**Section 1125.520 Background of the Applicant – Review Criterion**

All applicants shall comply with the requirements of this Section, as follows:

a) An applicant must demonstrate that it is fit, willing and able, and *has the* *qualifications, background and character, to adequately provide a proper standard of* LTC *service for the community*. [20 ILCS 3960/6] In evaluating the qualifications, background and character of the applicant, HFSRB shall consider whether adverse actions have been taken against the applicant, or against any LTC facility owned or operated by the applicant, directly or indirectly, within three years preceding the filing of the application. An LTC facility is considered "owned or operated" by every person or entity that owns, directly or indirectly, an ownership interest. If any person or entity owns any option to acquire stock, the stock shall be considered to be owned by that person or entity. (See Section 1125.140 for the definition of "adverse action".)

b) Examples of Facilities Owned or Operated by an Applicant

1) The applicant, Partnership ABC, owns 60% of the shares of Corporation XYZ that manages the Good Care Nursing Home under a management agreement. The applicant, Partnership ABC, owns or operates Good Care Nursing Home.

2) The applicant, Healthy LTC, a corporation, is a subsidiary of Universal Health, the parent corporation of Healthcenter Services, its wholly-owned subsidiary. The applicant, Healthy LTC, owns and operates Healthcenter Services.

3) Dr. Wellcare is the applicant. His wife is the director of a corporation that owns an LTC. The applicant, Dr. Wellcare, owns or operates the LTC.

4) Drs. Faith, Hope and Charity own 40%, 35% and 10%, respectively, of the shares of Healthfair, Inc., a corporation, which is the applicant. Dr. Charity owns 45% and Drs. Well and Care each own 25% of the shares of XYZ Nursing Home, Inc. The applicant, Healthfair, Inc., owns and operates XYZ Nursing Home, Inc.

c) The applicant shall submit the following information:

1) A listing of all LTC facilities currently owned and/or operated by the applicant, including licensing, certification and accreditation identification numbers, as applicable;

2) A certified listing from the applicant of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application; and

3) Authorization permitting HFSRB and IDPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. Failure to provide the authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.

d) If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this Section. In these instances, the applicant shall attest that the information has been previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed to update and/or clarify data.

(Source: Amended at 42 Ill. Reg. 5610, effective March 7, 2018)