

Questions for Stakeholder Meeting Change of Ownership Regulations

The Department is modifying the scope of the regulations under development to include initial applications for licensure and changes of ownership (CHOW) for skilled nursing and intermediate care facilities, (SNF and ICF) general acute care hospitals (GACH), acute psychiatric hospitals (APH) and special hospitals (SH). Regulations for other facility types will follow at a later time.

1. What are the most important issues for the Department to consider in developing licensing application approval/CHOW regulations?
2. As part of the application review process, the Department is considering criteria that may include: review of an applicant's background in ownership or management of health facilities; the criminal background of the applicant; financial information of the applicant; enforcement actions taken by state or federal authorities against the applicant regarding the provision of health care. What other factors, if any should the Department consider in evaluating an initial or CHOW application?
3. In review of the criteria noted above, what results, should mandatorily eliminate an applicant from consideration to own, manage, or operate a health facility? Should the regulations include specific disqualifying criteria that would eliminate an applicant from further consideration?
4. What differences in the review criteria if any, should there be regarding a new health facility application versus a CHOW application?
5. Should a CHOW applicant be able to operate a health facility through a management company agreement during the pendency of their appeal of an application denial? Why or why not?
6. If an applicant operates a health facility pending their appeal, what requirements should be included in the regulations surrounding this practice?
7. What practical safeguards can be included in regulations to protect residents if the licensee cannot or will not take back operational control after a CHOW application is denied?