LCB File No. R008-01

PROPOSED REGULATION OF THE STATE BOARD OF PHARMACY

(This proposed regulation was previously adopted as LCB File No. T012-00)

PROPOSED REGULATIONS REGARDING PROVIDERS AND WHOLESALERS OF MEDICAL DEVICES, EQUIPMENT, AND GASES

Section 1. NAC ch. 639 shall be amended to add the following new language:

1. "Assistive equipment" means an MDEG product intended to aid a consumer in the performance of one or more bodily activities, including but not limited to, wheelchairs, walkers, and other devices, but excluding respiratory equipment.

2. "Consumer" means the ultimate recipient or beneficiary of services and goods provided by an MDEG provider.

3. "Health professional" means a practitioner as defined in NRS 639.0125, a physical therapist, an occupational therapist, a registered nurse, or a respiratory therapist.

4. "Life-sustaining equipment" means an MDEG product the absence of which for a consumer will expose the consumer to a medically reasonable expectation of imminent death or serious injury, including but not limited to, ventilators and oxygen concentrators.

5. "MDEG products" means any drug as defined in NRS 639.007(2), including without limitation, medical devices, equipment, supplies, and gases, but does not include:

(a) Any controlled substance;

(b) Any dangerous drug, excepting medical gases and supplies that facilitate the use of dangerous drug, including but not limited to, normal saline and other such inert liquids; and

(c) Any medical device, equipment, supply, or gas the regulation of which is governed by any other licensing board or agency besides the Nevada State Board of Pharmacy.

6. "MDEG provider" means a person licensed under the provisions of these regulations to sell, lease or otherwise provide MDEG products to consumers in Nevada, except that the following persons are not MDEG providers:

(a) A health professional when his sale, lease or other providing of an MDEG product is to his consumer for that consumer's use pursuant to the practitioner's order; or

(b) A pharmacy when the sale, lease or other providing of an MDEG product is by the pharmacy to a consumer for that consumer's use.

7. "MDEG wholesaler" means a person licensed under the provisions of these regulations to sell, lease or otherwise provide MDEG products to health care facilities and agencies, practitioners, other providers of health care, or MDEG providers in Nevada. An MDEG wholesaler may not sell, lease or otherwise provide MDEG products to consumers.

8. "Respiratory equipment" means an MDEG product intended to assist a consumer in the act of breathing or intended to introduce into the lungs of a consumer a product or drug other than a medical gas.

Section 2. NAC ch. 639 shall be amended to add the following new language:

1. An applicant for a license to engage in business as an MDEG provider or MDEG wholesaler must submit an application to the board. The application must be made on a form furnished by the board. The application must include:

(a) The name, business address and telephone number of the applicant and the physical address of the facility of the applicant if it is not the same as the business address of the applicant;

(b) All trade or business names used by the applicant;

(c) The type of ownership or operation of the business;

(d) The name, address, telephone number, and social security number of the facility administrator;

(e) If the applicant is:

(1) A natural person, the name of the person.

(2) A partnership, the name of the partnership and the name of each general or limited partner.

(3) A corporation, the name and title of each officer and director of the corporation, the corporate name and the state of incorporation and the name of the corporation's parent company, if any.

(4) A sole proprietorship, the name of the sole proprietor and the name of the business entity;

(f) Proof of insurance;

(g) The days and hours that the facility will be regularly operating; and

(h) All Medicare and Medicaid provider numbers registered to the business or its owner.

2. The board shall not issue a license to conduct an MDEG provider or MDEG wholesaler:

(a) To any actively practicing health professional; or

(b) To any partnership, corporation or association in which an actively practicing health professional has a controlling interest or in which ownership of 10 percent or more of the available stock is held by one or more actively practicing health professionals.

3. If an MDEG provider receives, stores or ships MDEG products from more than one facility, it must obtain a license for each facility.

4. An applicant shall submit to the board any change in the information required by this section within 30 days after the change occurs.

5. A license issued by the board pursuant to this section is not transferable.

6. A license issued by the board pursuant to this section expires on October 31 of each even numbered year and must be renewed before its expiration.

