

Prepared by: Caszie Hart

Caregiver Consulting, Inc.

786-514-9177 Fax: 1-866-209-0444 Email: caregiverconsulting@hotmail.com https://www.caregiverconsulting.com

This document focuses on an Adult Day Care Center ("ADCC") but the steps below apply to licensing other facility or agency, with the Florida Agency for Health Care Administration ("AHCA"), e.g., Assisted Living Facility ("ALF") and PPEC Centers.

OPENING AN ADULT DAY CARE CENTER

Planning and opening an ADCC is different from most other businesses. This is because your business planning, in addition to being based on sound business principles, must be done in accordance with the statutory requirements enacted by the Florida Legislature and the rules and regulations set forth by the Department of Elderly Affairs and Agency for Health Care Administration; for details, read Florida Statutes, §§ 429 Part III and 408 Part II and Florida Administrative Codes, §§ 59A-16 and 59A-35.

For now you must do the following:

Step 1: Business Planning: If you are sure you want to open an ADCC, decide immediately if you are going to operate as a sole proprietorship or a corporation (profit, nonprofit, or LLC). If you are planning to use a sole proprietorship, we recommend that you register the ADCC name as a Fictitious Name (DBA) with the Division of Corporation in Tallahassee. If you are planning to use a corporation or LLC, you have to file the appropriate Articles with the Division of Corporations, if you haven't already done it. You can register a DBA or file the Articles electronically at sunbiz.org.

EVERYONE LISTED AS OWNERS OF 5% OR MORE ON YOUR CORPORATION OR LLC MUST PASS A LEVEL 2 BACKGROUND CHECK. AHCA WILL REJECT YOUR APPLICATION IF AN OWNER FAILS THE LEVEL 2 BACKGROUND CHECK.

Step 2: Renting: If you are renting a Property to open the ADCC, tell the Landlord to state explicitly in the Lease that "Landlord grants Tenant permission to use the Property to license and operate an Adult Day Care Center." If the Landlord is NOT willing to approve your ADCC, DO NOT SIGN THE LEASE. Look for another property. If you are going to sign the Lease, rent the Property in the business name. Make sure the

Landlord gives you a copy of the Property survey with the Lease. You might need it for AHCA.

Step 3: Buying A Property: If you are buying a property to open the ADCC, add a provision to the Contract (Agreement for Purchase and Sale of Real Property) that "the transaction is contingent upon Buyer receiving approval from the local Building & Zoning Department to license and operate an Adult Day Care Center. Therefore, Buyer will have the right to cancel the transaction and receive a full refund if the local Building & Zoning Department denies Buyer's request for approval to license and operate an Adult Day Care Center." THE REASON FOR THIS SHOULD BE OBVIOUS. YOU MIGHT NOT WANT TO CLOSE IF YOU CANT OPEN YOUR ADCC.

Buy the Property in your name or another business name, and then lease it to your ADCC. This will help you to keep your assets and liabilities separate. It will also be easier if you decide later on to sell the business and keep the real estate.

Step 4: Zoning Approval: You must get approval from the local Building & Zoning Department of the municipality (city, town, or village) giving you permission to license and operate an ADCC at the address where you would like to open it and <u>for the number of beds you would like to have.</u>

The approval will be a letter and it will state the maximum number of participants that you can have at the location.

Have the Zoning Approval issued in the ADCC's business name.

The local Building & Zoning Department will charge a fee. It varies from city to city.

Step 5: Property Requirements: The local Building & Zoning Department might tell you some of the renovations that you have to make to provide accommodations for the elderly and handicapped. These are called ADA requirements. However, most importantly, call the Fire Department to do an inspection and give you a report of what renovations you have to make for them to give you approval for the number of beds indicated on your Zoning Approval Form.

You have to install a Fire Alarm Pull Station if one is not in the property.

You have to install a Fire Sprinkler System if one is not in the property.

You might have to increase the size of your doors or windows for persons with disabilities. You might also have to install ramps for wheelchairs.

You have to have a kitchen and refrigeration to meet the Department of Health food safety standards.

If you make the changes exactly as the Fire Department tells you, you wouldn't have problems getting their approval to occupy and use the Property as an ADCC. Also, ask the Fire Inspector to show you the area where you should take the participants during a real evacuation or an evacuation drill. This is very important to know.

Make sure whoever installs your Pull Station or Sprinkler System draw you a Floor Plan of the Facility if you don't have an official one. It doesn't have to be pretty, but you will need it to submit to AHCA with your Application. It is usually a part of the service; (i.e. they have to draw one for the Fire Department so ask them to give you a copy).

- Step 6: Department of Health Inspection: You must call for and pass an inspection from the Department of Health for your County. Like with the Fire Department, call your Department of Health to find out what you need and have to do. Follow their instructions and you are sure to pass the health inspection and receive the Certificate you need to send to AHCA with your Application. One of the things you will need is a full- or half-commercial kitchen and separate hand-washing pipe and sink.
- **Step 7:** *General Liability Insurance Certificate:* You must have the statutory liability insurance required for licensing with the required coverage limit that lists AHCA as the Payee. Get a quote for the cost of the coverage. You will need the amount to prepare AHCA's Proof of Financial Ability to Operate Forms. However, DO NOT PAY for the Policy until a day or two before you send in the Application. You will be wasting money.
- **Step 8:** *Financial Planning:* In addition to the cost of incorporating your business, or registering a DBA, with Tallahassee, you will have to estimate the cost of getting the Zoning Approval, inspections, construction build out, pull station installation, and installation of a sprinkler system if needed. An A/C and security monitoring system might be additional if you need it.

In addition to the above cost, AHCA expects you to file with the Application a Proof of Financial Ability to Operate Form (the PFA). This is for AHCA to tell you how much money they expect you to show in the bank, based on the facility you wish to open. These are comprehensive financial statement that must meet the statutory requirements for an ADCC. WE PREPARE THEM. We also re-do and resubmit them for people who prepare them incorrectly, after AHCA rejects them.

Our fees until January 1st 202 are the following:

UP TO 40 Participants \$850.00 41-80 Participants \$1,250.00 OVER 80 Participants \$1,500.00

Step 9: Administrative Planning: If you don't know anything about owning or operating an ADCC, or if you plan to be the Administrator of your ADCC, get an information consultation or training with Arrendell's Training & Consulting, Inc. Call Julia Arrendell, M-F from 9:00A – 4:00P, at 305-713-2444 for fee and details.

- **Step 10:** *The Application:* You have to file the correct Application with the required documents, and pay the application fee to the Agency for Health Care Administration, to get your ADCC license. The licensing application and related forms are on AHCA's website.
- Step 11: Initial Licensing Survey/Inspection: When AHCA approves your Application they will instruct the local AHCA Field Office in your area to schedule a physical inspection before issuing your license. Your ADCC must be fully equipped and all the required Policies and Procedures must be in the center's Administrative File. Don't try to do this yourself if you are not sure what to do. Hire Julia Arrendell to help you through the entire application and licensing process (which usually includes all of your in-service training). It is much cheaper and less stressful, than doing it yourself and making mistakes.

Go to http://ww.ahca.myflorida.com for more information.