

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF HEALTH**

**INFORMATION REQUESTED OF HEALTH CARE PROVIDERS APPLYING FOR
A LICENSE TO OPERATE A HEALTH CARE FACILITY**

(APPLIES TO APPLICATIONS FOR INITIAL LICENSURE OF A HEALTH CARE FACILITY AND
TO APPLICATIONS FOR LICENSURE AS A RESULT OF CHANGE OF OWNERSHIP OF AN
EXISTING HEALTH CARE FACILITY)

BUSINESS STRUCTURE

1. A description of the business structure of the health care provider (“Applicant”) applying for a license to operate a health care facility, as defined in the Health Care Facilities Act, Act of July 19, 1979, P.L. 130, as amended, 35 P.S. §§448.101 - 448.904b.

OWNERSHIP AND/OR CONTROLLING INTEREST

2. (a) Identify the persons and entities with 5% or greater direct or indirect ownership or controlling interest in the Applicant (see attached definitions).

(b) Provide the information requested in questions 1, 4, 5 and 8 with respect to all persons and entities identified in (a).

DOCUMENTATION

3. (a) A copy of the Applicant’s articles of incorporation, certificate of registration, certificate of incorporation, charter, certificate of organization, or other articles, statements or documents establishing the legal existence of the business entity that will hold the license. This submission shall include applicable Pennsylvania Department of State filings and approvals. For foreign entities, provide a copy of the applicable Pennsylvania Department of State filings and approvals to conduct business in Pennsylvania.

(b) A copy of the applicant’s by-laws, operating agreement, partnership agreement, or other rules adopted for the regulation or management of the business entity applying for licensure, regardless of the name used to describe those rules.

*IDENTIFICATION OF INDIVIDUALS WITH MANAGEMENT AND OPERATIONAL
AUTHORITY*

4. (a) A list of the names, addresses and health care experience of the individuals who are responsible for the overall business direction of the Applicant

(b) A list of the names, addresses and health care experience of the individual[s] to be appointed by the Applicant to act on its behalf in the overall management and operation of the health care facility regardless of form of ownership.

(c) The names, addresses and health care experience of the individual[s] who will have responsibility for day-to-day operations and who will provide immediate direction and control over the manner of delivery of health care services to individuals served by the health care facility.

LOCATION OF APPLICANT

5. Address of the Applicant's headquarters. If the Applicant has out-of-state headquarters, the Applicant also shall supply the address where the Applicant may be served with legal documents within Pennsylvania.

HEALTH CARE SERVICES TO BE PROVIDED BY APPLICANT

6. (a) A description of the health care services the Applicant intends to offer through the health care facility.
- (b) If the application for licensure is the result of a change of ownership, the health care provider should provide a description of
- i. any actual or anticipated change from the health care services currently offered,
 - ii. any actual or anticipated change in the present staff, or in the composition of the staff, and
 - iii. a description of any anticipated innovations in the manner of delivery of health care services.

BACKGROUND OF APPLICANT

7. *The Applicant's previous experience in operating health care facilities inside or outside Pennsylvania, including:*
- (a) the type of health care facilities currently or previously owned, managed or operated by Applicant
 - (b) the names and addresses of facilities currently or previously owned, managed or operated by Applicant and persons and entities identified in 2(a)
 - (c) a description of any adverse action taken by any state or federal agency against any of the facilities identified in 7(b), and any documentation regarding the action taken and its resolution.
8. Have any of the facilities identified in 7(b) or any of the individuals identified in 4(a), (b) or (c):
- (a) Been subject to criminal or civil fraud charges; or
 - (b) Ordered to pay a civil monetary penalty (other than those listed in response to 7(c); or
 - (c) Convicted of Medicare or Medicaid fraud and abuse?

If yes, please provide documentation regarding the action taken and its resolution.

9. Are there any ongoing fraud and abuse investigations at any facility identified in 7(b)?

INTENTIONS WITH RESPECT TO CHARITY CARE

10. A description of the Applicant's intentions with respect to the level of charity and uncompensated care to be provided.