Section 3. NAC ch. 639 shall be amended to add the following new language:

1. An applicant for a license to engage in business as an MDEG provider or MDEG wholesaler must pay the following fees:

For the issuance of an original license $300

For the biennial renewal of a license $200

2. The board may waive any or all of the license fee for any MDEG provider that:

(a) Is a tax-exempt charitable organization recognized by the Internal Revenue Service;

(b) Provides MDEG products to most or all of its consumers at no charge; and

(c) Verifies to the satisfaction of the board that 75% of its funds are used for bona fide charitable purposes.

Section 4. NAC ch. 639 shall be amended to add the following new language:

1. Each MDEG provider or MDEG wholesaler must have a facility administrator at all times. The facility administrator shall be a natural person who is employed by the MDEG provider or MDEG wholesaler at the employer's facility at least 40 hours per week or for all regular business hours if the facility is regularly open less than 40 hours per week. The facility administrator shall assure that the operation of the facility complies with all applicable state and federal laws, regulations, and rules.

2. An MDEG provider or MDEG wholesaler must notify the board of the cessation of employment of a facility administrator within 3 business days after such cessation. An MDEG provider or MDEG wholesaler must notify the board of the employment of a new facility

administrator within 3 business days after such employment. An MDEG provider or MDEG wholesaler may not operate for more than 10 business days without a facility administrator, and the board may summarily suspend the operation of any facility that operates without a facility administrator.

Section 5. NAC ch. 639 shall be amended to add the following new language:

1. An MDEG provider shall:

(a) Employ a facility administrator and other personnel sufficient to use, set up, repair, maintain, service, and otherwise provide the services for all MDEG products sold, leased, or otherwise provided by the MDEG provider;

(b) Assure that all personnel are trained to use, set up, repair, maintain, service, train consumers, and otherwise provide the services for the MDEG provider for which that personnel is allowed to serve consumers;

(c) Maintain an inventory of MDEG products adequate to serve the needs of the consumers served by the MDEG provider;

(d) Maintain a physical premise at which it can store its inventory, repair or service any equipment with which it deals, and keep all current records related to its operation;

(e) Have at its facility a functioning lavatory with a toilet and a sink with hot and cold water;

(f) Maintain its facility in a clean, orderly, and sanitary condition;

(g) Assure that its facility complies at all times with applicable federal and state, county, and local laws, regulations, and rules, including, but not limited to, fire codes, occupational safety rules, building codes, and health and infection codes; and

(h) Maintain liability insurance of at least one million dollars ($1,000,000), which must include product liability insurance if the MDEG provider designs, fabricates, or manufactures it own MDEG products, or substantially modifies commercially available MDEG products.

(i) Maintain a log or other document regarding all repairs made to MDEG products provided by the MDEG provider. For each piece of repaired equipment, the log or document shall identify:

(i) The type of equipment;

(ii) The manufacturer;

(iii) The model or model number;

(iv) The serial number;

(v) The date of the repair;

(vi) The specific repair made;

(vii) The name of the person or company who performed the repair; and

(viii) A certification that the equipment had been returned to manufacturer's specifications as a result of the repair.

2. If the MDEG provider cannot certify that repaired equipment has been returned to manufacturer's specifications as a result of the repair as required pursuant to subsection 5(h) of this section, the MDEG provider must:

(a) Determine whether the equipment can be safely and effectively used for a limited purpose, in which case the MDEG provider must note that the MDEG product can only be used for a limited purpose and must assure that the equipment is only used for such a limited purpose; or

(b) Assure that the MDEG product is removed from service and is not sold, given, or otherwise permanently provided to any person without a written statement acknowledging that the MDEG product was repaired, could not be brought up to manufacturer's specifications, and that the MDEG product could not be used by the MDEG provider for the purposes for which the MDEG product was intended.

3. Any device used by an MDEG provider to calibrate or test equipment must be accurate and must be maintained according to the manufacturer's directions and specifications. Scales used to weigh liquid oxygen reservoirs must be accurate and must be certified annually by the Bureau of Weights and Measures of the Department of Agriculture.

4. The physical premise of any MDEG provider must be open and accessible to the public and the board at all times during its regular hours of operation.

5. An MDEG provider must have and use a written procedure for addressing consumer complaints that must include the maintaining of a complaint file documenting all consumer complaints and the resolution of each complaint.

Section 6. NAC ch. 639 shall be amended to add the following new language:

1. An MDEG provider shall only provide MDEG products for which an order of a practitioner is required to a consumer only after the receipt of a bona fide order or prescription from a practitioner.

