



## REPAYMENT AGREEMENTS

### COMMUNITY CARE FACILITIES LICENSING PROGRAM

This information is being provided to assist Licensees in the development of a policy for their facility regarding repayment agreements with the parent/guardian of children enrolled in their child care facility or with the persons in care and/or their families/representatives being cared for in their residential care facility.

Section 19 of the *Community Care and Assisted Living Act* states:

If a person repays part of the cost of services provided by a class of community care facilities designated by the Lieutenant Governor in Council, the Licensee must, at the time of the prepayment, deliver to the person a written statement setting out the terms and conditions on which a refund of all or any of the prepayment will be made.

#### Background

The intent of this section of the *Community Care and Assisted Living Act* is to ensure that licensed community care facilities have sound business practices and established financial policies where all persons are treated equitably. This requirement aims to help build and establish a trusting business-like relationship between the parent/guardian or the persons in care and/or their families/representatives and the Licensee.

#### Requirements

When persons are required by a Licensee to pay for child or residential care services prior to having received those services, the Licensee must, at the time of payment, provide in writing, the terms and conditions under which any refunds will be made to those persons. Therefore, if a person is required to make payment for their child or residential care services at the beginning of the month for those services which will be provided during that month, they must be advised in writing by the Licensee under what circumstances they would receive a refund for any services not received. As set out in Section 56.1 of the Child Care Licensing Regulation and Section 85.1 of the Residential Care Regulation, the Licensee must also keep a record of each person to whom the written statement is delivered to.

There is no legislation that dictates the terms and conditions for which a refund will be made; this is left solely up to the Licensee. It is recognized that there are situations that are likely to arise in any child or residential care setting, and a Licensee may want to consider as part of the terms and conditions of their contact. These may include:

- The amount of notice that a person must provide to the Licensee if he/she wishes to withdraw the person in care from the facility;
- The amount of notice a Licensee must provide to the person if he/she is unable to continue to provide care to a persons in care;
- If any circumstances that could arise where the person in care is unable to attend or be admitted to a community care facility, such as:
  - If a person in care becomes ill or dies prior to being admitted to a residential care facility;
  - If the residential care facility is unable to provide care to a child;
  - If the child care facility is closed due to a statutory holiday, or the Licensee/caregiver wishes to take vacation time; or
  - If a child does not attend a child care facility because the parent/guardian is on vacation and/or not working.

The existence of a clear, concisely written policy statement for the facility, that is understood and agreed upon by all persons at the time the person in care is enrolled in or admitted to the facility, will help to alleviate and prevent conflict and misunderstanding around financial issues.

For facilities licensed under the Residential Care Regulation, Section 7(1)(c.2) of the *Community Care and Assisted Living Act* requires that all adult persons in care are informed of the Residents Bill of Rights [set out in Section 1 of the Schedule in the *Act*] both orally and in writing. This includes information pertaining to fees, Section 4(c), (d) and (e) of the Residents Bill of Rights states:

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**Victoria**  
201 – 771 Vernon Avenue  
Victoria, BC V8X 5A7  
Ph: 250.519.3401  
Fax: 250.519.3402  
Website: [Community Care Facilities Licensing](#)

**Nanaimo**  
29 – 1925 Bowen Road  
Nanaimo, BC V9S 1H1  
Ph: 250.739.5800  
Fax: 250.740.2675

**Courtenay**  
355 – 11<sup>th</sup> Street  
Courtenay, BC V9N 1S4  
Ph: 250.331.8620  
Fax: 250.331.8596

**Campbell River**  
200 – 1100 Island Highway  
Campbell River, BC V9W 8C6  
Ph: 250.850.2110  
Fax: 250.850.2455

#### Rights to transparency and accountability

- 4 An adult person in care has the right to transparency and accountability, including a right to all of the following:
  - (c) to be informed in advance of all charges, fees and other amounts that he or she must pay for accommodation and services received through the facility;
  - (d) if any part of the cost of accommodation or services is prepaid, to receive at the time of prepayment a written statement setting out the terms and conditions under which a refund may be made;
  - (e) to have his or her family or representative informed of all matters described in this clause.

It is suggested that a written polity as per Section 19 of the *Community Care and Assisted Living Act* be included as part of the facility's contract for services. This contract should be signed by both the Licensee and the person at the time the person in care is enrolled or admitted to the facility. A signed copy of the contract should be given to the person who is responsible for enrolling or admitting the person in care for their reference.

#### Helpful Resources

- *INFORM GUIDE: An Administration Manual for non-profit Child Care in BC*, Child Care INFORM, a program of Westcoast Child Care Resource Centre, 2<sup>nd</sup> edition, 1999
- *Policies and Procedures for Child Care Programs – Tough and Sensitive Issues*, Child Care INFORM, a program of Westcoast Child Care Resource Centre, 1997
- Child Care Resource and Referral Program
- Westcoast Child Care Resource Centre – <https://www.wstcoast.org/>