

RISING LEADERS

ASSISTED LIVING

CHANGE IN OWNERSHIP (CHOW)

REPORT



AMERICAN
SENIORS
HOUSING
ASSOCIATION

Living Longer Better

ProMatura



BLUEPRINT

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ASHA Rising Leaders Assisted Living CHOW Task Force

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Introduction

The ASHA Rising Leaders launched a first-of-its-kind research study to assess the change of ownership (CHOW) process for assisted living and memory care properties in all 50 states and the District of Columbia. The survey was conducted between December 10, 2018 and May 31, 2019, and information was provided by ASHA members and contributing third parties who have been involved in the acquisition of assisted living and/or memory care properties over the last three years. Caution should be used when viewing the data contained in this report as the sample size of respondents is limited and experiences can vary based on a host of factors.

The data presented in this report offer the industry a “first look” at the CHOW process across the U.S. The findings provide valuable insights about key characteristics of the process, including timing and application requirements, and more. Because this is the first known study of its kind, we encourage readers to share their suggestions for improvement of subsequent CHOW research.

David Schless

President

American Seniors Housing Association

Washington, DC

EXECUTIVE SUMMARY

Of the states for which data was obtained, responses indicate that only 8% have a CHOW time-frame of 30 days or less. Kentucky, Texas, and Vermont have the shortest CHOW time-frame of 30 days or less according to survey respondents. Respondents report that 6% of states, on the other hand, have far lengthier processes for assisted living change of ownership, including Mississippi, Nevada, and New York which have a CHOW time-frame greater than one year. Respondents suggest that states with the lengthiest CHOW time-frames have more stringent license application requirements, backlog of license applications, and limited state agency resources.

Survey responses further suggest that 50% of states require a CHOW time-frame of 60 days or less, with the majority of the balance of states requiring a CHOW time-frame of either 90 days or less or 60 days or less, respectively.

Please see the map on page 6 for a visual portrayal of assisted living CHOW time-frames.

Approximately one-third of states have a different CHOW process for memory care than assisted living including: Alabama, Arizona, Colorado, Idaho, Nebraska, New Mexico, New York, North Dakota, Oregon, Pennsylvania, Utah, Washington, and Wyoming. It should be noted that while certain states do require a separate, exclusive license to provide memory care services, many simply issue one single license with a designation of care services specifically contained in the license itself. For example, Wyoming and Montana issue assisted living and memory care licenses based on either Type 1 or Type 2 designation. Other states use a comparable system that designates care services based on Category A, B, or C. In all cases for states with a different CHOW process for memory care, the approval of the license to provide dementia-related services (e.g. Type 2 or Category C) generally involves specific physical plant requirements and other criteria that must be met for licensure.

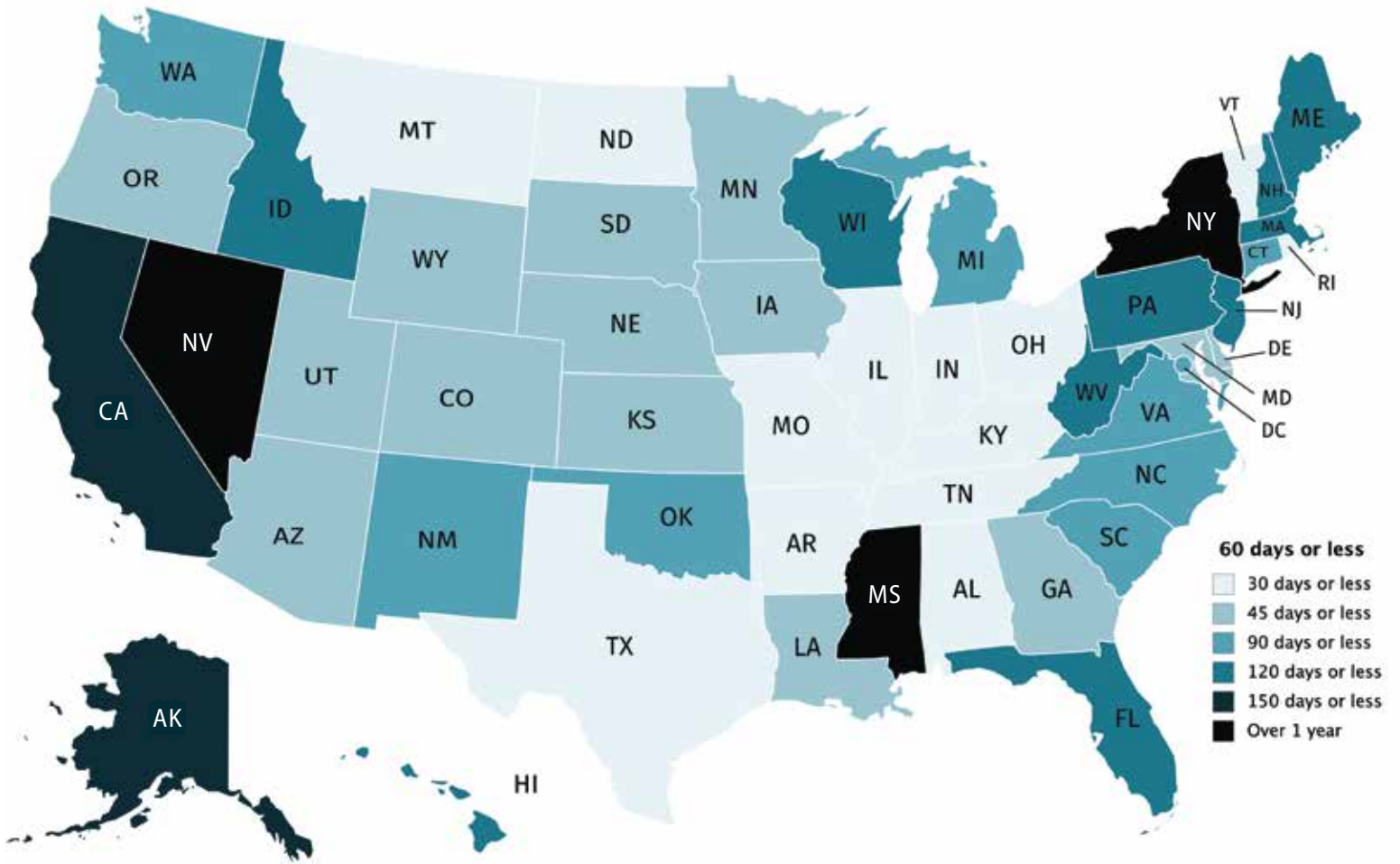
Acknowledgements

There are a number of individuals who provided valuable assistance to the ASHA Rising Leaders in the course of producing this report.

Our sincere thanks to Almir Sajtovic of Cedarhurst Living; Brett Travers of The Dover Companies; Susan Kayser, Lauren Perry, Alison Rosenblum, and Melissa Snyder of Duane Morris LLP; Lori McGuire of Great Lakes Management; Barbara Duffy of Lane Powell; Barbara Hamilton of LCB Senior Living; Jim Carlson of the Oregon Health Care Association; and Sheffield Richey of ASHA.

