

.03 Licensing Procedure.

A. Application for License.

(1) An applicant desiring to open a comprehensive care facility or an extended care facility or to continue the operation of an existing facility as a comprehensive care facility or an extended care facility shall file an application with the Secretary, on a form provided by the Secretary.

(2) A nonrefundable 2-year license fee shall accompany the application based on the following payment schedule:

(a) 1—50 beds: \$3,000;

(b) 51—99 beds: \$5,000;

(c) 100+ beds: \$7,000; and

(d) Transitional care units: \$600.

(3) An application for a license shall be filed with the Department at least 60 days before the anticipated issuance of the license.

(4) Applications on behalf of a legal entity shall be made by the senior officer or other senior official and a second official, if any.

(5) All members of the governing body shall be disclosed, with their business addresses.

(6) The applicant shall complete all disclosure required by the Secretary, including:

(a) Ownership of real property;

(b) The identity of any management company that will operate or contract with the applicant to operate the facility;

(c) Ownership of equipment; and

(d) The names of persons holding 5 percent or greater of stocks or assets.

(7) A facility that is a transitional care unit with fewer than 50 beds and that is affiliated with a licensed Maryland hospital shall pay the 2-year license fee for a transitional care unit.

(8) The applicant for a license to operate a comprehensive care facility or an extended care facility is the licensee. Responsibility for conformance with licensing standards and regulations rests upon the licensee. Those licensees requesting participation in the Maryland Medicaid program shall comply with the Medicaid contract.

(9) Additional Requirements.

(a) The Secretary shall require an applicant for licensure to submit to the Secretary the following information concerning the applicant's:

(i) Past or current operation of a nursing home, other health care facility as defined in Health-General Article, §19-114, Annotated Code of Maryland, assisted living program, residential service agency or other licensed in-home care service, or licensed community program for individuals with developmental disabilities, substance abuse, or mental health needs, located within or outside this State;

(ii) Ability to comply with minimum standards of medical and nursing care and applicable State or federal laws and regulations by disclosing the identities of its medical director, director of nursing, and administrator, and by providing the facility's quality assurance plan, as required in Regulation .46 of this chapter; and

(iii) Financial and administrative ability to maintain a nursing home in compliance with these regulations, including

submission of an audited financial statement, whether or not the applicant ever operated a nursing home, related institution, or other health care facility.

(b) The Secretary shall:

(i) Approve the application unconditionally;

(ii) Approve the application with conditions, such as requiring the applicant to use the services of a management firm, requiring a staffing pattern, or limiting admissions to the facility; or

(iii) Deny the application.

(c) A party aggrieved by a decision of the Secretary under this section shall have the right to appeal as provided under the authority of Health-General Article, §2-207, Annotated Code of Maryland.

B. Restrictions of License.

(1) Nomenclature. Comprehensive care facilities or extended care facilities licensed under this regulation may not use in their title the word "Hospital".

(2) Zoning. If a proposed facility is to be located in a political subdivision requiring zoning approval, the zoning authority's written approval shall be submitted to the Department before the Department's approval of the first drawings which are submitted.

(3) Local Law or Ordinance, Where Applicable. Comprehensive care facilities or extended care facilities located in political subdivisions which require them to meet certain standards shall submit proof to the Secretary that they meet local laws, regulations, or ordinances at the time application for license is submitted.

(4) Renewal of License.

(a) A facility shall file an application to renew its license every 2 years at least 60 days before expiration of the issued license.

(b) The renewal application shall be:

(i) Submitted on forms provided by the Secretary; and

(ii) Accompanied by a nonrefundable 2-year license renewal fee based on the payment schedule in §A(2) of this regulation.

(5) A facility that is a transitional care unit with fewer than 50 beds and affiliated with a licensed Maryland hospital shall pay the 2-year license renewal fee for a transitional care unit.

(6) Transfer or Assignment of License. If the sale, transfer, assignment, or lease of a facility causes a change in the person or persons who control or operate the facility, the facility shall be considered a "new facility" and the licensee shall conform to all regulations applicable at the time of transfer of operations. The transfer of any stock which results in a change of the person or persons who control the facility, or a 25 percent or greater change in any form of ownership interest, constitutes a sale. For purposes of Life Safety Code enforcement, the facility is considered as an existing facility if it has been in continuous use as a nursing home. Waivers may be granted under Regulation .02F of this chapter.

(7) Return of License or Renewal Certificate to the Secretary of Health and Mental Hygiene. If the comprehensive care facility or the extended care facility is sold, leased, discontinued, the operation moved to a new location, the license revoked, or its renewal denied, the current license immediately shall become void and shall be returned to the Secretary.