

Licensing & Compliance Checklist

CatrinaL Consulting | CompliTrst, Inc.
Adult Day Care Startup Specialists | catrinalconsulting.com

Everything you need to stay organized and compliant

ABOUT THIS CHECKLIST

This checklist covers every compliance requirement you need to address before opening and the ongoing requirements to keep your adult day care operating legally. Work through each section in order and check off items as you complete them.

1 Business Formation

<input type="checkbox"/>	Choose a business structure
	LLC recommended for adult day care — provides liability protection
<input type="checkbox"/>	Register your business name with your state Secretary of State
<input type="checkbox"/>	Obtain a Federal EIN from the IRS at IRS.gov
	Free and takes less than 10 minutes online
<input type="checkbox"/>	Open a dedicated business bank account
<input type="checkbox"/>	Secure a registered agent and business address

2 State & Local Licensing

	Research your state's specific licensing requirements for adult day care
	Apply for a state adult day care license through your state health department
	Ensure your facility meets all health and safety requirements before submission
	Obtain a local business license or privilege license from your city or county
	Obtain a Zoning Verification Letter confirming adult day care is permitted at your location
	Verify your NPI number — confirm whether you need an individual or organizational NPI

3 Health & Safety Compliance

	Comply with OSHA workplace safety regulations
	Schedule and pass a fire safety inspection
	Contact your local fire marshal to schedule
	Ensure ADA accessibility compliance throughout your facility
	Ramps, accessible restrooms, door widths, parking
	Maintain sanitation and hygiene standards throughout the facility
	Install required safety equipment — smoke detectors, fire extinguishers, first aid kits
	Ensure adequate lighting, ventilation, and temperature control

4 Staffing Requirements

	Verify required certifications for all staff — CPR, First Aid, state-specific requirements
	Conduct background checks for all employees and contractors
	Ensure compliance with state staff-to-participant ratios

	Confirm RN or LPN on-site requirements for your state and care model
	Develop and document a written staffing plan
	Establish an employee handbook with policies and procedures

5 Insurance Coverage

	Obtain general liability insurance
	Secure workers' compensation insurance
	Required once you have employees — requirements vary by state
	Get professional liability insurance
	Consider property insurance if you own or lease a facility
	Verify all insurance certificates are current and on file

6 Medicaid Enrollment

	Contact your state Medicaid office to begin provider enrollment
	Complete the provider enrollment application and pay any required fees
	Submit all required supporting documentation with your application
	Complete any required orientation or training presentations
	Set up your state Medicaid provider portal login
	Confirm your billing codes and reimbursement rates

7 Record Keeping & Documentation

	Establish individual participant files for each client
	Maintain current participant care plans and individualized service plans
	Keep all compliance documentation on file and accessible
	Maintain updated staff training records and certifications
	Set up a system for daily attendance and service documentation
	Keep medication administration records if applicable

8 Transportation Compliance (If Applicable)

	Apply for a transportation license or permit if providing client transport
	Ensure all vehicles pass required safety inspections
	Verify driver certifications — commercial license, background checks, defensive driving
	Obtain vehicle insurance coverage for passenger transport
	Maintain vehicle maintenance and inspection logs

9 Inspections & Audits

	Schedule your initial facility inspection with the state licensing agency
	Prepare all documentation for potential Medicaid audits
	Conduct regular internal compliance reviews
	Maintain an audit-ready file system at all times

10 Ongoing Compliance

	Set calendar reminders to renew all licenses and certifications before expiration
	Update policies and procedures at least annually
	Conduct annual staff training and document completion
	Review and update all participant care plans regularly
	Stay current with state regulatory changes affecting adult day care

READY TO BUILD YOUR ADULT DAY CARE?

We offer a private 6-week consulting intensive that walks you through every item on this list.
From business formation to your first Medicaid billing submission.

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