

## Disclosure of Ownership, Controlling Interest, and Corporate Membership Statement

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. All applications for changes in direct ownership will be considered new permit applications and are subject to New York State Department of Health (Department) approval.

\*Do not use this form to report a change in laboratory name or location, such changes must be reported in eCLEP.

\*\*For laboratories that have already applied for a permit or currently hold a permit, direct owner changes and/or owner contact changes must be made via eCLEP, the our web-based portal on the Health Commerce System. This form must be completed and uploaded in eCLEP as the List of Owners for direct owner changes. Indirect owner changes require the completion of this form and submission via email to [clepcert@health.ny.gov](mailto:clepcert@health.ny.gov).

### DEFINITIONS:

**Direct ownership** means an individual or entity with an ownership interest or controlling interest in the applying facility.

**Indirect ownership** means an individual or entity with an ownership interest, controlling interest, or corporate membership, in an entity with direct or indirect ownership in the applying clinical facility. Indirect owners who hold a ten (10) percent or greater ownership interest, controlling interest, or corporate membership, are required to be disclosed by the applying clinical facility.

- **Example 1 (Business Corporation):** ABC Lab is owned by ABC Lab, Inc. ABC Lab Inc. has two major stockholders, Mr. Smith and Mr. Hernandez. ABC Lab, Inc. is the direct owner. Mr. Smith and Mr. Hernandez are indirect owners.
- **Example 2 (Business Corporation):** ABC Lab, Inc. dba ABC Lab is owned by ABC Lab, Inc. ABC Lab, Inc has two primary investors; Umbrella Corp, Inc. and Ms. Smirnov. ABC Lab, Inc., is the direct owner. Umbrella Corp, Inc. and Ms. Smirnov are indirect owners.
- **Example 3 (Partnership):** Acme Lab is owned by Zhang Brothers, LLP. The partners of Zhang Brothers, LLP are Zhang Industries and Mr. Lee. Zhang Industries is owned by A. Zhang and B. Zhang. Zhang Brothers, LLP is the direct owner. Zhang Industries, Mr. Lee, A. Zhang, and B. Zhang are all indirect owners.
- **Example 4 (Not-for-Profit Corporation):** Healthy Hospital Laboratory is owned by Healthy Hospital, Inc., a not-for-profit corporation. Healthy Hospital, Inc. has two corporate members, Biggie Health Systems, Inc. and Bigger Health Systems, Inc. Biggie Health Systems, Inc. and Bigger Health Systems, Inc. are considered indirect owners in Healthy Hospital Laboratory.
- **Example 5: (Professional Corporation):** Neighborhood Physicians, PLLC operates a clinical laboratory. Neighborhood Physicians, PLLC is owned by Hospital Physicians, PC and Dr. Patel. Hospital Physicians, PC and Dr. Patel are indirect owners.

**Ownership Interest** means the possession of stock, equity in the capital, or any interest in revenue of an entity.

**Controlling interest** means the ability to direct or control the operation or management of an entity. Members on the Board of Directors or Board of Trustees for not-for-profit corporations are considered to have controlling interests. Any individual or entity with a ten (10) percent or greater controlling interest is 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 10% controlling interest in the applying clinical facility.

**Corporate membership** means an individual or entity with a voting interest in a not-for-profit corporation that directly owns the applying facility. Corporate membership includes, but is not limited to, the right to vote in the election for directors of the clinical laboratory or on fundamental corporate transactions such as closing the business or amending the bylaws.

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

**Clinical laboratory** means a clinical laboratory or blood bank as defined by Public Health Law Section 571. Limited Service Laboratories are not included in this definition.

**EIN** means the federal Employer Identification Number or tax identification number (TIN) of an ownership entity other than a natural person.

Disclosure of Ownership, Controlling Interest and Corporate Membership Statement

Reason for Submission:  Initial Permit Application

Owner Change; Effective Date:

Direct Owner  Indirect Owner

| Part I – Laboratory Information |       |     |
|---------------------------------|-------|-----|
| PFI number (if known)           |       |     |
| Name of Laboratory              |       |     |
| Address                         |       |     |
| City                            | State | Zip |

| Part II – Direct Ownership Information  |
|---|
| <p>A. Ownership Type of Direct Owner:</p> <p>Individual(s)</p> <p>Partnership (e.g. LLP)</p> <p>Government (choose one):    City (Local)    County    State    Federal    Other:</p> <p>For-Profit Corporation (e.g. Inc, LLC, Corp., PC, PLLC)</p> <p>Not-for-Profit Corporation (choose one):    Religious affiliation    Private NFPC    Other:</p> <p>Other (specify):</p>  |
| <p>B. Direct Owner Name (s) (use name of legal business entity (corporation) when appropriate):</p>   |
| <p>C. Direct Owner Federal Employer Identification Number or Individual Owner Social Security Number (please use primary EIN for the business entity if there is more than one owner)</p>   |
| <p>D. Direct Owner Address (principal office):</p>  |
| <p>E. Is the laboratory considered a small business (employ less than 500 employees)?</p> <p style="text-align: center;"><b>Yes</b>                      <b>No</b></p>  |
| <p>F. <b>On a separate sheet, provide a listing of all direct owners of the laboratory following the requirements listed in the accompanying instructions document.</b> Include the PFI of the applying laboratory on this sheet.</p> <p>The list must include:</p> <p><b>Individuals:</b> Names, addresses, percentage of ownership, and social security numbers* of individual owners.</p> <p><b>Partnership:</b> Names, addresses, percentage of ownership, and social security numbers* of all partners.</p> <p><b>Government:</b> The governmental entity and name of the representative official (i.e., Commissioner of Health, Chancellor, etc.) who can be contacted regarding ownership issues.</p> <p><b>For-Profit Corporation:</b> Names, addresses, percentage of ownership for corporate officers, and/or shareholders.</p> <p><b>Not-for-Profit Corporation (NFPC):</b> A list of the Board of Directors/Trustees/Governors of the NFPC.</p> <p><b>Other:</b> Names, addresses, percentage of ownership and SSN or EIN*, as appropriate.</p> <p><small>*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.</small></p> |

