

CHANGE OF OWNERSHIP GUIDELINES
STATE LICENSED HOME HEALTH AGENCY

A **Change of Ownership (CHOW)** typically occurs when an agency has been purchased (or leased) by another organization. For licensure purposes, a sale of stock that changes the controlling interest (50.1%) is considered a change of ownership.

Missouri state guidelines: 197.420 RSMo License not transferable or assignable on sale or transfer of ownership-new application, requirement-temporary license, when-

A license shall not be transferable or assignable. When a home health agency is sold or ownership or management is transferred, or the corporate legal organization status is substantially changed, the license of the agency shall be voided and new license obtained. Application for a new license shall be made to the department in writing, at least ninety days prior to the effective date of the sale, transfer, or change in corporate status. The application for a new license shall be on the same form, containing the same information required for an original license, and shall be accompanied by a license fee of six hundred dollars. The department may issue a temporary operating permit for the continuation of the operation of the home health agency for a period of not more than ninety days pending a survey inspection and the final disposition of the application.

When requesting a change of ownership of a state licensed home health agency the new ownership must submit the following information to:

Missouri Department of Health and Senior Services
Bureau of Home Care and Rehabilitative Standards
P.O. Box 570
Jefferson City, MO 65102

The change of ownership request will not be processed until all of these items are received:

1. Letter of Intent explaining the nature of the sale, transfer, or significant change in corporate status.
2. Application for Home Health Agency License.
3. \$600 licensure fee made payable to the Missouri Department of Health and Senior Services (non-refundable).
4. State Disclosure of Ownership and Control Interest Statement – 2 copies.
5. Proof of current registration with the Missouri Secretary of State. In addition, if the agency is using a "doing business as" (d/b/a) name, you will need to provide proof of the fictitious filing. For any questions regarding the registration process or fictitious filing, contact the Secretary of State office at 573- 751-4153. All forms received by the Bureau must list the legal entity name and the d/b/a, if applicable.
6. Pre and Post Organizational Chart.

IMPORTANT POINTS TO REMEMBER:

- **As soon as the transaction is complete, please submit proof of the completed transaction to this Bureau as evidenced by a bill of sale, stock purchase agreement, or assignment and assumption agreement.**

- **The NEW license must be issued on the effective date of the CHOW in order for the provider to continue to be a legally operating the agency. The new license begins on the first day of business under the new ownership.**
- Patients are not assets. They must be notified prior to the CHOW and provided with a choice of provider for their home health services. Documentation of notification of the patient and the patient's choice of provider must be documented in the clinical record.
- All paperwork for the agency, including clinical record notes, must reflect the new agency name when a change of name occurs as a result of a CHOW. This must occur on the effective date of the CHOW.
- This Bureau has the option to conduct an unannounced, on-site survey as a result of a change of ownership.

Medicaid will be notified of the approved change of ownership.

Additional information regarding state licensure and current home health issues is available on our website at <http://www.dhss.mo.gov/HomeCare>. After a change of ownership, the provider must remain in compliance with all requirements for state licensure. All requirements and forms are available at the above website by clicking on *Applications and Forms*>>*Home Health State Licensure Change of Ownership*. Please contact the Bureau of Home Care and Rehabilitative Standards at (573) 751-6336 with any questions.