**Section 300.150 Issuance of an Initial License Due to a Change of Ownership**

a) *Upon receipt and review of an application for a license made under* the *Act and inspection of the applicant facility under* the *Act, the Director* will *issue a* probationary *license if* the Director *finds:*

1) *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 five years;*

2) *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) *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 a license to any other person, the transferee* shall *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.* (Section 3-112(a) 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 a license is issued to the transferee.* (Section 3-112(b) 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 license granted to a transferee for a facility that is in receivership shall be subject to any contractual obligations assumed by a grantee under the Equity in Long-term Care Quality Act and to the plan submitted by the receiver for continuing and increasing adherence to best practices in providing high-quality nursing home care, unless the grant is repaid* *under* *the Equity in Long-Term Care Quality Act.*  (Section 3-113 of the Act)

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

g) *If the applicant has not been previously licensed or if the facility is not in operation at the time application is made, the Department* will *issue only a probationary license. A probationary license shall be valid for 120 days unless sooner suspended or revoked under Section 3-119*.

h) *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, except that, during a statewide public health emergency, as defined in the Illinois Emergency Management Agency Act, the Department* will *fully and completely inspect the establishment within appropriate time frames to the extent feasible.* (Section 3-116 of the Act) If the facility is not in compliance and satisfactory progress toward compliance is not being made, the Department will allow the probationary license to expire.

i) *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) Under no condition will more than two successive probationary licenses be issued.

j) 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.

k) 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 twenty-four consecutive months.

(Source: Amended at 48 Ill. Reg. 3317, effective February 16, 2024)