



April 2015

INSTRUCTIONS FOR PROCESSING HOSPITAL CHANGE OF OWNERSHIP (CHOW)

Oregon Hospital Licensure CHOW Requirements and Process

A hospital license is specific to an owner or owners and is not transferrable. Therefore, a new license must be generated when a CHOW occurs. Submit the following to Health Care Regulation and Quality Improvement (HCRQI) for a CHOW:

- _____ 1. Seller must submit letter which notifies of the CHOW with the effective date.
- _____ 2. Buyer must sign the above letter, or may submit a separate letter which confirms the CHOW with effective date.
- _____ 3. Buyer must submit a signed statement that attests it will ensure compliance with all hospital Oregon Administrative Rules (OARs). This may be included in the letter described under item 2 above.
- _____ 4. Buyer must submit an Oregon Hospital License Application Form which indicates it is for a CHOW, and reflects any changes in information resulting from the CHOW.
- _____ 5. Licensure fee must be submitted which is based on the number of beds and the number of satellite locations. Fees are listed on the license application form.
- _____ 6. All documents are to be submitted in one package to the attention of the "Hospital Program Team."
- _____ 7. The old license must be returned after the change of ownership effective date and once the new license is received.

A new license for the hospital, and associated satellite locations, will be issued upon receipt and review of the required documents.

Note: OAR 333-505-0050(16), Medical Records, requires that if a hospital changes ownership, all medical records in original, electronic or microfilm form shall remain in the hospital and it shall be the responsibility of the new owner to protect and maintain these records.

The hospital OARs with which the new owner must comply, and the hospital license application form, are found on the HCRQI website at www.healthoregon.org/hcrqi

References: OAR 333-500-0020(1); OAR 333-500-0036(2)

CMS Medicare Certification CHOW Requirements and Process

HCRQI is the state agency (SA) responsible to conduct CMS hospital activities in Oregon. To process the CHOW and related changes the following CMS documents must be submitted to this office. (Except that the CMS 855A must be submitted to the Hospital's Medicare Administrative Contractor (MAC)).

- _____ 1. Submit a CMS 855A for the CHOW to the hospital's MAC.
- _____ 2. Submit to the SA a copy of the CMS 855A and the MAC's recommendation resulting from the CMS 855A once it is received from the MAC.
- _____ 3. Submit to the SA the Health Insurance Benefit Agreement (CMS 1561) – 2 signed copies. <http://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/Downloads/CMS1561.pdf>
- _____ 4. Submit to the SA the Hospital/CAH Database Worksheet (CMS Exhibit 286). https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/som107_exhibit_286.pdf
- _____ 5. Submit to the SA the Office for Civil Rights' Information Request Form with required documents, and HHS Form 690 Assurance of Compliance; OR evidence of Civil Rights Corporate Agreement as applicable. <http://archive.hhs.gov/ocr/crclearance.html>
- _____ 6. If the hospital is "deemed", submit to the SA evidence that the "deeming" accreditation organization (AO) has been notified of the CHOW.
- _____ 7. Submit all documents to the SA under a cover letter which describes the change(s) and effective date(s).
- _____ 8. Submit all documents to this office to the attention of the "Hospital Program Team".

The SA will submit all documents to CMS for review. CMS will make the final determination for certification purposes as to whether a CHOW occurred and will communicate directly with the hospital.

References: CMS State Operations Manual (SOM), Chapter 2 - Sections 2005D, 2005E, 2779F, 2020 through 2054; and Chapter 3 - Section 3210. <http://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/SurveyCertificationGenInfo/Downloads/som107c02.pdf>