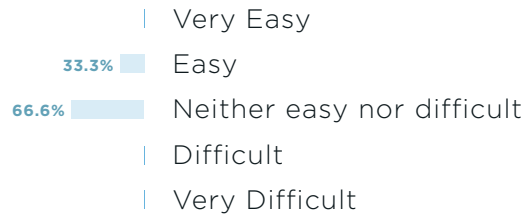
Special thanks to Torey Riso and Jacob Gehl of Blueprint Healthcare Real Estate Advisors, and to Eileen Gehring, also of Blueprint, who created the design for this report.

HEAT MAP



Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Alabama state licensure took 45 days or less



Were there any Filing Fees associated with Change in Ownership?

- Yes:
 - \$2,500 per facility

Was an Interim Management Agreement permitted?

- No; Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

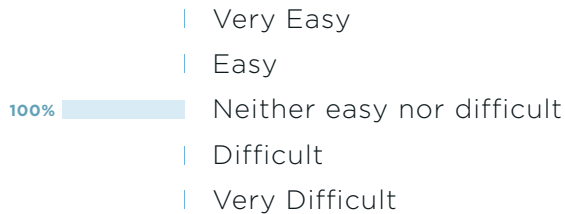
- State Agency:
 - State Health Planning & Development Agency
- Name of Individual:
 - Alva Lambert, Executive Director,
alva.lambert@shpda.alabama.gov, 334.242.4103

Additional Comments

- Process can take 30 days or less, however could take longer depending on what the State's backlog looks like.
- Most state attorneys will suggest that you file your CHOW at least 45 days before the date you'd like to close.
- Survey respondent indicated a different CHOW process for memory care than assisted living.**

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Alaska state licensure took 150 days or less



Were there any Filing Fees associated with Change in Ownership?

- Yes:
 - \$25 per bed

Was an Interim Management Agreement permitted?

- No

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Department of Health & Social Services,
Division of Healthcare Services Assisted Living Office

Name of Individual:

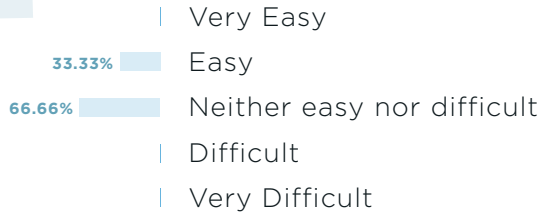
- Craig Baxter, Residential Licensing Program Manager,
craig.baxter@alaska.gov, phone: 907.334.2492, fax: 907.269.3622

Additional Comments

- Requires existing licensee to apply for a license modification consistent with the requirements of 7 AAC 75.080.
- Most of the requirements under 7 AAC 75.080 are the same as the initial licensure application (e.g. names, contact information, ownership interests, administrator information, compliance with all rules and regulations, information about any denial for a previous application, etc.).

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Arizona state licensure took 60 days or less



Were there any Filing Fees associated with Change in Ownership?

Yes

Was an Interim Management Agreement permitted?

Yes; For how long?
3 Months

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

Arizona Department of Health Services

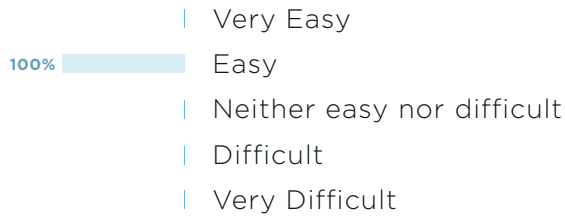
Name of Individual:

Sara Sarabia, Administrative Support Supervisor II,
residential.licensing@azdhs.gov, 602.364.2639

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Arkansas state licensure took 45 days or less



Were there any Filing Fees associated with Change in Ownership?

- Yes:
 - \$10 per bed

Was an Interim Management Agreement permitted?

- Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

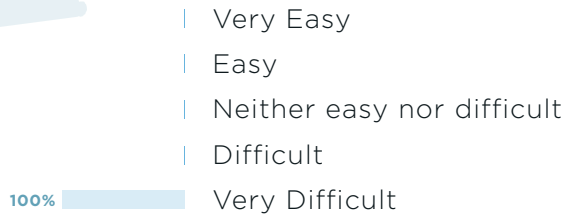
- State Agency:
 - Arkansas Department of Human Services, Division of Aging and Adult
- Name of Individual:
 - Linda Kizer, RN,
linda.kizer@dhs.arkansas.gov, 501.320.6283

Additional Comments

- Fingerprinting/background check required.
- Seller and Buyer must notify of CHOW intent 30 days in advance.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that California state licensure took 150 days or less



Were there any Filing Fees associated with Change in Ownership?

- Yes:
 - \$3,469.20 for 75 - 100 beds
 - \$3,964.80 for 100 - 150 beds

Was an Interim Management Agreement permitted?

- Yes; For how long?
 - Approximately 120 days

Which State Regulatory Agency handles the Change in Ownership Licensing?

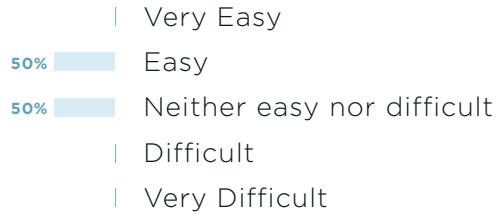
- State Agency:
 - California Department of Social Services, Centralized Applications Bureau
- Name of Individual:
 - Bethany Hunter, Analyst, bethany.hunter@DSS.ca.gov, 916.651.7901

Additional Comments

- CHOW process can be extensive.
- In addition to multiple forms, the so-called B documents are voluminous, which includes a plan of operation, admission agreement (exhibits thereto), personnel policies, job descriptions, sample menus, etc.
- Each applicant must designate a representative who has to qualify by completing an on-line Component One orientation, a Component 2 face to face meeting and a Component 3 orientation, as well as provide personal information, a physician's report indicating good health, a negative TB test, and a criminal background clearance.
- Background checks are also required of the person with operational control (typically the CEO) and anyone with a 10% or more direct or indirect ownership interest in the community or applicant. There are limited exceptions. Any criminal violation that is more serious than a speeding ticket will show up and require an exemption. Obtaining an exemption can be very time consuming.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Colorado state licensure took 60 days or less



Were there any Filing Fees associated with Change in Ownership?

Not sure

Was an Interim Management Agreement permitted?

Yes

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Colorado Department of Public Health and Environment

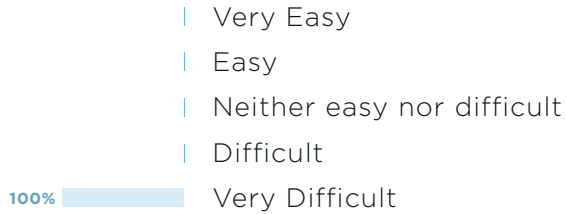
Name of Individual:

- Dee Reda, Community Services Section Manager,
Home & Community Facilities Branch,
dee.reda@stte.co.us, 303.692.2893

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Connecticut state licensure took 90 days or less



Were there any Filing Fees associated with Change in Ownership?

