Updated January 19, 2023

NURSING FACILITY CHANGE OF OWNERSHIP (CHOW)

Please refer to the following Oregon Administrative Rules for more details:

- **411-085-0025** - Change of Ownership, Operator or Closure
- **411-085-0010** - Issuance of License
- **411-085-0013** - New Application Qualifications

Submit the following application materials ELECTRONICALLY for approval in accordance with the above OARs:

Letter of Intent (LOI) submitted electronically to NF.LICENSING@odhsoha.oregon.gov.
The letter must include the following information:

Summary of proposed action that includes:

- Name and signature of the current owner/licensee
- Name and signature of the prospective owner/licensee
- The proposed date of transfer
- The type of transfer (e.g., sale, lease or rental, etc.)

Note: This LOI must be submitted at least 45 days in advance of the expected CHOW effective date; **Please attempt to provide as much advance notice as possible.**

Submit the following documents using the correct form for the proposed business owner/licensee and one set of forms for the proposed operator. If owner and operator are the same, only one set of forms will be required:

- Nursing Facility Application Form (SE0466)
- Nursing Facility Credit Check Authorization Form (SE0466C)
- Provider Ownership and Control Interest Statement (SE0466D)

As outlined below, an invoice for the appropriate licensing fee will be generated following the effective date of the CHOW (PLEASE DO NOT SEND A CHECK.)

1 - 15 beds, $1000
16 - 49 beds, $1500
50 - 99 beds, $2000
100 - 150 beds, $2500
151 or more beds, $3000

MCU: 16 or fewer beds, $50
MCU: 17-50 beds, $75
MCU: 51 or more beds, $100

Financial Approval based on the following document(s) - Please submit:

Proof of Fiscal Responsibility

Pro Formas (financial review in Excel Format)
Revenues, expenditures and resident days, by month for first 12 months of operation of the facility and demonstrate the ability to cover any cash flow problems identified by the pro forma.

 Auditor's certified financial statement and other verifiable documentary evidence of fiscal solvency, documenting that the prospective licensee has sufficient resources to operate the facility for 60 days.

 Proof of fiscal solvency must include liquid assets sufficient to operate the facility for 45 days.

All Provider Taxes paid to date

Anticipated Medicaid income is not considered to be "liquid assets" but may be considered "financial resources".

Liquid assets may be demonstrated by:

 An Unencumbered line of credit; or
 A joint escrow account with APD or
 A performance bond; or
 Any other method satisfactory to APD
 The Division will require for each facility, $50,000 in:

 Unencumbered line of credit or
 An escrow account; or
 A performance bond

Credit Report Authorizations – Signed Approval for Credit Checks, form SE0466C
Authorized and signed by each owner or entity with 10% or greater ownership interest, *If Medicare or Medicaid certified, complete a signed approval for credit check for each individual or entity with 5% or greater ownership interest in the owner/licensee and operator entities.*

New Owner or Plan of Correction Compliance Agreement

Certificate of Performance and Financial History, form SE0466F
Each individual and/or entity with 5% or greater ownership interest must complete/sign this form.

Facility Floor Plan
For resident rooms, ensure the floor plan shows the room number, location of each bed and room dimensions; dining room, activity area, shower/tub room, toilet room, clean/dirty utility rooms, therapy services, laundry and dietary service areas.

Fitness Determination – Criminal History Request (Form 301 QED)
Complete for each individual with 10% or greater ownership interest in the ownership entity and the operating entity.
If Medicare or Medicaid certified, complete for each individual with 5% or greater ownership interest in the owner/licensee and operator entities.

 Please complete and original form for each individual, and complete section 2 of the form completely, leaving no spaces blank.
 Please send the completed forms 301 QED to NF Licensing or make arrangements for secure file transfer protocols.

