

POSITION STATEMENT

Change of Ownership Transition

Purpose

Position statements from the College provide background information and express or clarify the College's intent on a particular matter. They are intended as guidance for stakeholders in areas where events are evolving or changing rapidly, the implementation of processes and procedures may be premature, the implementation of a guideline or standard may not be necessary, another credible body (i.e. professional association) has already established guidelines or standards, or it is timely to communicate the College's broad intent before or as policies and procedures are developed.

This document addresses change of ownership transition.

Background

In accordance with section 5-10(2) of the College Bylaws, any change in ownership of a facility would terminate the facility's existing certificate of accreditation, require the facility to apply for a new certificate of accreditation, and such application would be treated as an application for a new facility.

Change of ownership is defined in section 5-23 of the Bylaws.

Position

The Non-Hospital Medical and Surgical Facilities Accreditation Program (NHMSFAP) Committee is responsible for establishing accreditation standards, policies, rules, procedures and guidelines for the NHMSFAP to ensure the delivery of high-quality and safe services in the facility.

Ownership change is a complex process that involves many steps. It also has implications for the continued operation of a facility. Recognizing this complexity while at the same time upholding the Bylaws, the committee acknowledges that the new owner(s) need some time to fully evaluate the physical infrastructure of the facility it has acquired to determine how it intends on meeting the physical design requirements of a "new facility" (i.e. by renovating the existing facility or building a new facility).

Therefore, upon request the committee may consider a change of ownership transition proposal with some limits and conditions as follows:

1. The facility may be permitted to operate under its existing term of accreditation for a period of up to 12 months, from the closing date of transfer of ownership, to allow

some time for the new owner(s) to fully evaluate the physical infrastructure of the facility and determine how it intends on meeting the physical design requirements of a “new facility” (i.e. by renovating the existing facility, or building a new facility). Following transfer of ownership, the medical director would be required to provide a letter of attestation confirming the facility’s compliance with the standards, policies, rules, procedures and guidelines for the NHMSFAP to ensure the delivery of high-quality and safe services in the facility.

2. Within the timeframe granted by the committee (i.e. up to 12 months from the closing date of transfer of ownership), the new owner(s) would need to notify the committee of its decision to either renovate the facility’s existing location or build a new facility. For the committee’s consideration, the decision notification would need to
 - i. outline a reasonable timeline for the planning and construction of the new or renovated facility, and
 - ii. request an extension of the accreditation of the facility, as necessary, while the renovations or the new build are in progress.
3. The new or renovated facility would be required to meet current Canadian Standards Association (CSA) standards for physical design (i.e. CSA Z8000, CSA Z317.2) in effect at that time.
4. The committee reserves the right to terminate the facility’s existing term of accreditation or deny re-accreditation of the facility should the committee, in its sole discretion, determine that there has been unreasonable delay(s) in
 - i. the decision-making about how the new owner(s) intend on meeting the physical design requirements of a “new facility” (i.e. by renovating the existing facility, or building a brand-new facility), and/or
 - ii. the planning or construction of the brand-new or renovated facility.

References

College of Physicians and Surgeons of British Columbia. Bylaws [Internet]. Vancouver: College of Physicians and Surgeons of British Columbia; 2009 [revised 2019 May 3]. [cited 2019 Nov 5]. 100 p. Available from: <https://www.cpsbc.ca/files/pdf/HPA-Bylaws.pdf>

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Canadian Standards Association. Canadian health care facilities. 2nd ed. Toronto: Canadian Standards Association; 2018. 518 p. CSA Standard: Z8000-18.

Contact

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