Disclosure of Ownership and Controlling Interest Statement

Instructions

I. GENERAL

Completion and submission of this statement to provide full and accurate disclosure of ownership and financial interests in the clinical facility is required by Section 575 of New York State Public Health Law. Failure to do so may result in the denial of a permit to a laboratory or blood bank.

Failure to provide notice within sixty days from the date of a change in ownership shall result in the voiding of a clinical laboratory’s permit.

Note: The completion of this statement does not eliminate the responsibility of the applicant to report all changes in ownership directly to the New York State Department of Health, Office of Medicaid Management, at One Commerce Plaza, Albany, NY 12260.

II. DEFINITIONS

Direct ownership interest means the possession of stock, equity in the capital, or any interest in the profits of the applying clinical facility.

Indirect ownership interest means the possession of stock, equity in the capital, or any interest in the profits of an entity with a direct or indirect ownership interest in the applying clinical facility.

Example 1: ABC Lab is owned by ABC Lab, Inc. ABC Lab Inc. has two major stockholders, Fred Flintstone and Barney Rubble. ABC Lab, Inc. is the direct owner. Fred Flintstone and Barney Rubble are indirect owners.

Example 2: Good Lab, Inc. dba as Good Lab is owned by Good Lab, Inc. Good Lab, Inc has two primary investors; Umbrella Corp, Inc. and Ebenezer Scrooge. Good Lab, Inc., is the direct owner. Umbrella Corp, Inc. and Ebenezer Scrooge are indirect owners.

Example 3: Acme Lab is owned by Wright Brothers, LLP. The partners of Wright Brothers, LLP are Roadrunner Industries and Wyle E. Coyote. Roadrunner Industries is owned by Yosemite Sam. Wright Brothers, LLP is the direct owner. Roadrunner Industries, Wyle E. Coyote and Yosemite Sam are all indirect owners.

Controlling interest means the ability to direct or control the operation or management of the applying clinical facility. Members on the Board of Directors or Board of Trustees for not-for-profit corporations are considered to have controlling interests. Owners who hold a ten (10) percent or greater controlling interest are required to be disclosed by the applying clinical facility.

Licensed physicians who are included on the Board of Directors/Board of Trustees for a not-for-profit corporation are required to disclose their authority to order laboratory tests if they have greater than 20% controlling interest.

Management company means any organization that operates and manages a business on behalf of the owner, with the owner retaining ultimate legal responsibility for the operation of the business.

Clinical Facility means a clinical laboratory or blood bank as defined by Public Health Law, Section 571. Limited Service Laboratories are not included in this definition.
III. COMPLETION OF THE FORM

All attachments must include the name of the applying clinical facility, the facility’s Permanent Facility Identifier (PFI), if known, and the Part number to which the information relates.

Part II.A:
Please note that the name in this section of the Disclosure form must match the name of the owner indicated on the permit application.

Part II.B:
Please note that the type of ownership in this section of the Disclosure form must match the type of ownership indicated on the permit application.

Part II.C:
Follow the instructions on the form.

Part II.D:
All laboratories that share a common Federal Employer Identification Number (EIN) are considered to be owned by the same entity and disclosure of the other clinical laboratories or blood banks (not limited service laboratories) owned by the direct owner is required. Note that to complete this section, the applying facility should consult their administration and/or legal department.

Under the New York State Tax Law, the laboratory is required to disclose the Tax ID or (Federal Employer Identification Number; a.k.a EIN) or the Social Security Number, as appropriate, of all owners. The authority of the New York State Department of Health, Wadsworth Center, Clinical Laboratory Evaluation Program to request this information, and the authority to maintain such information is found in Section 5 of the Tax Law. Disclosure of this information is mandatory. This information can be used by the Department of Taxation and Finance to identify individuals, businesses and others who have been delinquent in filing tax returns or may have understated their tax liabilities and to generally identify persons affected by the taxes administered by the Commissioner of Taxation and Finance. The information can be used for tax administration purposes and for any other purposes authorized by the Tax Law.

Part III.A:
Follow the instructions on the form.

Part III.B:
All laboratories that share a common Federal Employer Identification Number (EIN) are considered to be owned by the same entity and disclosure of the other clinical laboratories or blood banks (not limited service laboratories) owned by the indirect owner is required. Note that to complete this section, the applying facility should consult their administration and/or legal department.

Part IV:
Please respond to the questions.