



Ohio Revised Code

Section 3721.026 Assignment or transfer of operation of nursing home.

Effective: October 17, 2019

Legislation: House Bill 166 - 133rd General Assembly

(A) If the operation of a nursing home is assigned or transferred to a different person, the person to whom the operation is assigned or transferred must, before the director of health may issue a license authorizing the person to operate the nursing home, submit to the director documentation showing that the person meets all of the following requirements:

(1) Unless the assignment or transfer is in the form of a lease of the nursing home, the person has financial resources that the director determines are sufficient to cover any reasonably anticipated revenue shortfall for at least twelve months after the assignment or transfer.

(2) If the assignment or transfer is in the form of a lease of the nursing home, either of the following applies to the person:

(a) The person has obtained a bond that has a term of at least twelve months, has an annual renewal, and is for an amount not less than one million dollars.

(b) If the person is unable to obtain a bond that meets the requirements of division (A)(2)(a) of this section at a cost the director determines to be reasonable or operates other nursing homes in this state, the person has financial resources that the director determines are sufficient to cover any reasonably anticipated revenue shortfall for at least twelve months after the assignment or transfer.

(3) The person has at least five years of experience as an operator, manager, or administrator of a nursing home.

(4) The person has plans for quality assurance and risk management for the nursing home.

(5) The person has general and professional liability insurance coverage that provides coverage of at least one million dollars per occurrence and three million dollars aggregate.



(B) The documentation required by divisions (A)(1) and (2)(b) of this section shall include projected financial statements for the nursing home for the twelve-month period after the assignment or transfer of the operation of the nursing home.

The documentation required by division (A)(3) of this section shall include a list of each currently or previously licensed nursing home located in this or another state in which the person has or previously had any percentage of ownership. The percentage of ownership may have been in the operation, real property, or both of the nursing home.

(C) The requirements established by this section are in addition to the other requirements established by this chapter and the rules adopted under it for a license to operate a nursing home.