Not sure

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Department of Public Health

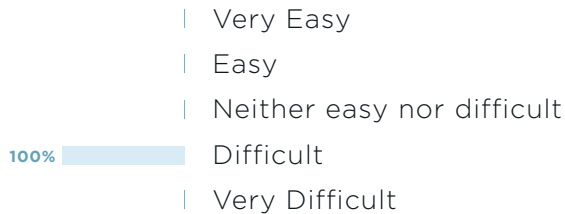
Name of Individual:

- Loan Nguyen, loan.nguyen@ct.gov, 860.509.7400

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Delaware state licensure took 60 days or less



Were there any Filing Fees associated with Change in Ownership?

Yes

Was an Interim Management Agreement permitted?

No

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Delaware Division of Long Term Care Resident Protections

Name of Individual:

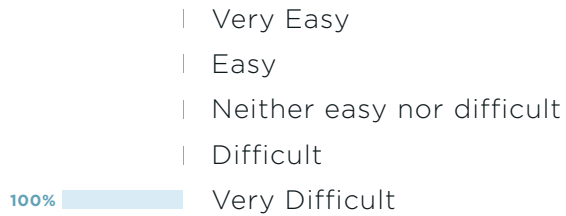
- Robert Smith, Licensing & Certification Administrator, robert.smith@state.de.us, 302.421.7448

Additional Comments

- License application isn't available online.
- Odd requirement that, unless a public company, requires a provider to maintain operating reserves in a Delaware bank for a certain period of time. This operating reserve requirement (and complying with it) can be the most difficult part of the process.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that District of Columbia licensure took 90 days or less



Were there any Filing Fees associated with Change in Ownership?

- Yes:
\$100 plus \$6 per bed

Was an Interim Management Agreement permitted?

- Yes

Which State Regulatory Agency handles the Change in Ownership Licensing?

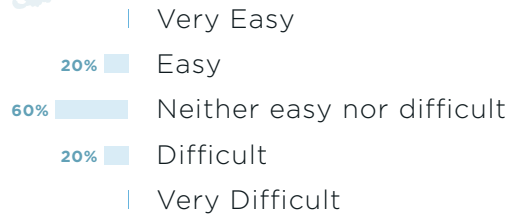
- State Agency:
 - D.C. Department of Health, Health Regulation & Licensing
- Name of Individual:
 - Sharon Mebane, sharon.mebane@dc.gov, 202.442.4751

Additional Comments

- Extensive information required for application.
- Site inspection required for license approval and the process can be bureaucratic.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Florida state licensure took 120 days or less



Were there any Filing Fees associated with Change in Ownership?

Yes:

- Varies based on license designation; per bed cost
- \$5,000 to expedite CHOW as a penalty fee

Was an Interim Management Agreement permitted?

Yes; For how long?

- Until CHOW is fully processed

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Agency for Healthcare Administration

Name of Individual:

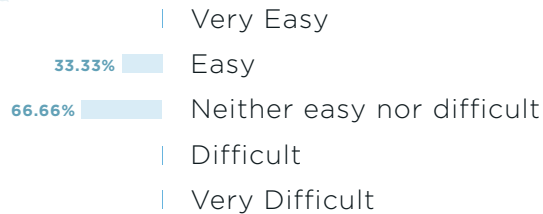
- Ida Coleman, ida.coleman@ahca.mvflorida.com

Additional Comments

- Memory care requires you to obtain a special licensure category. Officers will need to undergo a fingerprint screening and proforma financials will be required to be provided.
- In Florida to apply for a change of ownership you also need to submit a projected statement of revenues and expenses and projected statement of cash flow in a prescribed form for the state of Florida.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Georgia state licensure took 60 days or less



Were there any Filing Fees associated with Change in Ownership?

- Yes:
 - \$300

Was an Interim Management Agreement permitted?

- Yes; For how long?
 - File within 45 days of closing

Which State Regulatory Agency handles the Change in Ownership Licensing?

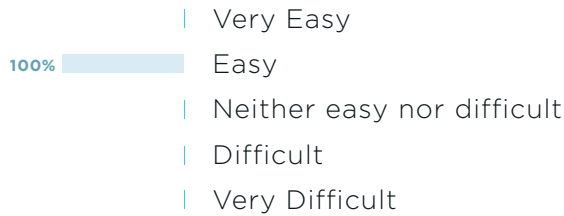
- State Agency:
 - Georgia Department of Community Health
- Name of Individual:
 - Nancy Perkins, naperkins@dch.gov, 404.656.4507

Additional Comments

- New owners must be fingerprinted. Affidavit of personal identification required to be submitted. Note that 2 types of license classifications in Georgia, Assisted Living Community and Personal Care Home. Must also submit property documents and change food service permit within 45 days after closing.
- At this point, only direct ownership is required to be submitted. Process may be changing soon. Background screening will be changing too.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Hawaii state licensure took 120 days or less



Were there any Filing Fees associated with Change in Ownership?

- Yes
 - \$400

Was an Interim Management Agreement permitted?

- No

Which State Regulatory Agency handles the Change in Ownership Licensing?

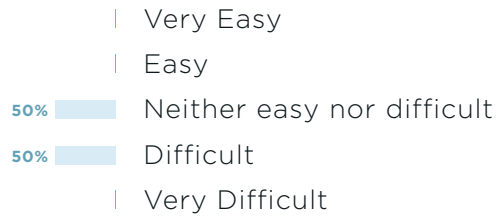
- State Agency:
 - Department of Health, Office of Health Care Assurance
- Name of Individual:
 - Keith Ridley, keith.ridley@doh.hawaii.gov, 808.692.7227

Additional Comments

- License is not transferable.
- ALF requires a food establishment permit for sanitation purposes.
- Sanitation department involved with meal prep etc. as they want to make sure they have a well-established kitchen under the sanitation rule.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Idaho state licensure took 120 days or less



Were there any Filing Fees associated with Change in Ownership?

Yes

Was an Interim Management Agreement permitted?

No; Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Idaho Department of Health and Welfare

Name of Individual:

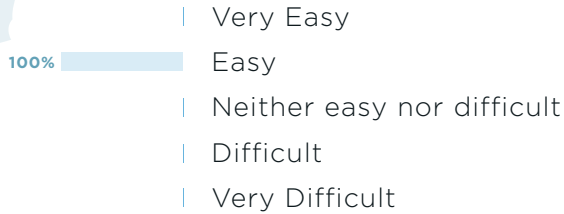
- Jamie Simpson, ralf@dhw.idaho.gov, 208.364.1962

Additional Comments

- Need sign-off from building department, even on a CHOW. Can lead to holdups (and capex spend).
- Online electronic application has two parts.
- Survey respondent indicated a different CHOW process for memory care than assisted living.**

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Illinois state licensure took 45 days or less



Were there any Filing Fees associated with Change in Ownership?

- Yes
 - \$2,000 plus \$20 per licensed bed

Was an Interim Management Agreement permitted?

- Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

- State Agency:
 - Illinois Department of Public Health, Division of Assisted Living

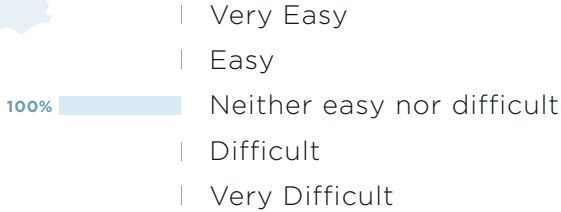
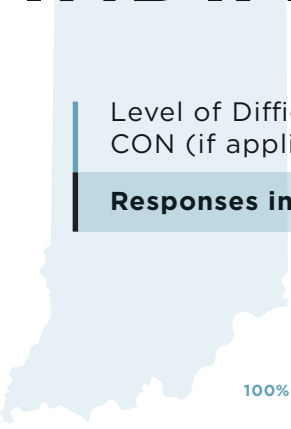
- Name of Individual:
 - Karen Devine, Administrative Assistant, karen.devine@illinois.gov, 217.782.2448

Additional Comments

- Resident contract review (and comment).
- Need to obtain a surety bond as part of the application process (or otherwise have certified financials from an independent CPA).

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Indiana state licensure took 45 days or less



Were there any Filing Fees associated with Change in Ownership?

Not sure

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Indiana State Department of Health

Name of Individual:

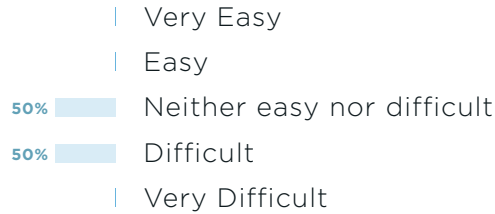
- Matthew Foster, Assistant Commissioner, Consumer Services & Health Care Regulation Commission, mfoster@isdh.in.gov, 317.233.7442

Additional Comments

- Need "Independent Verification of Assets and Liabilities form" completed for each facility in CHOW.
- Must submit purchase agreement with application.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Iowa state licensure took 60 days or less



Were there any Filing Fees associated with Change in Ownership?

Yes

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Iowa Department of Inspection & Appeals

Name of Individual:

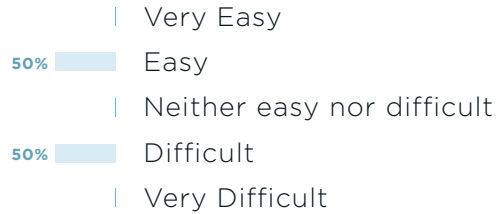
- Linda Kellen, Bureau Chief, linda.kellen@dia.iowa.gov, 515.281.7624

Additional Comments

- Actual processing isn't too difficult, but it can require a lot of policies and procedures to be submitted in connection with the CHOW.
- Definition of dementia care is somewhat of a sliding scale. Recently changed licensing rules

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Kansas state licensure took 60 days or less



Were there any Filing Fees associated with Change in Ownership?

Yes

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Kansas Department of Aging & Disability Services

Name of Individual:

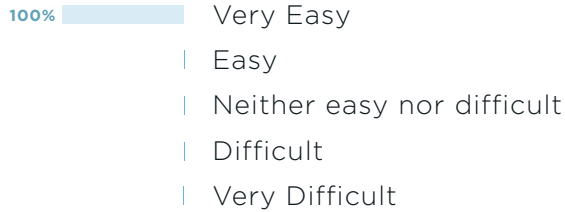
- Lacey Hunter, Licensure Certification & Enforcement Manager, 785.368.7055

Additional Comments

- Need to submit copies of lease and management agreements, copy of the deed, and PSA.
- Need proforma financial statements, a balance sheet showing one month of operating expenses, resume of corporate officers, listing of other facilities, and policies and procedures.
- New license signed by Secretary of Department of Aging and State Fire Marshall.
- Can be difficult to get signatures (and could delay closing/effectiveness of license).

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Kentucky state licensure took 30 days or less



Were there any Filing Fees associated with Change in Ownership?

- Yes:
 - \$20 per unit

Was an Interim Management Agreement permitted?

- Not sure

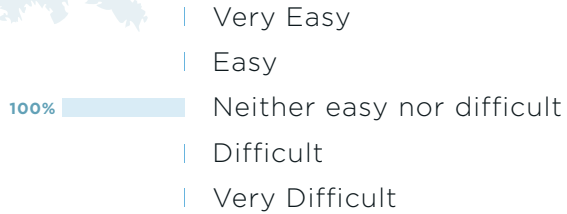
Which State Regulatory Agency handles the Change in Ownership Licensing?

- State Agency:
 - Kansas Cabinet for Health & Family Services, Department for Aging & Independent Living
- Name of Individual:
 - Carrie Anglin, carrie.anglin@ky.gov, 502.564.6390 ext. 3521

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Louisiana state licensure took 60 days or less



Were there any Filing Fees associated with Change in Ownership?

Not sure

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Department of Health & Hospitals, Health Standards Section

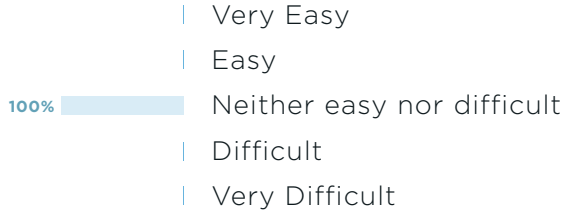
Name of Individual:

- James Taylor, jamesh.taylor@la.gov, 225.342.5457

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Maine state licensure took 120 days or less



Were there any Filing Fees associated with Change in Ownership?

Not sure

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Department of Health & Human Services, CDC, Division of Licensing & Certification

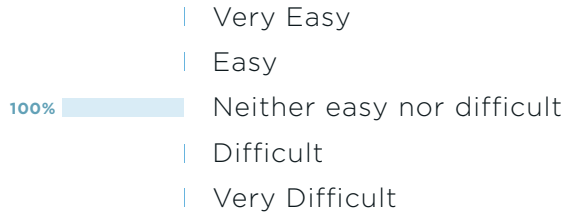
Name of Individual:

- Suzanne Kearns, Program Manager, suzanne.j.kearns@maine.gov, 207.287.9332

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Maryland state licensure took 60 days or less



Were there any Filing Fees associated with Change in Ownership?

- Yes:
 - Dependent on number of beds

Was an Interim Management Agreement permitted?

- Yes

Which State Regulatory Agency handles the Change in Ownership Licensing?

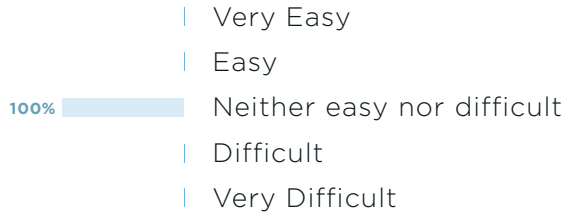
- State Agency:
 - Maryland Department of Health, Office of Health Care Quality
- Name of Individual:
 - Matthew Weiss, matthew.weiss@maryland.gov, 410.402.8140

Additional Comments

- Application must be submitted 45 days prior to effective date of change.
- Extensive review of policies and procedures required.
- Inspection is required prior to CHOW approval.
- Some counties have additional CHOW requirements.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Massachusetts state licensure took 120 days or less



Were there any Filing Fees associated with Change in Ownership?

