

SENATE FLOOR SUBSTITUTE FOR  
SENATE BILL 275

50TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2012

AN ACT

RELATING TO HEALTH CARE; REQUIRING CONTRACTS FOR ASSISTED  
LIVING FACILITIES TO CONTAIN A REFUND POLICY UPON TERMINATION  
OF A CONTRACT DUE TO THE DEATH OF THE RESIDENT; PROVIDING FOR  
STORAGE OF A RESIDENT'S BELONGINGS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of the Public Health Act is  
enacted to read:

"[NEW MATERIAL] ASSISTED LIVING FACILITIES CONTRACTS--  
LIMIT ON CHARGES AFTER RESIDENT DEATH.--

A. The contract for each resident of an assisted  
living facility shall include a refund policy to be implemented  
at the time of a resident's death. The refund policy shall  
provide that the resident's estate or responsible party is  
entitled to a prorated refund based on the calculated daily

.189333.3

underscored material = new  
[bracketed material] = delete

1 rate for any unused portion of payment beyond the termination  
2 date after all charges have been paid to the licensee. For the  
3 purpose of this section, the termination date shall be the date  
4 the unit is vacated by the resident due to the resident's death  
5 and cleared of all personal belongings.

6 B. If a resident's belongings are not removed  
7 within one week of the resident's death and the amount of  
8 belongings does not preclude renting the unit, the facility may  
9 clear the unit and charge the resident's estate for moving and  
10 storing the items at a rate equal to the actual cost to the  
11 facility, not to exceed ten percent of the regular rate for the  
12 unit; provided that the responsible party for the resident is  
13 given notice at least one week before the resident's belongings  
14 are removed. If the resident's belongings are not claimed  
15 within forty-five days after notification, the facility may  
16 dispose of them.

17 C. For the purposes of this section, "assisted  
18 living facility" means a facility required to be licensed as an  
19 assisted living facility for adults by the department of  
20 health."

21 SECTION 2. APPLICABILITY.--The provisions of this act  
22 apply to contracts entered into or renewed on or after July 1,  
23 2012.