Kentucky - Long Term Care Change of Ownership (CHOW) Process

The instructions below outline the process for change of ownership for long term care licensed and certified facilities.

Steps 1-4 are required for all CHOWs. Step 5 is only required for certified facilities.

☐ STEP 1 – File a Notice of Intent to Acquire with Division of Certificate of Need at least thirty (30) days prior to entering into a contract to acquire said facility/service.
  o Once you receive an acquisition letter from the Division of Certificate of Need, you may proceed to the next step. NOTE: OIG Division of Health Care must receive notification of the CHOW no more than 10 days after the sale.

☐ STEP 2 – Complete and submit a Secretary of State New Owner Check
  o Print a copy of the web page that confirms active status for the new owner.

☐ STEP 3 – Complete and submit an Application for License to Operate a Long Term Care Facility
  o Check the box marked Change of Ownership
  o Ensure all fields are completed

☐ STEP 4 – Provide the following documentation:
  o Cover letter
    ▪ Must be on company letterhead
    ▪ Include license number
    ▪ Include the new and previous name of the facility (if changing)
    ▪ Include names of the new and previous owners
    ▪ Include effective date of CHOW
  o Copy of Acquisition Letter from the Division of Certificate of Need
  o Transfer of Operations Agreement
    ▪ Include names of the new and previous owners (might be parent companies)
    ▪ Must be signed by both parties
    ▪ CHOW date
    ▪ NOTE: MUST include the entire agreement that is specific to “The Transfer of the Health Care Operations” from one owner to the other, not just the Bill of Sale
  o Bill of Sale
    ▪ Must be signed by both parties
    ▪ OIG-DHC will be unable to issue a license until after the sale and a copy of the Bill of Sale is received

NOTE: If the facility is licensed only, skip to STEP 6. If the facility is certified, complete STEPS 5 and 6.

☐ STEP 5 – Provide the following documentation:
  o CMS-1561 (Health Insurance Benefit Agreement)
  o CMS-671 (LTC facility application for Medicare/Medicaid)
  o Fiscal Intermediary Choice Form
  o 855 Approval Memo and entire application packet
    ▪ This is mailed to our office from the Fiscal Intermediary (FI)
  o Assurance of Compliance
    ▪ Visit https://ocrportal.hhs.gov/ocr/aoc/instruction.jsf to submit
    ▪ Provide online printout showing confirmation of 690 being submitted.

☐ STEP 6 – Submit all required documents via mail to:

The Division of Health Care
275 East Main Street 5EA
Frankfort, KY 40621

Please call (502) 564-7963 for questions or concerns related to your change of ownership.