Not sure

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Executive Office of Elder Affairs

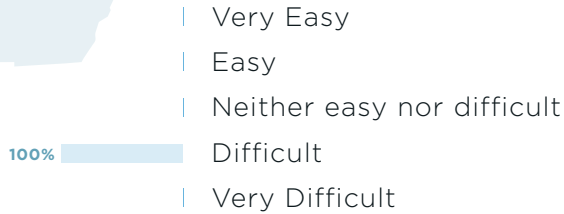
Name of Individual:

- Patricia Marchetti, Program Manager,
patricia.marchetti@state.ma.us, 617.222.7503

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Michigan state licensure took 90 days or less



Were there any Filing Fees associated with Change in Ownership?

Not sure

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Department of Licensing & Regulatory Affairs, Bureau of Community & Health Systems

Name of Individual:

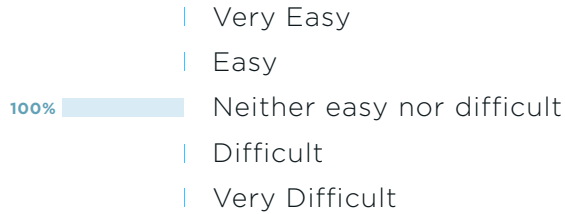
- Betsy Montgomery, 517.284.9721

Additional Comments

- Getting the required fingerprinting out of state can be difficult.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Minnesota state licensure took 60 days or less



Were there any Filing Fees associated with Change in Ownership?

- Yes:
 - \$155

Was an Interim Management Agreement permitted?

- Yes

Which State Regulatory Agency handles the Change in Ownership Licensing?

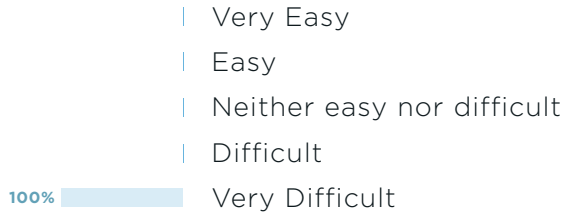
- State Agency:
 - Minnesota Department of Health
- Name of Individual:
 - Michaelyn Bruer, Health Program Representative, michaelyn.bruer@state.mn.us, 651.201.4117

Additional Comments

- Process can be long and there are over 30 pages of application, service agreements, memory care disclosures and uniform consumer information guides that need to be filled out.
- Working with DHS for the provider enrollment can be a difficult and time-consuming process related to the change of ownership.
- DHS requires the HWS certificate to get provider enrollment set up but can take nearly 60 days to get that, then another 60 days to get provider enrollment to respond to the application.
- The two agencies don't work together and don't understand each other's processes.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Mississippi state licensure took over 1 year



Were there any Filing Fees associated with Change in Ownership?

Not sure

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Department of Health, Division of Health Facilities, Licensure, & Certification

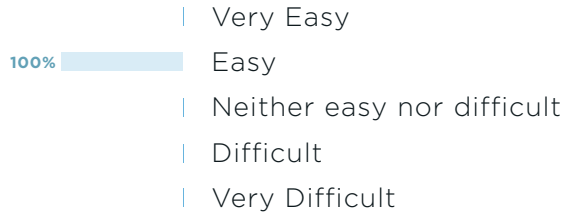
Name of Individual:

- Mary Gervin, Bureau Director, mary.gervin@msdh.state.ms.us, 601.364.1110

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Missouri state licensure took 45 days or less



Were there any Filing Fees associated with Change in Ownership?

- Yes
 - \$600

Was an Interim Management Agreement permitted?

- Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Department of Health & Senior Services Section for Long-Term Care Regulations

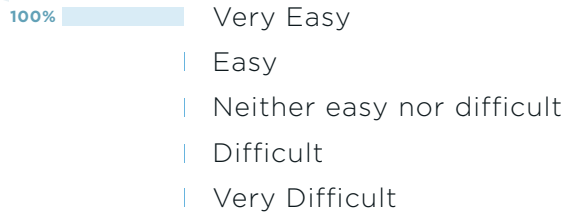
Name of Individual:

- Becky Thompson, becky.thompson@health.mo.gov, 573.526.8506

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Montana state licensure took 45 days or less



Were there any Filing Fees associated with Change in Ownership?

- Yes:
 - \$20 Per bed up to 20 beds
 - \$1 Per bed over 20 beds

Was an Interim Management Agreement permitted?

- No

Which State Regulatory Agency handles the Change in Ownership Licensing?

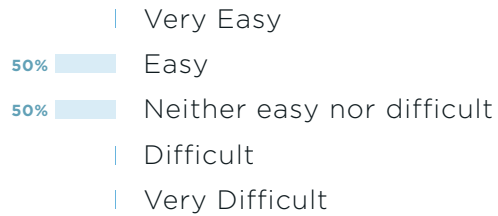
- State Agency:
 - Montana Department of Public Health & Human Services
- Name of Individual:
 - Tara Wooten, Health Care Program Manager, 406.444.1575

Additional Comments

- Construction visits can be scheduled 2-3 months out from endorsement.
- Three license categories: Category A - Standard ALF; Category B - Allows for physically high-acuity services (up to five residents); Category C - Memory Care endorsement (cognitive impaired units can be opted to have to take care of population).
- SNF license can take up to six months.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Nebraska state licensure took 60 days or less



Were there any Filing Fees associated with Change in Ownership?

- Yes:
 - Dependent on number of beds

Was an Interim Management Agreement permitted?

- No; Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

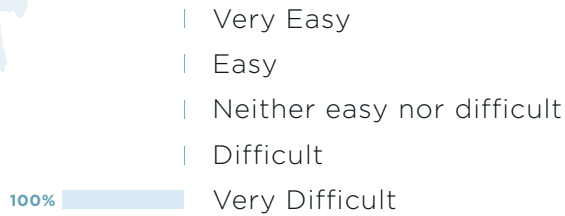
- State Agency:
 - Nebraska Department of Health & Human Services

- Name of Individual:
 - Donna Jobman, Staff Assistant II,
donna.jobman@nebraska.gov, 402.471.3324

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Nevada state licensure took over 1 year



Were there any Filing Fees associated with Change in Ownership?

- Yes:
 - Dependent on number of beds

Was an Interim Management Agreement permitted?

- No

Which State Regulatory Agency handles the Change in Ownership Licensing?

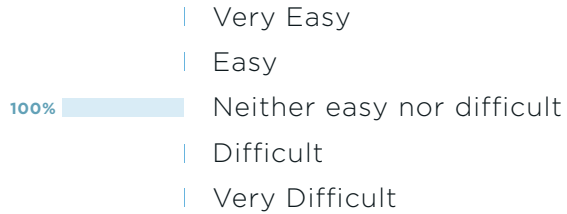
- State Agency:
 - Nevada Department of Health & Human Services

- Name of Individual:
 - Kali Moriarty, Administrative Assistant III
kmoriarty@health.nv.gov, 775.684.1038

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that New Hampshire state licensure took 120 days or less



Were there any Filing Fees associated with Change in Ownership?