2. An MDEG provider may provide MDEG products for which an order of a practitioner is not required to a consumer with or without a bona fide order or prescription from a practitioner. If a written order or prescription is received from a practitioner or if a written memorialization of an oral order or prescription is made by the MDEG provider, the MDEG provider must keep the written record as provided in this section.

3. For all medical devices and equipment to which the Food and Drug Administration's medical device tracking requirements apply, the MDEG provider must keep and maintain written records of the serial or tracking numbers for the medical devices and equipment.

Section 7. NAC ch. 639 shall be amended to add the following new language:

All records made or kept pursuant to this section must be:

(a) Kept in a file, chart, or other storage system such that the record can be retrieved by reference to the consumer's name, the practitioner's name, the date the product was provided, or the type of product;

(b) Retained for at least five years from the date they are made or received;

(c) Kept on the physical premises of the facility; and

(d) Readily retrievable upon request by a member of the board's staff or other person conducting an inspection or investigation on the board's behalf.

Section 8. NAC ch. 639 shall be amended to add the following new language:

1. When an MDEG provider sells, leases or otherwise provides an MDEG product to a consumer upon the written or oral order or prescription from a health professional, the MDEG provider shall communicate with the health professional to ascertain:

(a) The consumer's physical, functional and associated needs; and

(b) The therapeutic or ameliorative objectives to be met by the MDEG product that will be provided by the MDEG provider.

2. When an MDEG provider sells, leases or otherwise provides an MDEG product to a consumer, the MDEG provider shall communicate with the consumer or his family, caregiver or agent to ascertain and assess:

(a) The safety of the environment in which the MDEG product will be used;

(b) The ability of the consumer or his family, caregiver or agent to comply with the instructions of the consumer's health professional and MDEG provider regarding the proper use of the MDEG product; and

(c) The ability of the consumer or his family, caregiver or agent to clean and maintain the MDEG product.

3. The MDEG provider shall make a written record of all communications made under this section.

Section 9. NAC ch. 639 shall be amended to add the following new language:

1. When providing an MDEG product, an MDEG provider shall delineate the commercially available choices and, where appropriate, custom fabricated choices to meet the objectives of the consumer to:

(a) The consumer, his family, or his agent;

(b) The consumer's primary caregiver; and

(c) The consumer's health professional.

2. When providing an MDEG product, an MDEG provider shall communicate with and counsel the consumer, his agent, or his primary caregiver about the proper use of the MDEG product, which counseling and communication shall include, as appropriate:

(a) The set up and use of the MDEG product;

(b) The maintenance, servicing, cleaning and repair of the MDEG product;

(c) The name, telephone number, and other information regarding emergency, subsequent or continuing care and service for the consumer and servicing of the of the MDEG product;

(d) Cautions regarding the use or modification of the MDEG product;

(e Information provided by the manufacturer of the MDEG product that will facilitate optimal use of the MDEG product;

(f) Information regarding any warranty or other consumer protection regarding the MDEG product;

(g) The material and pertinent financial terms regarding the sale, lease, or other providing of the MDEG product; and

(h) Any other information that, in the judgment of the MDEG provider, will facilitate the safe and optimal use of the MDEG product.

3. The MDEG provider shall make a written record of all communications made under this section.

Section 10. NAC ch. 639 shall be amended to add the following new language:

1. An MDEG provider that sells, leases or otherwise provides assistive equipment shall:

(a) Make measurements using the appropriate instruments and techniques to assure the optimal fit and function of the MDEG product to the consumer;

(b) Deliver, fit and adjust the MDEG product so that it is fully operable when the MDEG provider leaves the consumer's premise;

(c) Teach and counsel the consumer, his family, or primary caregiver regarding the use, maintenance, servicing, and cautions related to the MDEG product;

(d) Provide all warranty information regarding the MDEG product, including any warranty provided by the MDEG provider or any commercial warranty available for the MDEG product; and

(e) Respond to a request for service or repair of the MDEG equipment no later than three business days after the request is received by the MDEG provider, except that such service or

repair need not be provided if the consumer's account is not current with the MDEG provider and such exception is made in writing by the MDEG provider to the consumer.

2. An MDEG provider that sells, leases or otherwise provides assistive equipment shall make and use quality assurance policies and procedures that must include:

(a) The reviewing of custom designed and fabricated equipment and that equipment's compatibility, utility, and safety when used with commercially made equipment;

(b) The process of selection of materials used in custom designed and modified equipment to assure that the materials are safe and durable; and

(c) The making and keeping of records regarding the communications with health professionals, consumers, and consumers' family and agents.

