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

## OPENING AN ASSISTED LIVING FACILITY

Planning and opening an ALF 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 Agency for Health Care Administration; for details, read Florida Statutes, § 429, Part I and Florida Administrative Codes, § 58A-36.

For now you must do the following:

**Step 1: *Business Planning:*** If you are sure you want to open an ALF, 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 ALF 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. For an ALF, we recommend you use an LLC and if possible have more than one member from the start—our consultation fee on this matter is \$125.00; it is well worth it to at least know the reasons.

**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 ALF, tell the Landlord to state explicitly in the Lease that “Landlord grants Tenant permission to use the Property to license and operate an Assisted Living Facility.” If the Landlord is NOT willing to approve your ALF, 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 ALF, 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 Assisted Living Facility. 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 Assisted Living Facility.” **THE REASON FOR THIS SHOULD BE OBVIOUS. YOU MIGHT NOT WANT TO CLOSE IF YOU CANT OPEN YOUR ALF.**

Buy the Property in your name or another business name, and then lease it to your ALF. There is a good reason for this. Keep a copy of the survey handy.

**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 ALF at the address where you would like to open it and for the number of beds you would like to have.

AHCA prefers you to take their LOCAL ZONING FORM and have the local building official give you the approval on that form. A copy is attached. Some municipalities will use their own approval form and might not sign AHCA’s form. Take whatever they give you and send it to AHCA with your application.

Have the Zoning Approval issued in the name of the ALF.

The local Building & Zoning Department will charge a fee. PAY IT. It’s worth it.

**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**

**You might have to install a Fire Sprinkler System depending on the size of your ALF and the area where you are located.**

**You might have to increase the size of your doors or windows.**

**You might have to install ramps for wheelchairs.**

**You have to have an emergency generator to comply with Rule 58A-36.025 of the Florida Administrative Codes.**

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 ALF. Also, ask the Fire Inspector to show you the area where you should take the Residents 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. 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.

**Step 7: *Comprehensive Emergency Management Plan:*** You need a generator to keep the facility cool if there is a power outage. You must submit a Comprehensive Emergency Management Plan to your local emergency management department for approval of the generator and related equipment that you plan to use. You can find a format of the plan at: [Emergency Power Plan Sample Format](#) and you can find additional rules and regulations of ALFs at: [https://ahca.myflorida.com/MCHQ/Health\\_Facility\\_Regulation/Assisted\\_Living/alf.shtml](https://ahca.myflorida.com/MCHQ/Health_Facility_Regulation/Assisted_Living/alf.shtml)

**Step 8: *Liability Insurance:*** You must have the statutory liability insurance required for licensing which is a policy with a \$25,000.00 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 9: *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 ALF. WE PREPARE THEM. We also re-do and resubmit them for people who prepare them incorrectly, after AHCA rejects them.

Our fees until September 30<sup>th</sup> 2012 are the following:

|            |       |            |         |             |         |
|------------|-------|------------|---------|-------------|---------|
| 01-05 Beds | \$600 | 46-55 Beds | \$1,050 | 96-105 Beds | \$1,550 |
|------------|-------|------------|---------|-------------|---------|

|              |         |                           |         |              |         |
|--------------|---------|---------------------------|---------|--------------|---------|
| 06-15 Beds   | \$650   | 56-65 Beds                | \$1,150 | 106-115 Beds | \$1,650 |
| 16-25 Beds   | \$750   | 66-75 Beds                | \$1,250 | 116-125 Beds | \$1,750 |
| 26-35 Beds   | \$850   | 76-85 Beds                | \$1,350 | 126-135 Beds | \$1,850 |
| 36-45 Beds   | \$950   | 86-95 Beds                | \$1,450 | 136-145 Beds | \$1,950 |
| 146-155 Beds | \$2,050 | 196-205 Beds              | \$2,650 | 246-255 Beds | \$3,150 |
| 156-165 Beds | \$2,150 | 206-215 Beds              | \$2,750 | 256-265 Beds | \$3,250 |
| 166-175 Beds | \$2,250 | 216-225 Beds              | \$2,850 | 266-275 Beds | \$3,350 |
| 176-185 Beds | \$2,350 | 226-235 Beds              | \$2,950 | 276-285 Beds | \$3,450 |
| 186-195 Beds | \$2,450 | 236-245 Beds              | \$3,050 | 286-295 Beds | \$3,550 |
| 296-305 Beds | \$3,550 | Call for additional costs |         |              |         |

**Step 10: *Administrative Planning:*** If you don't know anything about owning or operating an ALF, or if you plan to be the Administrator of your ALF, take the required ALF Core Training class as soon as you can, if you haven't taken it yet. Call us and we will get you registered. The fee is \$495.00. You will have to take a State exam, to be an Administrator. There is a fee and it is in addition to the \$495.00 for the core training. The core training requirement is a prerequisite for taking the State exam. You don't have to take the exam to be an owner; you only have to take it if you also want to be the Administrator or Assistant Administrator. Call Julia Arrendell, M-F from 9:00A – 4:00P, at 305-956-5151 for course schedules and fee changes if any.

**Step 11: *The Application:*** You have to file the correct Application with the required documents, and pay the application fee, to get your ALF license. Don't confuse this with the Administrator's license above. Make sure you don't file out-dated Application Forms or inaccurate PFAs. This will cause you to lose a lot of time and money.

**Step 12: *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 ALF must be fully equipped and all the required Policies and Procedures must be in the Facility 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://www.ahca.myflorida.com> for more information.