Not sure

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Department of Health & Human Services, Office of Legal & Regulatory Services, Health Facilities Administration

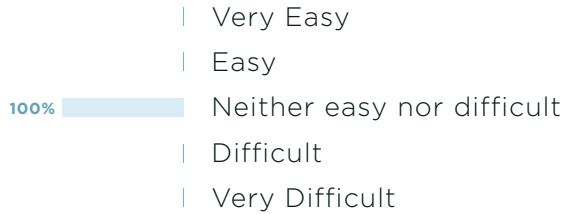
Name of Individual:

- Melissa St. Cyr, melissa.st.cyr@dhhs.state.nh.us, 603.271.4592

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that New Jersey state licensure took 120 days or less



Were there any Filing Fees associated with Change in Ownership?

Yes

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- New Jersey Department of Health

Name of Individual:

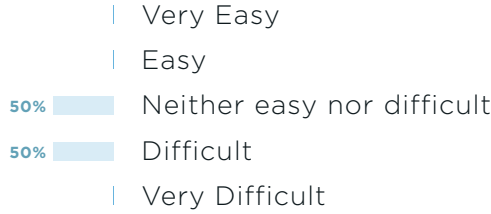
- John Calabria, Director, Healthcare Facility Licensing, john.calabria.doh.nj.gov, 609.633.9034

Additional Comments

- An applicant that operates long-term care facilities in other states is subject to a track record review, which requires the applicant to obtain letters from the state agencies governing its facilities stating that such facilities have been operated in compliance with applicable laws in the preceding 12 months.
- Applicants must demonstrate good faith effort to obtain such letters, however, if unsuccessful, applicants may submit officer affidavit.
- Application packet must include: Information on the ownership and control of the applicant; List of licensed long-term care facilities owned, operated or managed by the applicant, or any of its principals, in New Jersey and any other state; Copy of the purchase agreement; Copies of proposed lease and/or management agreement; Copy of the certificate of continued occupancy (CCO) from the local township, or a letter from the township stating that a CCO is not required.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that New Mexico state licensure took 90 days or less



Were there any Filing Fees associated with Change in Ownership?

- Yes:
 - \$300

Was an Interim Management Agreement permitted?

- No; Not sure

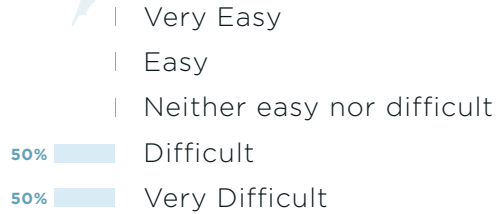
Which State Regulatory Agency handles the Change in Ownership Licensing?

- State Agency:
 - New Mexico Division of Health Improvement
- Name of Individual:
 - Rhonda Rodriguez, Program Operations Bureau Chief, rhondat.rodriguez@state.nm.us, 505.476.9070

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that New York state licensure took over 1 year



Were there any Filing Fees associated with Change in Ownership?

- Yes:
 - \$2,500 - \$3,500 plus additional fees up to \$8,000

Was an Interim Management Agreement permitted?

- Yes; For how long?
 - Until license is issued to applicant

Which State Regulatory Agency handles the Change in Ownership Licensing?

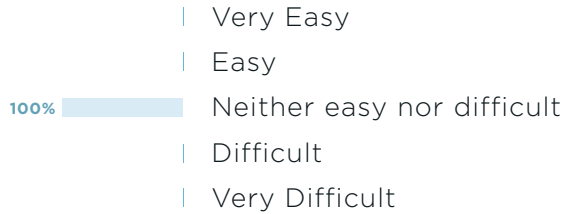
- State Agency:
 - New York State Department of Health
- Name of Individual:
 - Valerie Deetz, Director - Division of ACF & Assisted Living Surveillance, valerie.deetz@health.ny.gov, 518.408.1133

Additional Comments

- General obstacle: comprehensive application submission required.
- Obstacles for applicants new to NY: unusual requirements for licensee entity ownership structure; rigorous review of legal documents, residency agreement, policies & procedures. Processing times vary depending on DOH staffing levels and workload.
- DOH is the only agency involved.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that North Carolina state licensure took 90 days or less



Were there any Filing Fees associated with Change in Ownership?

Not sure

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Department of Health & Human Services, Division of Health Service Regulation

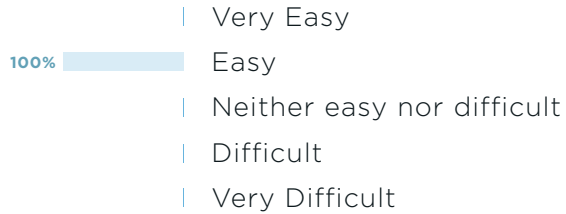
Name of Individual:

- Martha Frisone, martha.frisone@dhhs.nc.gov, 919.855.3873

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that North Dakota state licensure took 30 days or less



Were there any Filing Fees associated with Change in Ownership?

- Yes
 - \$75

Was an Interim Management Agreement permitted?

- No

Which State Regulatory Agency handles the Change in Ownership Licensing?

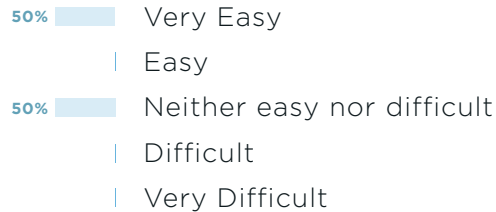
- State Agency:
 - Department of Human Services
- Name of Individual:
 - Melanie Phillips, HCBS Unit Administrator, mdphillips@nd.gov, 701.328.2321

Additional Comments

- Survey respondent indicated a different CHOW process for memory care than assisted living.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Ohio state licensure took 45 days or less



Were there any Filing Fees associated with Change in Ownership?

- | Yes:
 - o \$250 plus attorney fees

Was an Interim Management Agreement permitted?

- | No; Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

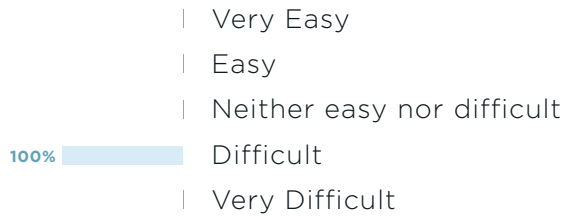
- | State Agency:
 - o Ohio Department of Health
- | Name of Individual:
 - o Jayson Rogers, jayson.rogers@odh.ohio.gov, 614.752.9156

Additional Comments

- o Very quick process for CHOWs.
- o Application packet must include: 8 1/2 x 11 schematic drawing/floor plan of the facility that clearly shows the bath/toilet rooms, room numbers and number of beds in each room; Copy of the Certificate of Occupancy; Copy of the facility's current heating inspection report; Copy of the current State Fire Marshal inspection report; Copy of the bill of sale.
- o An inspection may be required if the facility has not been inspected within the preceding 15 months or the facility was cited for serious health or safety deficiencies on the most recent survey.
- o While materials seem excessive, Ohio facilities seem to have this stuff relatively off hand (hence the easy rating).

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Oklahoma state licensure took 90 days or less



Were there any Filing Fees associated with Change in Ownership?

