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GAVIN NEWSOM
GOVERNOR

April 24, 2020

PIN 20-16-ASC-CCR

TO: ALL CONTINUING CARE RETIREMENT COMMUNITY PROVIDERS

FROM: *Original signed by Pamela Dickfoss*
PAMELA DICKFOSS
Deputy Director
Community Care Licensing Division

SUBJECT: **WAIVER OF ADVANCE NOTICE REQUIREMENTS AND INFORMATION ON FEDERAL SMALL BUSINESS LENDING FOR COVID-19 CRISIS**

Provider Information Notice (PIN) Summary

PIN 20-16-ASC-CCR announces that the California Department of Social Services (CDSS) is waiving various notice requirements for Continuing Care Retirement Community (CCRC) providers seeking to apply for loans related to COVID-19 relief.

On March 4, 2020, Governor Newsom issued a [Proclamation of a State of Emergency](#) ("[Proclamation](#)") in response to a rising number of cases of COVID-19 in California. The Proclamation permits CDSS to waive any provisions of the Health and Safety Code (HSC) necessary to protect Californians in this emergency.

Waiver of Advance Notice Timeframe Requirements for CCRC Providers Applying for Federal COVID Relief Loans

CCRC providers may apply for various government loans intended as COVID 19 relief, including but not limited to the Paycheck Protection Program and the Small Business Administrations, Economic Injury Disaster Loan Program for COVID-19. Pursuant to the Governor's Proclamation, CDSS announces a statewide waiver of the following notice requirements specified in [HSC section 1789](#):

- The provider shall give written notice of proposed changes to the department at least 60 calendar days in advance of making the change. [[HSC section 1789\(b\)](#)]
- Within 10 calendar days of submitting notification to the department of any proposed changes under subdivision (a), the provider shall notify the resident association of the proposed changes in the manner required by [subdivision \(e\) of Section 1779](#). [[HSC section 1789\(d\)](#)]

Note: CCRC providers that intend to apply for lending under COVID-19 financial assistance programs are still required to notify CDSS and resident associations in writing pursuant to HSC section 1789.

Submitting Notice to CDSS Under Waiver

When CCRC provider submits a notice to CDSS in accordance with this waiver, the notice should include:

- a description of any impact on the CCRC current loan covenants.
- an attestation that the loan will not be secured against real or personal property or future revenue.

If an emergency loan will violate an existing loan covenant, CCRC providers should explain why the emergency loan will benefit, and not adversely affect, their CCRC.

Note: Loans involving encumbrances are covered by [HSC section 1789.2](#) and not included in this waiver.

CCRC providers seeking CDSS approval for a loan may submit their emergency loan applications concurrently with providing written notice to CDSS. If CDSS does not approve the loan in accordance with HSC section 1789, providers must withdraw the emergency loan application.

CDSS Waiver Processing

CDSS is sensitive to the need for timely emergency loan applications and will work to provide prompt turnaround for all requests under this waiver. Requests can be emailed to cclccb@dss.ca.gov, with "Federal Relief Loan" in the subject line.

Terms and Conditions of Waiver

CCRC providers may use the waiver described in this PIN only on an as-needed basis. Providers shall continue to comply with standards that have not been waived in this PIN's statewide waiver or pursuant to a different individual waiver or exception granted by CDSS.

Additional Resources

Supporting the financial health and ongoing viability of CDSS' provider community is of critical concern for the Community Care Licensing Division (CCLD). The following resources are available to assist licensees that have been financially affected by COVID-19:

- [Coronavirus \(COVID-19\) in California \(www.covid19.ca.gov\)](http://www.covid19.ca.gov) provides information on:
 - financial assistance related to mortgages and other relief from financial institutions ([Get Financial Help](#))
 - tax relief for small businesses, small business loans, etc. ([Businesses and Employers](#)).
- For licensees renting or leasing the building in which their facility is located, additional relief and protections may be available pursuant to the [Governor's Executive Order N-28-20](#).
- The federal government and California state government have instituted programs to provide lending assistance to small businesses and may be of substantial benefit to licensees during the COVID-19 emergency. Information and resources can be found:
 - Federal assistance through the [CARES Act](#), expands the Small Business Administration (SBA) 7(a) loan program known as the "[Paycheck Protection Program](#)" (PPP);
 - SBA's Economic Injury Disaster Loan Program for COVID-19 (EIDL) ([SBA Disaster Loan Assistance](#)); and
 - California's Office of Business and Economic Development [Financial and Technical Assistance for Small Business \(COVID-19\)](#).

Additional Information

For PINs previously released to licensees regarding COVID-19, please visit the [Community Care Licensing Division homepage](#). Please monitor this page on an ongoing and regular basis for important updates.

In addition, CCLD has a dedicated e-mail address to receive public inquiries related to CCLD-licensed facilities and COVID-19. The e-mail address is CCLCOVID-19INFO@dss.ca.gov.

CDSS is taking major and unprecedented actions to protect the health, safety, and welfare of the people of California. CDSS is recommending ASC providers follow guidance in all applicable [CDSS PINs](#), in addition to guidance or instructions from health care providers, the Federal [Centers for Disease Control and Prevention \(CDC\)](#), the [California Department of Public Health \(CDPH\)](#), and [local health departments](#).

If you have any questions regarding this PIN, please contact the Continuing Care Contracts Bureau by phone (916) 654-0591 or email: cclccb@dss.ca.gov.