Section 11. NRS ch. 639 shall be amended to add the following new language:

1. An MDEG provider that sells, leases or otherwise provides medical gases and associated equipment or respiratory equipment shall:

(a) Comply with all applicable federal, state, and local laws regarding the providing and transportation of such gases and equipment, including all requirements regarding the tracking and recalling of gases and equipment;

(b) Comply with all applicable federal, state, and local laws regarding transfilling and repackaging of such gases;

(c) Comply with all applicable federal, state, and local laws regarding fire, building, and occupational safety;

(d) Provide only gases that are medical grade and that are intended for human use and consumption only; and

(e) Service its equipment according the manufacturer's directions and specifications and make and keep records regarding such servicing of the equipment, regardless of where the equipment may be located at the time that it is due for servicing.

2. Before providing any equipment under this section, an MDEG provider shall verify that the equipment:

(a) Has been checked and is free of defect and operating within the manufacturer's specifications;

(b) Has not been modified in any way that would jeopardize the effectiveness or safety of the equipment;

(c) Does not present a hazard of fire or shock; and

(d) Has all warning labels and tags that were provided by the manufacturer or seller of the equipment.

3. An MDEG provider that sells, leases or otherwise provides medical gases and equipment or respiratory equipment shall make and use policies and procedures that shall regard:

(a) The making and keeping of records for tracking and recall of all gases dispensed, requiring:

(i) Recordation of the lot numbers and expiration dates for each cylinder or unit of gas provided;

(ii) Maintenance of a written or computerized system to track and locate all gases and equipment provided; and

(iii) Recordation of the serial numbers and model numbers of all equipment provided;

(b) The maintaining and cleaning of equipment, requiring:

(i) Documentation that the function and safety of the equipment was verified before it was provided to the consumer;

(ii) A protocol for cleaning and disinfecting equipment to remove aerobic and anaerobic pathogens from the equipment to the manufacturer's specifications for that equipment;

(iii) The making and keeping of a material safety data sheet for solutions and products used in cleaning and disinfecting of the equipment;

(iv) Designated areas on the MDEG provider's premises that must be used to store and keep separate clean and unclean equipment; and

(v) Designated areas on the MDEG provider's premises that must be used to store quarantined equipment.

4. When an MDEG provider provides oxygen, the MDEG provider must also provide an emergency supply of oxygen, supplies, and equipment to maintain therapy while the primary gas and equipment is inoperable or unusable.

5. In addition to any communication and counseling required pursuant to subsection 2 of section 9 of this regulation, an MDEG provider who is providing medical gas and equipment or respiratory equipment must counsel the consumer receiving the medical gas and equipment or respiratory equipment regarding:

(a) The cleaning of the equipment;

(b) The precautions, potential hazards, and warning signs of malfunctioning or inadequately functioning equipment;

(c) The maintenance procedures for the equipment;

(d) The telephone number, contact name, and contact address for emergency servicing or repair of the equipment and for routine servicing or repair of the equipment; and

(e) The available written materials from the MDEG provider or the manufacturer of the equipment.

Section 12. NAC ch. 639 shall be amended to add the following new language:

An MDEG provider who sells, leases or otherwise provides life-sustaining equipment shall:

1. Maintain sufficient personnel who are trained to service and repair the MDEG provider's life-sustaining equipment in use and who are available at all times and days to service and repair the life-sustaining equipment within one hour of any call for service or repair;

2. Inform all consumers to whom the MDEG provider has provided life-sustaining equipment of a toll-free telephone number that the consumer may call at any time that the life-sustaining equipment has malfunctioned;

3. Assure that written emergency information and procedures is attached in some fashion to the life-sustaining equipment; and

4. Provide the consumer with sufficient emergency supplies and equipment necessary to sustain the consumer until the MDEG provider's personnel can effect the servicing or repair of the life-sustaining equipment.

Section 13. NAC ch. 639 shall be amended to add the following new language:

An MDEG provider who sells, leases or otherwise provides parenteral and enteral services and equipment shall:

1. Provide to a consumer orientation and a written check-list regarding:

(a) Instructions for use of the equipment;

(b) Cleaning procedures;

(c) Safety precautions; and

(d) Maintenance procedures;

2. Return as necessary to the consumer's location to demonstrate the use and other procedures regarding the MDEG product; and

3. Deliver and review with the consumer written instructions from the MDEG provider and the manufacturer to assure the proper use and maintenance of the MDEG product.