Special Instructions:

Under the Commonwealth of Pennsylvania's Right-to-Know Law, ("RTKL"), 65 P.S. §§ 67.101-67.3104, any information submitted in response to this form may be considered a public record, which will be provided by the Department in response to request for copies of such records.

Records that constitute or reveal a trade secret or confidential proprietary information are exempt from disclosure under the RTKL. 65 P.S. § 67.708(b)(11).

"Trade secret" is defined as "information, including a formula, drawing, pattern, compilation, including a customer list, program, device, method, technique, or process that (1) derives independent economic value, actual, or potential, from not being generally known to and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure and/or use; and (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The term includes data processing software obtained by an agency under a licensing agreement prohibiting disclosure."

"Confidential Proprietary Information" is defined as "commercial or financial information received by an agency: (1) which is privileged and confidential; and (2) the disclosure of which would cause substantial harm to the competitive position of the person that submitted the information."

If you believe that any of the information that is being provided in response to this form meets the definition of either "trade secret" or "confidential proprietary information," you must so assert at the time of submission. The written response to each question must state whether any of the answers given are or contain either "trade secrets" or "confidential proprietary information." The written response must also state the basis on which you are asserting that the information provided constitutes either "trade secrets" or "confidential proprietary information" and should not be re-disclosed. This is necessary as the Department's response to a RTKL requester must include the basis on which the information is considered to be a "trade secret" or the reason the information is considered "confidential proprietary information." Without the basis for your assertion, the Department is unable to assert this exception to disclosure under the RTKL on your behalf.

Further, you must indicate on **each page** of additional documentation submitted that the page contains "trade secret" or "confidential proprietary information" which should not be released. If only some of the information on a page is "trade secret" or "confidential proprietary information," please identify the **confidential** text. A blanket statement that all information being submitted falls within one of these two categories is **not** acceptable.

Failure to raise a claim of "trade secret" or "confidential proprietary information" will result in a waiver of any future claim(s) that this information should not be provided by the Department of a third party requestor because it falls within one of these classifications.

DIRECTIONS AND DEFINITIONS FOR PROVIDING THE
INFORMATION REQUESTED OF HEALTH CARE PROVIDERS APPLYING FOR
A LICENSE TO OPERATE A HEALTH CARE FACILITY

BUSINESS STRUCTURE

1. Please provide as much information as necessary to provide a complete description of the business structure of the Applicant. While you may choose to provide an organizational chart outlining chain of command or lines of decision-making authority for the Applicant, that is not the primary purpose of this question. The purpose of this question is to obtain a detailed explanation of the business entity that is seeking a license to operate a health care facility. The business entity may be a business corporation, professional corporation, nonprofit corporation, limited liability company, general partnership, limited partnership, limited liability partnership, restricted professional company, unincorporated association, professional association, sole proprietorship, trust, estate, joint stock company, insurance company, the Commonwealth or political subdivision or instrumentality (including a municipal corporation or authority) or other government entity. The description of the business structure of the entity applying for a license should include information about those entities or persons that have an ownership interest in the Applicant. The explanation of the business structure should include information about a parent corporation, a holding company, or the corporate or individual members of a limited liability company.

OWNERSHIP AND/OR CONTROLLING INTEREST

2. Please see the definitions to determine the direct/indirect ownership/control of the Applicant. Please include “parent” corporations, sole members or any entities that have a relationship with the Applicant that results in ownership or control as defined below.

DOCUMENTATION

3 (a) Please provide the documentation that demonstrates the legal existence of business entity that is seeking a license to operate a health care facility. The technical form of that documentation may vary. If the Applicant is a corporation, the documentation will be the Articles of Incorporation. If the Applicant is a limited liability company, the documentation will be a Certificate of Authority. If the Applicant is a Partnership, the documentation will be the Partnership Agreement. If the business entity that will operate the health care facility is a sole proprietorship, there will be no documentation to supply. A foreign corporation shall supply a copy of the corporation’s application for a Certificate of Authority to do business in Pennsylvania.