Yes

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Oklahoma State Department of Health

Name of Individual:

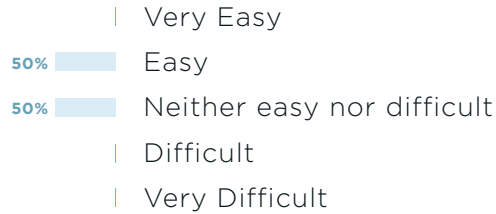
- James Joslin, Assistant Deputy Commissioner, james@health.ok.gov, 405.271.6868

Additional Comments

- Application packet must include: Statement of asset, liabilities and net worth for the most recent fiscal year, and audited financial statements, if available; Copy of the proposed Resident Service Contract (review of which will take time if not previously approved by Department); Description of procedure for receiving and resolving resident grievances/disputes; Fire inspection report dated within preceding 12 month; Copies of contracts with outside providers for services not delivered directly by facility staff; Projected budget of revenue and expenses; Information related to the 5% or more ownership of the property owner, lessee and management company; An inspection will occur after initial license (which is valid for six months) is issued.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Oregon state licensure took 60 days or less



Were there any Filing Fees associated with Change in Ownership?

- Yes:
 - Dependent on number of beds

Was an Interim Management Agreement permitted?

- No; Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

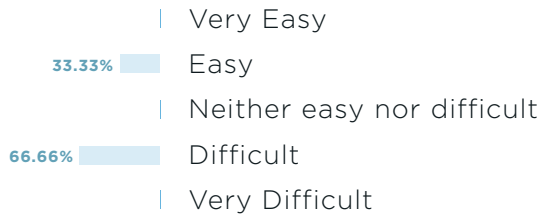
- State Agency:
 - Oregon Department of Health Services, APD Safety, Oversight & Quality Unity
- Name of Individual:
 - Michelle Cate, Sup-AFH Licensing, michelle.cate@state.or.us, 503.373.2182

Additional Comments

- Survey respondent indicated a different CHOW process for memory care than assisted living.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Pennsylvania state licensure took 120 days or less



Were there any Filing Fees associated with Change in Ownership?

Yes

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Pennsylvania Department of Public Welfare & Human Services

Name of Individual:

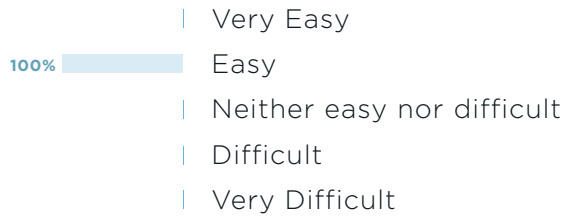
- Jacqueline Rowe, Director Bureau of Human Services Licensing, jacrowe@pa.gov, 717.772.4982

Additional Comments

- Initial application packet must include: Applicant's Articles of Incorporation and Fictitious Name Approval; If applicant is a not a Pennsylvania entity, then authorization to conduct business in Pennsylvania; Copy of the Certificate of Occupancy; Civil rights approval from the Bureau of Equal Opportunity (BEO) is required prior to licensure; Applicant must submit a Civil Rights Compliance Questionnaire to the BEO regional office at the time the license application is submitted; Once application is assigned to a reviewer, the applicant will be required to submit policies and procedures for review and approval; Upon approval of policies and procedures, regional office will conduct inspection; An approved plan of correction or a re-inspection may be required prior to licensure approval); Inspection can really hold things up.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Rhode Island state licensure took 45 days or less



Were there any Filing Fees associated with Change in Ownership?

- Yes:
 - \$330 plus \$70 per bed

Was an Interim Management Agreement permitted?

- Yes

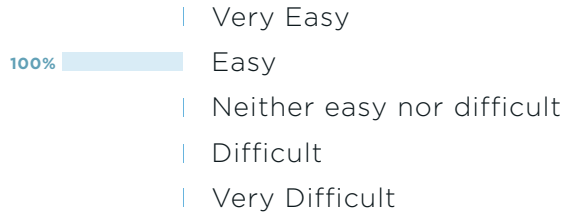
Which State Regulatory Agency handles the Change in Ownership Licensing?

- State Agency:
 - Rhode Island Department of Health, Center for Health Facility Regulation
- Name of Individual:
 - Jennifer Olsen-Armstrong, Chief Health Program Evaluator, jennifer.olsen@health.ri.gov, 401.222.4523

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that South Carolina state licensure took 90 days or less



Were there any Filing Fees associated with Change in Ownership?

Yes

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Department of Health and Environmental Control

Name of Individual:

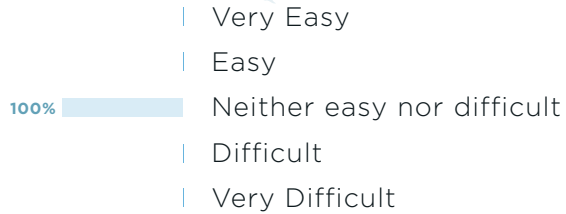
- Gwen Thompson, Chief, Health Facilities Licensing, thompsgw@dhec.sc.gov, 803.545.4370

Additional Comments

- Fingerprinting/background check for signer required.
- Current licensed operator gives notice of CHOW 90 days before closing (but application can come later).

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that South Dakota state licensure took 60 days or less



Were there any Filing Fees associated with Change in Ownership?

No

Was an Interim Management Agreement permitted?

Yes

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Department of Health, Office of Health Care Facilities, Licensure, & Certification

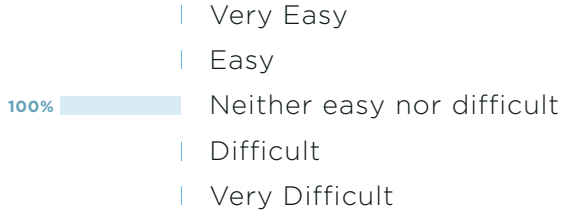
Name of Individual:

- Deb Carlson, Public Health Advisor, deb.carlson@state.sd.us, 605.394.1991

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Tennessee state licensure took 45 days or less



Were there any Filing Fees associated with Change in Ownership?

Yes

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Tennessee Department of Health

Name of Individual:

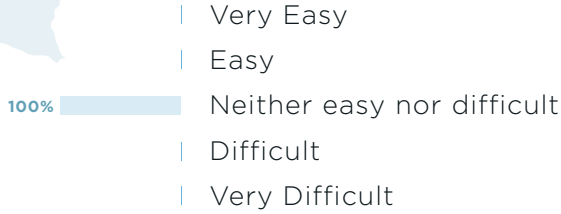
- Ann Rutherford Reed, Director of Licensure, ann.r.reed@tn.gov, 615.741.7221

Additional Comments

- Application packet must include: Financial statement prepared by a certified public accountant; Copy of local business license (if applicable to the locality); Copy of proposed deed or lease agreement; A licensure inspection will be conducted, during which policies and procedures will be reviewed.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Texas state licensure took 30 days or less



| Were there any Filing Fees associated with Change in Ownership?

| Not sure

| Was an Interim Management Agreement permitted?

| Not sure

| Which State Regulatory Agency handles the Change in Ownership Licensing?

| State Agency:

- o Department of Health & Human Services, Licensing & Certification Unit

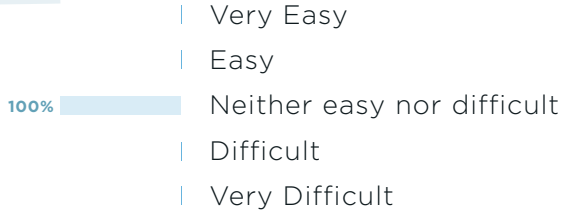
| Name of Individual:

- o Heather Cox, heather.cox@dads.state.tx.us, 512.438.3161

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Utah state licensure took 60 days or less



Were there any Filing Fees associated with Change in Ownership?