Section 14. NAC ch. 639 shall be amended to add the following new language:

1. An MDEG wholesaler shall:

(a) Employ a facility administrator and other personnel sufficient to use, set up, repair, maintain, service, and otherwise provide the services for all MDEG products sold, leased, or otherwise provided by the MDEG wholesaler;

(b) Assure that all personnel are trained to use, set up, repair, maintain, service, train MDEG providers, and otherwise provide the services for the MDEG wholesaler for which that personnel is allowed to serve MDEG providers;

(c) Maintain an inventory of MDEG products adequate to serve the needs of the MDEG providers served by the MDEG wholesaler;

(d) Maintain a physical premise at which it can store its inventory, repair or service any equipment with which it deals, and keep all current records related to its operation;

(e) Have at its facility a functioning lavatory with a toilet and a sink with hot and cold water;

(f) Maintain its facility in a clean, orderly, and sanitary condition;

(g) Assure that its facility complies at all times with applicable federal and state laws, regulations, and rules, including, but not limited to, fire codes, occupational safety rules, building codes, and health and infection codes; and

(h) Maintain liability insurance of at least one million dollars ($1,000,000), which must include product liability insurance if the MDEG provider designs, fabricates, or manufactures it own MDEG products, or substantially modifies commercially available MDEG products.

(i) Maintain a log or other document regarding all repairs made to MDEG products provided by the MDEG wholesaler. For each piece of repaired equipment, the log or document shall identify:

(i) The type of equipment;

(ii) The manufacturer;

(iii) The model or model number;

(iv) The serial number;

(v) The date of the repair;

(vi) The specific repair made;

(vii) The name of the person or company who performed the repair; and

(viii) A certification that the equipment had been returned to manufacturer's specifications as a result of the repair.

2. If the MDEG wholesaler cannot certify that repaired equipment has been returned to manufacturer's specifications as a result of the repair as required pursuant to subsection 5(h) of this section, the MDEG wholesaler must:

(a) Determine whether the equipment can be safely and effectively used for a limited purpose, in which case the MDEG wholesaler must note that the MDEG product can only be

used for a limited purpose and must assure that the equipment is only used for such a limited purpose; or

(b) Assure that the MDEG product is removed from service and is not sold, given, or otherwise permanently provided to any person without a written statement acknowledging that the MDEG product was repaired, could not be brought up to manufacturer's specifications, and that the MDEG product could not be used by the MDEG wholesaler for the purposes for which the MDEG product was intended.

3. Any device used by an MDEG wholesaler to calibrate or test equipment must be accurate and must be maintained according to the manufacturer's directions and specifications. Scales used to weigh liquid oxygen reservoirs must be accurate and must be certified annually by the Bureau of Weights and Measures of the Department of Agriculture.

4. The physical premise of any MDEG wholesaler must be open and accessible to the board at all times during its regular hours of operation.

5. The owner of an MDEG wholesaler is responsible for the acts of his facility administrator and personnel.

Section 15. NAC ch. 639 shall be amended to add the following new language:

1. Any person who intends to sell MDEG products to any consumer or MDEG provider in Nevada on a regular basis who is located outside Nevada must apply for an appropriate license under these regulations. Any MDEG provider or MDEG wholesaler that is located outside Nevada must comply with these regulations for any sale, lease, or other providing of MDEG product to any person in Nevada.

2. Any MDEG provider or MDEG wholesaler that is located out of Nevada must submit evidence with any application that it is licensed, permitted, registered, or otherwise lawfully

allowed by its state of residence to engage in the same business for which it is seeking licensure in Nevada.

Section 16. NAC ch. 639 shall be amended to add the following new language:

Any person or business that is not an MDEG provider pursuant to subsection 6 of section 1 of this regulation who sells, leases or otherwise provides an MDEG product to a consumer must comply with all the provisions of these regulations related to such sale, lease or other provision of that MDEG product as though that person were an MDEG provider.