Physical Plant or Care Corrections (based on last survey or ongoing projects)
 Indicate amount of funds involved
 Indicate how funds will be made available

 Indicate when the corrections will be made

Legal Agreements Purchase Sale Agreement or Business Lease
Legally binding agreement that describes the business sale or transfer from the current licensee to the prospective licensee.

Operations Transfer Agreement
Legally binding agreement that describes all aspects of business operations that will occur as result of the business sale (or transfer). The OTA will address all aspects of business function including accounts payable and receivable, provider tax, personnel, inventories, etc.

Management/Operator Agreement (if the owner/licensee is not the operator)
Legal agreement that defines specific responsibilities of the prospective nursing
facility operator.

Property Lease
Legal agreement delineating land/physical plant ownership and proposed legal agreement with the prospective licensee and/or operator. Including **Verification to Legally Operate**. The applicant must demonstrate that they have the legal right to possess the nursing facility property and operate the nursing facility business.

MEDICARE/MEDICAID Certification (if applicable)
Medicare Provider/Supplier Enrollment Form (CMS 855), provider submits to Fiscal Intermediary (FI), copy to NF licensing
http://www.cms.gov/cmsforms/downloads/cms855al.pdf

Long – Term Facility Application for Medicare and Medicaid (HCFA 671), provider must submit original form plus three copies to
NF.licensing@ohadhs.state.or.us
http://www.dhs.state.ia.us/policyanalysis/PolicyManualPages/Manual_Documents/Forms/HCFA671.PDF

Assurance of Compliance (HHS 690), please submit four copies with original signatures to NF licensing http://www.hhs.gov/forms/HHS690.pdf

Health Insurance Benefit Agreement (CMS 1561) please submit two copies with original signatures to NF licensing
https://www.cms.gov/cmsforms/downloads/cms1561.pdf

Medicare Certification Civil Rights Information Request Form – this is done online - Provide copy of webpage verification.

Summary of CHOW Table of Contents/Documents needed

Send documents to: NF.LICENSING@odhsoha.oregon.gov

Please save each document individually using the standard naming convention as much as possible. Submit documents electronically (Sharefile, individually or contact NF Licensing to make arrangements for secure file transfer).

Please make every attempt to use the standard naming convention as follows:

Proposed-buyer's name.document form number or title.current facility name

- Letter of Intent
- Organizational Chart of Proposed Ownership
- Information about key owners (bio, resume, reference as applicable)
- Nursing Facility Application for New Licensee (CHOW-SDS 0466)
- Statement of Ownership for New Licensee (CHOW-SDS0466D)
- Nursing Facility Application for New Management Company (If applicable - CHOM-SDS 0466)
- Statement of Ownership for New Management Company (if applicable - CHOM-SDS0466D)
- EIN for New Licensee - IRS Letter
- EIN for New Management Company – IRS Letter – if applicable
- Screen Shot of SOS Facility ABN with Current Registrant, Amendment to ABN
- Proforma Statement
- Proof of Financial Solvency - AR Line of Credit (LOC Summary)

- Nursing Facility Credit Check Authorization (SDS0466C)
- New Owner Compliance Agreement (if applicable)
- Certificate of Performance and Financial History (SE0466F)
- Facility Floor Plan
- Fitness Determination - Criminal History Request (SE0466C)
- Operations Transfer Agreement for New Licensee
- Management Agreement as soon as available
- Lease Agreement
- Bill of Sale for Verification to Legally Operate
- Long-Term Facility Application for Medicare and Medicaid (HCFA 671)
- Assurance of Compliance proof of submission (HHS 690)
- Health Insurance Benefit (CMS 1561)
- Provider Enrollment Application for Licensee (https://www.oregon.gov/oha/hsd/ohp/pages/provider-enroll.aspx)
- CMS Form 855A (Must be submitted to fee-for-service/fiscal Intermediary in advance as well)
- **Please note:** Background Checks will require submission of a government issued identification and, if owner is out of state, fingerprinting - to be coordinated.

Any questions can be sent to:
NF.LICENSING@odhsoha.oregon.gov