Not sure

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Department of Health, Bureau of Health Facility, Licensing & Certification

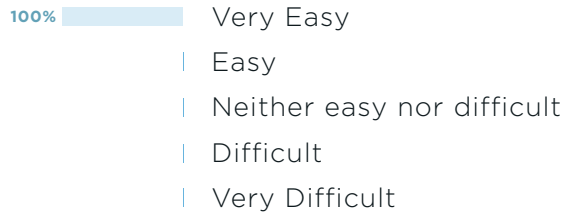
Name of Individual:

- Kristi Grimes, Administrator, kristigrimes@utah.gov, 801.273.2821

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Vermont state licensure took 30 days or less



Were there any Filing Fees associated with Change in Ownership?

Yes

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Department of Disabilities, Aging, & Independent Living, Division of Licensing & Protection

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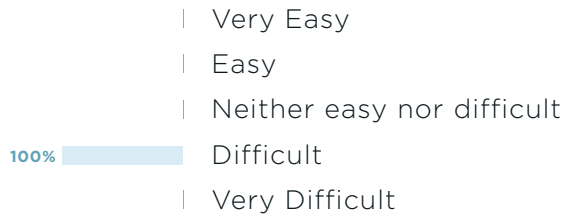
Name of Individual:

- Suzanne Leavitt, Director of Licensure, suzanne.leavitt@vermont.gov, 802.241.0346

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Virginia state licensure took 90 days or less



Were there any Filing Fees associated with Change in Ownership?

Yes

Was an Interim Management Agreement permitted?

Yes

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Department of Social Services

Name of Individual:

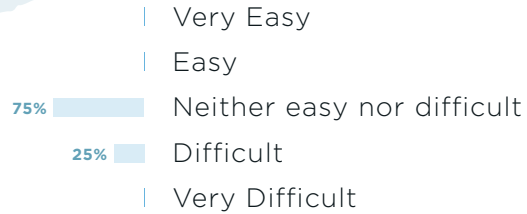
- Judy McGreal, Program Development Consultant, judith.mcgreal@dss.virginia.gov, 804.663.5535

Additional Comments

- Extensive policy and procedure review.
- Must run background check with VA State Police. Officers must provide 3 reference letters attesting to his/her character.
- Must provide annual operating budget and credit check for licensee.
- If new to the state, representative might have to take a new licensee course.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Washington state licensure took 90 days or less



Were there any Filing Fees associated with Change in Ownership?

No; Not sure

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

Washington Department of Social Services,

Name of Individual:

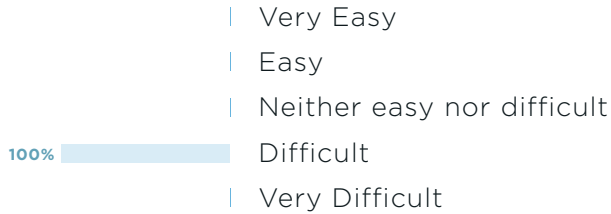
Jennifer Brascher, Program Specialist,
brascje@dshs.wa.gov, 360.725.2485

Additional Comments

- Washington considers everything to be a CHOW.
- Many forms required to be to fill out and have to include specific Washington provisions in lease and management agreement (in a RIDEA structure). Otherwise, management company will be required to become licensed.
- Department was dealing with a long backlog at the time of the survey.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that West Virginia state licensure took 120 days or less



Were there any Filing Fees associated with Change in Ownership?

Yes

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

Department of Health & Human Services

Name of Individual:

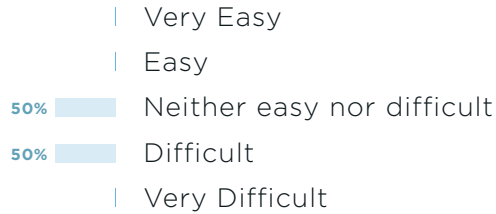
Sharon Kirk, sharon.r.kirk@wv.gov, 304.558.3151

Additional Comments

- Pre-licensure health and environmental inspections will be conducted within the 90 days period. A letter must be sent to the Office of Health Facility Licensure and Certification that the Facility is ready for the inspections (requests for inspection can be made at any time during the 90 day period; state recommends making the request as early as possible to allow sufficient time to address any deficiencies).
- Facility will need to be re-inspected if deficiencies are found. If there are no Class 1 deficiencies, then the license can be issued pending the clearance of deficiencies and re-inspection. However, if there are Class 1 deficiencies, then those deficiencies will need to be corrected and the facility re-inspected prior to the license being issued.
- Class 1 deficiencies are those that would present either an imminent danger to the health, safety or welfare of any resident or a substantial probability that death or serious physical harm would result.

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Wisconsin state licensure took 120 days or less



Were there any Filing Fees associated with Change in Ownership?

Not sure

Was an Interim Management Agreement permitted?

Not sure

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Department of Health Services, Division of Quality Assurance, Bureau of Assisted Living

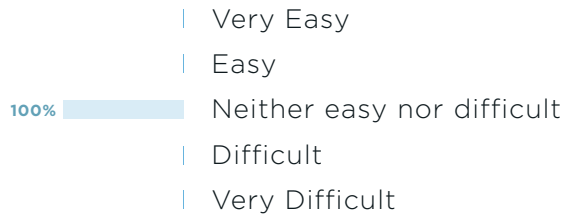
Name of Individual:

- Alfred Johnson, Bureau Director, alfred.johnson@dhs.wisconsin.gov, 608.266.8598

Additional Comments

Level of Difficulty experienced in completing the state licensure and CON (if applicable) for a Change in Ownership (CHOW) in this state:

Responses indicated that Wyoming state licensure took 60 days or less



Were there any Filing Fees associated with Change in Ownership?

Yes:

\$0 - \$500 depending on number of beds

Was an Interim Management Agreement permitted?

No

Which State Regulatory Agency handles the Change in Ownership Licensing?

State Agency:

- Department of Health, Office of Healthcare Licensing & Surveys

Name of Individual:

- Laura Hudspeth, Administrator, laura.hudspeth@wyo.gov, 307.777.7123

Additional Comments

-
- 30-day notice is required, but 60 is preferred.
 - One license with Type 1 or Type 2 (MC) designation.
 - Type 2 requires additional building/compliance codes.
 - Provisional license can be issued for up to 90 days and extended thereafter (looked at on a case-by-case basis).
 - Survey respondent indicated a different CHOW process for memory care than assisted living.**