(b) Please provide the documentation necessary to describe the rules for the regulation, management and operation of the Applicant as a business entity. The form of that documentation may vary. If the Applicant is a corporation, the documentation may be titled “by-laws.” If the Applicant is a limited liability company, the operating agreement will include the rules for operation of the company. If the Applicant is a partnership, the partnership agreement will include the operating rules for the partnership. If the business entity that will operate the health care facility is a sole proprietorship, there is no requirement for documentation setting forth the rules for running the business.

*IDENTIFICATION OF INDIVIDUALS WITH MANAGEMENT
AND OPERATION AUTHORITY*

4. (a) The names included in the response to this question should include any and all persons who have overall responsibility for business direction of the Applicant. The title of these persons may vary depending upon the form of business entity that will operate the health care facility. In a corporation, these persons often are referred to as “directors.” In a limited liability company, these persons often are referred to as “members.”

(b) The names included in the response to this question should include any and all persons appointed by the health care provider to act on its behalf in the overall management and operation of the health care facility. The title assigned to these persons may vary depending upon the form of the business entity that will operate the health care facility. In a corporation, these persons often are referred to as “officers.” In a limited liability company, the members may fill the roles described in (a) and (b), or the members may appoint an individual to manage the company, and may be referred to as “manager.” This person or persons also may be referred to as the “general partners,” “managing partners,” “chief executive officer,” or “chief operating officer.”

(c) The name provided in the response to this question should be, for example, the individual who is licensed as a nursing home administrator, or the individual named as the administrator, director of nursing, medical director, or executive director for the health care facility.

It is possible that the same persons will have responsibility for the business direction of the health care facility, for the overall management and operation of the facility, and for direction and control over the manner of delivery of health care services. In the event of repetition of names in response to (a), (b), and (c) above, simply supply all names in response to this question 4 and list the responsibilities of each.

LOCATION OF APPLICANT

5. An applicant with an out-of-state address must supply an in-state address to which the Department or one of its divisions may deliver correspondence including notice of an adverse action or other legal documentation.

HEALTH CARE SERVICES TO BE PROVIDED BY APPLICANT

6. Self-explanatory.

BACKGROUND OF APPLICANT

7. The term “adverse action” refers to an adverse licensure or certification action by a state or federal agency, including civil monetary penalties.

8, 9. Self-explanatory.

INTENTIONS WITH RESPECT TO CHARITY CARE

10. A response to this question is solicited merely as a means of collecting information. An answer indicating an unwillingness to provide charity care will not affect the Department's decision with regard to the application for licensure.

IF YOU ARE UNSURE HOW TO ANSWER ONE OF THE QUESTIONS OR WHAT KIND OF DOCUMENTATION YOU MUST PROVIDE, PLEASE CONTACT THE OFFICE OF LEGAL COUNSEL FOR THE DEPARTMENT OF HEALTH AT (717) 783-2500.

DEFINITIONS

“Direct Ownership” means an interest through the possession of stock, equity in capital or any interest in the profits of the Applicant.

“Indirect Ownership” means an interest in an entity that has direct or indirect ownership interest in the Applicant. The amount of indirect ownership in the Applicant that is held by any other entity is determined by multiplying the percentage of ownership interest at each level. An indirect ownership interest must be reported if it equates to an ownership interest of 5 percent or more in the Applicant.

“Control” means the ability to control operational direction or management of the Applicant which may be maintained by any or all of the following devices: the ability or authority, expressed or reserved, to amend or change the corporate identity (e.g. joint venture agreement, unincorporated business status) of the Applicant; the ability or authority to nominate or name members of the Board of Directors or Trustees of the Applicant; the ability or authority, expressed or reserved, to amend or change the by-laws, constitution, or other operating or management rules of the Applicant; the right to control any or all of the assets or other property of the Applicant upon the sale or dissolution of that entity; the ability or authority, expressed or reserved, to control the sale of any or all of the assets to encumber such assets by way of mortgage or other indebtedness, to dissolve the Applicant, or to arrange for the sale or transfer of the Applicant to new ownership or control.