

4664.0010 LICENSURE.

Subpart 1. **License issued.** If a hospice provider complies with the requirements of this chapter and Minnesota Statutes, sections 144A.75 to 144A.755, the commissioner shall issue to the hospice provider a certificate of licensure that contains:

- A. the licensee's name;
- B. the provider's name and address;
- C. the beginning and expiration dates;
- D. a unique license number;
- E. the type of license; and
- F. the number of authorized beds for the residential hospice or hospices, if applicable.

Subp. 2. **Multiple units or satellites.** Multiple units or satellites of a hospice provider must share the same management that supervises and administers services provided by all units. Each unit and satellite must provide the same full range of services that is required of the hospice provider. Multiple units or satellites of a hospice provider must be separately licensed if the commissioner determines that the units cannot adequately share supervision and administration of services with the main office because of distinct organizational structures.

Subp. 3. **Duration of license.** A license is effective for one year after the date the license is issued, except as provided in subparts 11 and 12.

Subp. 4. **License application.** An applicant for an initial or renewal license under this part must:

- A. provide the following information on forms provided by the commissioner:
 - (1) the applicant's name and address, including the name of the county in which the applicant resides or has its principal place of business;
 - (2) the address and telephone number of the principal administrative office;
 - (3) the address and telephone number of each multiple unit, if any;
 - (4) the number of authorized residential hospice facility beds and address where beds are located;
 - (5) the names and addresses of all owners and managerial officials;
 - (6) documentation of compliance with the background study requirements of Minnesota Statutes, section 144A.754, subdivision 5, for all persons involved in the management, operation, or control of the hospice provider;

(7) evidence of workers' compensation coverage, as required by Minnesota Statutes, sections 176.181 and 176.182; and

(8) any other information requested by the commissioner to determine whether the applicant is in compliance with all applicable provisions of this chapter and Minnesota Statutes, sections 144A.75 to 144A.755, and to determine whether the applicant has engaged in conduct detrimental to the welfare of a hospice patient;

B. pay in full the license fee specified in Minnesota Statutes, section 144A.753, subdivision 1, paragraph (c), based on revenues derived from the provision of hospice services during the licensee's fiscal year prior to the year in which the application is being submitted; and

C. ensure that, if the application is for a license renewal, the commissioner receives the application at least 30 days before expiration of the license.

Subp. 5. **Agent.** Each application for a hospice provider license or for renewal of a hospice provider license must designate one or more owners, managerial officials, or employees, as an agent:

A. who is authorized to transact business with the commissioner on all matters provided for in this chapter and Minnesota Statutes, sections 144A.75 to 144A.755; and

B. upon whom all notices and orders must be served and who is authorized to accept service of notices and orders on behalf of the applicant and, if licensed, the licensee, in proceedings under this chapter and Minnesota Statutes, sections 144A.75 to 144A.755.

The designation of one or more persons under this subpart does not affect the legal responsibility of any other owner or managerial official under this chapter and Minnesota Statutes, sections 144A.75 to 144A.755.

Subp. 6. **Notification of changes.** An applicant or licensee shall notify the commissioner in writing within ten working days after any change in the information required to be provided by subparts 4 and 5. A licensee shall notify the commissioner in writing 30 calendar days before the cessation of providing hospice services.

Subp. 7. **Application processing.** The commissioner must process an application in the manner provided by Minnesota Statutes, section 144A.753, subdivision 1, paragraph (b). No application shall be processed without payment of the license fee in full, in the amount provided by Minnesota Statutes, section 144A.753, subdivision 1, paragraph (c).

Subp. 8. **Verification of revenues.**

A. "Revenues" means all money or the value of property or services received by an applicant and derived from the provision of hospice services, including fees for services, grants, bequests, gifts, donations, appropriations of public money, and earned interest or

dividends. Under a circumstance listed in item B, the commissioner shall require each applicant to verify its revenues by providing a copy of:

- (1) an income tax return;
- (2) an informational tax return, such as an Internal Revenue Service Form 1065 partnership return or Form 990 tax exempt organization return;
- (3) a Medicare cost report;
- (4) a certified financial statement; or
- (5) other documentation that verifies the accuracy of the revenues derived from the provision of hospice services for the reporting period on which the fee is based.

B. The commissioner shall require an applicant to verify its revenues if:

- (1) the commissioner has received information that a revenue report may be inaccurate; or
- (2) the hospice provider has been randomly selected for compliance verification.

Subp. 9. **Prelicensing survey.** Before granting a license, the commissioner may investigate an applicant for compliance with this chapter and Minnesota Statutes, sections 144A.75 to 144A.755.

Subp. 10. **Requirements and denial of license.**

A. An applicant for an initial or renewal license as a hospice provider must meet all of the following requirements:

- (1) the applicant; an owner of the applicant, individually or as an owner of another hospice provider; or another hospice provider of which an owner of the applicant also was or is an owner, must not have ever been issued a correction order for failing to assist hospice patients according to part 4664.0060, subpart 2, item D, upon the licensee's decision to cease doing business as a hospice provider;
- (2) the applicant is not disqualified under Minnesota Statutes, sections 144.057 and 245A.04;
- (3) neither the applicant or any owner or managerial official of the applicant has been unsuccessful in having a disqualification under Minnesota Statutes, section 144.057 or 245A.04, set aside; and
- (4) no owner or managerial official of the applicant, as an owner or managerial official of another licensee, was substantially responsible for the other licensee's failure to substantially comply with this chapter and Minnesota Statutes, sections 144A.75 to 144A.755.

B. If an applicant for an initial or renewal license as a hospice provider does not meet all of the requirements in item A, the commissioner shall deny the application. In addition, the commissioner may refuse to grant or renew a license as provided in Minnesota Statutes, section 144A.754, subdivision 1, paragraph (a).

Subp. 11. **Conditional license.** If a licensee that has applied for renewal is not in full compliance with this chapter and Minnesota Statutes, sections 144A.75 to 144A.755, at the time of expiration of its license, and the violations do not warrant denial of the license, the commissioner shall issue a license for a limited period conditioned on the licensee achieving full compliance with all applicable statutes, rules, and correction orders.

Subp. 12. **Transfers prohibited; changes in ownership.** A license issued under this part may not be transferred to another party. Before a change of ownership of a hospice provider, the prospective owner must apply for a new license under this part. The commissioner must receive the completed application at least 30 days before the effective date of the change of ownership. A change of ownership means a transfer of operational control to a different business entity and includes:

A. transfer of the business to a different or new corporation;

B. in the case of a partnership, the dissolution or termination of the partnership under Minnesota Statutes, chapter 323A, with the business continuing by a successor partnership or other entity;

C. relinquishment of control of the hospice provider by the licensee to another party, including to a contract management firm that is not under the control of the owner of the business' assets;

D. transfer of the business by a sole proprietor to another party or entity; or

E. in the case of a privately held corporation, the change in ownership or control of 50 percent or more of the outstanding voting stock.

Subp. 13. **Fire safety requirements.** A residential hospice facility that has been determined by the state fire marshal to be out of compliance with fire safety requirements of the state fire marshal is not eligible for licensure by the commissioner.

Subp. 14. **Display of license.** A licensee must display the original license at the hospice provider's principal business office and copies must be displayed at all other offices and residential hospice facility sites. A licensee must provide a copy of the license to any person who requests it.

Subp. 15. **Fines.** For a violation of the following subparts, the stated fine shall be assessed:

A. subpart 4, \$500 for providing false information;

B. subpart 6, \$100; and

C. subpart 14, \$50.

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