

42 C.F.R. § 422.550

General provisions.

- (a) *What constitutes change of ownership* — (1) *Partnership*. The removal, addition, or substitution of a partner, unless the partners expressly agree otherwise as permitted by applicable State law, constitutes a change of ownership.
- (2) *Asset transfer*. Transfer of title and property to another party constitutes change of ownership.
- (3) *Corporation*. (i) The merger of the MA organization's corporation into another corporation or the consolidation of the MA organization with one or more other corporations, resulting in a new corporate body, constitutes a change of ownership.
- (ii) Transfer of corporate stock or the merger of another corporation into the MA organization's corporation, with the MA organization surviving, does not ordinarily constitute change of ownership.
- (b) *Advance notice requirement*. (1) An MA organization that has a Medicare contract in effect and is considering or negotiating a change in ownership must notify CMS at least 60 days before the anticipated effective date of the change. The MA organization must also provide updated financial information and a discussion of the financial and solvency impact of the change of ownership on the surviving organization.

This document is only available to subscribers. Please [log in](#) or [purchase access](#).

[Purchase Login](#)