Section 17. NAC ch. 639 shall be amended to add the following new language:

1. In addition to any acts in NAC 639.945 that are applicable to MDEG providers or MDEG wholesalers, the following acts or practices by an MDEG provider or and MDEG wholesaler are declared to be, specifically but not by way of limitation, unprofessional conduct and conduct contrary to the public interest:

(a) Any violation of these regulations or violation of any applicable federal, state, or local law related to the practices of the MDEG provider or MDEG wholesaler;

(b) Loss of or failure to maintain or renew the required liability insurance;

(c) Practicing, condoning, facilitating or collaborating with any form of unlawful discrimination against any person or group on the basis of race, color, sex, sexual orientation, age, religion, national origin, marital status or mental or physical handicap in the providing of any service or product to a consumer;

(d) Failing to maintain the confidentiality of consumer information and disclosing such information without a valid authorization except where such disclosure was compelled by law;

(e) Performing or allowing any employee or agent of the MDEG provider or MDEG wholesaler to perform services beyond the person's training, competency, ability, or knowledge;

(f) Submitting any claim for payment or reimbursement to any person or entity for products or services that is fraudulent, deceitful, unnecessary, or for any products or services not actually provided to an actual consumer;

(g) Violating any provision of the Code of Ethics of the American Association for Homecare, a copy of which may be obtained by writing to the American Association for Homecare, 625 Slaters Lane, Suite 200, Alexandria, Virginia 22314-1171;

(h) Violating any provision of the Code of Ethics of the Nevada Association of Medical Products Suppliers, a copy of which may be obtained by writing to the Nevada Association of Medical Products Suppliers, P.O. Box 61492, Boulder City, Nevada 89006-1492; or

(i) Engaging in any knowing or willful offer, payment, solicitation, or receipt of any remuneration to induce referrals of sales, lease, or other providing of DMEG products or services by any MDEG provider, MDEG wholesaler, or health professional.

(j) Violating any provision of the Standards of Practice and the Code of Ethics for the National Registry of Rehabilitation Technology Suppliers which may be obtained by writing to the Nevada Association of Medical Products Suppliers, PO Box 61492, Boulder City, Nevada 89006-1492.

(k) Violating any provision of the set of requirements that suppliers of durable medical equipment, prosthetics, orthotics, or supplies (DMEPOS) must meet in order to obtain and retain Medicare billing privileges. They are listed in Title 42, Part 424, Section 57 of the Code of Federal Regulations.

2. The owner of an MDEG provider is responsible for the acts of his facility administrator and personnel.

Section 18. NAC ch. 639 shall be amended to add the following new language:

1. The executive secretary of the board may summarily suspend the license of an MDEG provider or MDEG wholesaler upon receiving evidence sufficient to cause him to reasonably believe that the MDEG provider or MDEG wholesaler is:

(a) Operating its business without liability insurance as required by these regulations;

(b) Operating its business without a license or a facility administrator; or

(c) Engaging in practices that are fraudulent or deceitful.

2. The executive secretary shall notify the MDEG provider or MDEG wholesaler in writing by the most expeditious method possible. The notice shall inform the MDEG provider or MDEG wholesaler of:

(a) The factual and legal bases for the summary suspension; and

(b) The right of the MDEG provider or MDEG wholesaler to provide the executive secretary with any evidence or information that would show that either the factual or legal bases for the summary suspension are incorrect.

3. The executive secretary may take whatever action he deems reasonably necessary to secure the MDEG products and premises and to assure that the MDEG provider or MDEG wholesaler can no longer conduct business.

4. The executive secretary shall release the MDEG provider or MDEG wholesaler from the summary suspension upon receiving evidence from the MDEG provider or MDEG wholesaler that gives the executive secretary reason to believe that the deficiency noted in the written notice has been remedied.

5. Within ten days after summarily suspending an MDEG provider's or MDEG wholesaler's license, the executive secretary shall serve upon the MDEG provider or MDEG wholesaler an accusation pursuant to NRS 639.241. The hearing on the accusation shall be set for the next regularly scheduled meeting of the board.

Section 19. NAC ch. 639 shall be amended to add the following new language:

1. Upon a change of the controlling interest of an MDEG provider, the MDEG provider must:

(a)Apply with the board for a new license within five days of the completion of the sales transaction;

(b)Assure that all outstanding servicing, maintenance, or repair obligations outstanding at the time of the purchase are addressed without interruption or disruption to the service being received by the consumer; and

(c)Not operate the business except to service, maintain, repair or otherwise satisfy the outstanding obligations of the predecessor business until the new owner is licensed by the board.