amendment of Part 350 (Regulation 140) of Title 11 NYCRR that governs, in part, actuarial amounts, reserve requirements, and allowable investment purchases in Life Care Continuing Care Retirement Communities (CCRCs). NYAHSA acknowledges several positive changes to the proposed regulations.

In response to the August 22, 2007 revised rule making notice in the *New York State Register*, NYAHSA would like to make the following comments on the proposed changes and revisions to Regulation 140.

Comments to Proposed Amendments to Regulation 140

In a letter dated September 29, 2006, NYAHSA commented on the first proposed changes to Regulation 140 published in the *New York State Register* on August 16, 2006. While DOI did include a definition and details of their *Approved Rate Methodology* as suggested by NYAHSA, there were other sections that that department chose not to consider. These sections from last year's amendment included the requirement for reporting quarterly on the status of liquid assets and the conditions under which the superintendent would require a new actuarial study for a CCRC. While NYAHSA will not oppose the new proposed changes to Regulation 140, we urge the department to reconsider these items.

Additional Comments


It is our understanding that DOI will issue the second amendment to Regulation 140 that will cover CCRCs' asset investments and reserve calculations stipulated under the regulations. NYAHSA believes that changes in these parts of the regulations, if done correctly, will preserve the solvency of CCRCs while allowing for lower monthly and

entrance fees for CCRC residents thereby making CCRCs more affordable in New York state.

NYAHSA has convened a workgroup to make recommendations to DOI on the second amendment to Regulation 140. NYAHSA would welcome the opportunity to meet with DOI as the department considers revisions to the investment and reserve requirements of Regulation 140 for CCRCs in New York.

Thank you for the opportunity to provide comments. If you have any questions, please contact Ken Harris at 518-449-2707, extension 139, or by e-mail at kharris@nyahsa.org.

Sincerely,

A handwritten signature in black ink that reads "Ken Harris". The signature is written in a cursive, slightly stylized font.

Ken Harris
Director
The NYAHSA Center for Senior Living and Community Services

cc: Linda Gowdy, Director, Department of Health, Bureau of Continuing Care
Initiatives (llg07@health.state.ny.us)

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