## Disclosure of Ownership, Controlling Interest and Corporate Membership Statement

G. Does the direct owner(s) of the applying facility have a direct or indirect ownership interest, controlling interest, or corporate membership in any other clinical laboratory licensed by New York State? (Limited Service Laboratory registrations are not required to be disclosed.)

**Yes. On a separate sheet**, provide the following information for each individual or entity:  
owner name(s); other clinical laboratory PFI (if known), other clinical laboratory name and laboratory address. Include the PFI of the applying laboratory on this sheet.

**No**

*Note: All laboratories that share a common 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.*

### Part III – Indirect Ownership Information

A. **On a separate sheet**, identify any person or entity that 1) possesses ten (10) percent or more of the voting shares of an entity that directly owns a clinical laboratory; 2) maintains a controlling interest of ten (10) percent or more in an entity that directly owns a clinical laboratory; or 3) maintains corporate membership in a not-for-profit corporation that directly owns/operates a clinical laboratory.

The list must include:

**Individuals:** Names, addresses, percentage of ownership, and social security numbers\* of individual owners

**Partnership:** Names, addresses, percentage of ownership, and social security numbers\* the partners

**For-Profit Corporation:** Names, addresses, percentage of ownership for corporate officers, and/or shareholders

**Not-for-Profit Corporation:** A list of the Board of Directors/Trustees/Governors of the NFPC.

*\*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.*

B. Does any indirect owner(s) of the applying facility have a direct or indirect ownership interest, controlling interest, or corporate membership in any other clinical laboratory licensed by New York State? (Limited Service Laboratory registrations are not required to be disclosed.)

**Yes. On a separate sheet**, provide the following information for each individual or entity:  
owner name(s); other clinical laboratory PFI (if known), other clinical laboratory name and laboratory address. Include the PFI of the applying laboratory on this sheet.

**No**

*Note: All laboratories that share a common 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 – Declaration

Answer the following questions by checking the appropriate “Yes” or “No” box.

A. Has the director, any assistant director(s), or those having a direct or indirect ownership interest, controlling interest, or corporate membership in the applying clinical facility ever been charged with violations of local, state or federal laws, rules and regulations, including, but not limited to, the Public Health Law or related statutes, concerning the provision of health care services or reimbursement for such services? To the extent that such charges are currently pending, respond ‘Yes.’

**Yes. On a separate sheet**, list the name and address of the individual(s) or entity(ies), a description of the charge(s) and disposition of the charge(s), including dates, and attach to this form. Include the PFI of the applying laboratory on this sheet.

**No**

Disclosure of Ownership, Controlling Interest and Corporate Membership Statement

B. Has the director, any assistant director(s), or those having a direct or indirect ownership interest, controlling interest, or corporate membership in the applying clinical facility ever been charged with any crime, including but not limited to any offense related to the furnishing of, or billing for, clinical laboratory services, medical care, services, or supplies, or which is considered an offense involving theft or fraud? To the extent that such charges are currently pending, respond 'Yes'.

**Yes. On a separate sheet,** list the name and address of the individual(s) or entity(ies), a description of the charge(s) and dispositions of the charge(s), including dates, and attach to this form. Include the PFI of the applying laboratory on this sheet.

**No**

C. Are any individuals with direct or indirect ownership interest or controlling interest in the applying clinical facility, licensed health professionals authorized by law to order clinical laboratory tests and receive results?

**Yes. On a separate sheet,** identify the individuals with greater than 10% ownership and/or controlling interest who are authorized by law to order clinical laboratory tests, and attach to this form. Include the PFI of the applying laboratory on this sheet.

**No**

D. Is the applying clinical facility operated by a management company, or leased in whole or in part by any other organization?

**Yes**

**No**

If yes, give name and address of management company or licensee.

**Part V - Signature**

The owner representative named on this form will be considered the owner contact for the applying facility. This person must be authorized to respond to inquiries made by the Department.

Providing false or misleading information in this statement may lead to prosecution under applicable federal or state laws and may result in denial of the New York State Clinical Laboratory Permit application, or revocation of an existing permit any other permit or license issued by the Department.

Name of Authorized Representative (please print)

Title

Signature

Date

Contact Phone Number

Contact Fax Number

Email Address