

WEDNESDAY
JULY 21

PROFESSOR PEARSON TO TESTIFY BEFORE U.S. SENATE COMMITTEE ON AGING

July 21, 2010

Professor Katherine Pearson will testify before the U.S. Senate Special Committee on Aging about the regulation of continuing care retirement communities today at 1:30 p.m. A live webcast is available through the [Committee's website](#).

Professor Pearson's testimony will coincide with the July 22, 2010, release of a GAO report citing her work on the topic on regulation of continuing care retirement communities (CCRCs). Also known as life care communities, CCRCs offer older adults a range of service-assisted living options, usually including independent living cottages, assistance with daily living, and full nursing care.

"For a number of years, residents of CCRCs around the country have shared with me their concerns about the need for greater transparency in financial operations. Even before the financial crisis, monthly fees were increasing and services were disappearing, even though residents had already turned over much of their life savings as admission fees. I wrote my first article about this in 2006, calling for state regulators to do more than rubber stamp annual reports submitted by CCRC administrators," said Professor Pearson.

The worldwide financial crisis has only made examination of this issue more urgent, she explained.

"Recent high-profile bankruptcies have revealed the complexity of highly leveraged operations, justifying a closer examination of CCRCs, particularly those with interlocking contracts that blend the not-for-profit status of owners with for-profit management companies. Older adults pay a dear price to CCRCs for long-term peace of mind, and residents are understandably concerned when their investments are threatened just as they reach the point of needing greater care."

A Fulbright grant recipient, Professor Pearson recently wrapped up a year of interdisciplinary and international study of elder care policy in the United States and Europe. She was the Petersen Visiting Scholar in Gerontology and Family Studies at Oregon State University in the fall of 2009 and a scholar in residence at Queen's University Belfast in Northern Ireland in spring of 2010. Her work has resulted in several forthcoming pieces, including an article titled "The Lesson of the Irish Family Pub: The Elder Law Clinic Path to a More Thoughtful Practice," to be published later this year in the *Stetson Law Review*.

Professor Pearson is founder and director of the Penn State Elder Law and Consumer Protection Clinic. She is the co-author of a practice guide to elder law in Pennsylvania.

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