**Section 350.150 Issuance of an Initial License Due to a Change of Ownership**

a) *Upon receipt and review of an application for a license, the Director* will *issue a* probationary *license if he or she finds:*

1) *That the individual applicant, or the corporation, partnership or other entity if the applicant is not an individual, is a person responsible and suitable to operate or to direct or to participate in the operation of a facility by virtue of financial capacity, appropriate business or professional experience, a record of compliance with lawful orders of the Department and lack of revocation of a license during the previous 5 years and is not the owner of a facility designated pursuant to Section 3-304.2* of the Act and Section 350.185 *as a distressed facility;*

2) *That the facility is under the supervision of an administrator who is licensed, if required, under the Nursing Home Administrators Licensing and Disciplinary Act; and*

3) *That the facility is in substantial compliance with* the *Act* and this Part*.* (Section 3-109 of the Act)

b) *Whenever ownership of a facility is transferred from the person named in the license to any other person, the transferee must obtain a new probationary license. The transferee shall notify the Department of the transfer and apply for a new license at least 30 days prior to final transfer. The Department* will *not approve the transfer of ownership to an owner of a facility designated pursuant to Section 3-304.2 of* the *Act* and Section 350.185 *as a distressed facility.* (Section 3-112 of the Act)

c) *The transferor shall notify the Department at least 30 days prior to final transfer. The transferor shall remain responsible for the operation of the facility until such time as the license is issued to the transferee.* (Section 3-112 of the Act)

d) *The license granted to the transferee shall be subject to the plan of correction submitted by the previous owner and approved by the Department and any conditions contained in a conditional license issued to the previous owner. If there are outstanding violations and no approved plan of correction has been implemented, the Department may issue a conditional license and plan of correction as provided in Sections 3-311 through 3-317* of the Act*.* (Section 3-113 of the Act)

e) *The transferor shall remain liable for all penalties assessed against the facility which are imposed for violations occurring prior to transfer of ownership.* (Section 3-114 of the Act)

f) The Department will issue a probationary license for 120 days from date of issuance.

g) *Within 30 days prior to the termination of a probationary license, the Department* will *fully and completely inspect the facility and, if the facility meets the applicable requirements for licensure, shall issue a license under Section 3-109* of the Act*.* (Section 3-116 of the Act) If the facility is not in substantial compliance and satisfactory progress toward substantial compliance is not being made, the Department will allow the probationary license to expire.

h) *If the Department finds that the facility does not meet the requirements for licensure but has made substantial progress toward meeting those requirements, the license may be renewed once for a period not to exceed 120 days from the expiration date of the initial probationary license.* (Section 3-116 of the Act) The Department will not issue more than two successive probationary licenses.

i) The issuance date of the probationary license to the new owner will be the date the last licensure requirement is met as determined by the Department.

j) The licensee shall qualify for issuance of a two-year license if the licensee has met the criteria contained in Section 3-110(b) of the Act for the last 24 consecutive months.

(Source: Amended at 48 Ill. Reg. 2546, effective January 30, 2024)