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SENATE BILL NO. 241

Offered January 14, 2026

A BILL to amend and reenact § 32.1-162.9 of the Code of Virginia, relating to home care organizations; licensure.

 Patron—Head

Referred to Committee on Education and Health

Be it enacted by the General Assembly of Virginia:**1. That § 32.1-162.9 of the Code of Virginia is amended and reenacted as follows:****§ 32.1-162.9. Licenses required; renewal thereof.**

A. No person shall establish or operate a home care organization without a license issued pursuant to this article unless he is exempt from licensure pursuant to § 32.1-162.8. No license to establish or operate a home care organization shall be issued to any person who has been sanctioned pursuant to 42 U.S.C. § 1320a-7b.

B. The Commissioner shall issue or renew a license to establish or operate a home care organization upon application therefor on a form and accompanied by a fee prescribed by the Board if the Commissioner finds that the home care organization is in compliance with the provisions of this article and regulations of the Board, ~~unless the Commissioner determines that no reciprocal agreement for the licensing of home care organizations has been entered into by the Commonwealth with the state in which the applicant resides or with the state in which the applicant's home care organization is licensed to operate. No license to establish or operate a home care organization shall be issued or renewed until such time as all existing home care organizations have been inspected by the Commissioner.~~ The Commissioner shall not issue or renew a license to establish or operate a home care organization to any applicant who has been sanctioned pursuant to 42 U.S.C. § 1320a-7b.

C. Any licensed home care organization may establish one or more branch offices serving portions of the total geographic area served by the licensee, provided that each branch office operates under the supervision and administrative control of the licensee. The address of each branch office at which services are provided by the licensee shall be submitted to the Department and included on any license issued to the licensee. Branch offices shall be operated under the initial license issued to the home care organization and shall not be required to obtain an additional license. Upon receipt of notice that a home care organization has established a branch office that meets the criteria set forth in this subsection, the Department shall issue an updated license including the address of the newly established branch office to the home care organization within 10 business days. *No home care organization shall maintain its office in a private residence or virtual office.*

D. Every applicant for an initial license to establish or operate a home care organization shall include as part of his application proof of initial reserve operating funds in an amount determined by the Board, which shall be sufficient to ensure operation of the home care organization for the three-month period after a license to operate has been issued. Such funds may include cash, cash equivalents that are readily convertible to known amounts of cash and that present insignificant risk of change in value, borrowed funds that are immediately available to the applicant, or a line of credit that is immediately available to the applicant. Proof of funds sufficient to meet the requirements of this subsection shall include a current balance sheet demonstrating availability of cash or cash equivalents, including all borrowed funds, sufficient to meet the requirement for initial reserve operating funds together with a letter from the officer of the bank or other financial institution where the funds are held or a letter of credit from a lender demonstrating the current availability of a line of credit and the amount thereof.

E. Every such license shall expire on the third anniversary of its issuance or renewal.

F. The activities and services of each applicant for issuance or renewal of a home care organization license shall be subject to an inspection or examination by the Commissioner to determine if the home care organization is in compliance with the provisions of this article and regulations of the Board.

G. No license issued pursuant to this article may be transferred or assigned.

H. Upon renewal of a license, the Department shall not require a home care organization to submit financial documents other than those required for initial licensure.

2. That the Virginia Department of Health Office of Licensure and Certification shall develop interpretative guidelines for regulations related to home care organizations that shall be made available upon request. Such guidelines shall describe how regulations shall be applied to home care organizations.

INTRODUCED

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