



STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Aging and Long-Term Support Administration
PO Box 45600, Olympia, Washington 98504-5600

November 22, 2019

ALTSA: ALF #2019-018

CHANGE OF OWNERSHIP PROCESS CHANGE FOR MEDICAID CONTRACTED FACILITIES

Dear Assisted Living Facility Administrator:

This letter is to inform you of an update in the change of ownership (CHOW) application process for assisted living facilities (ALF). Any provider that anticipates involvement in a CHOW process after November 27, 2019, will need to be aware of an additional step the incoming owner will be required to take if the current owner has a Medicaid contract.

Prior to signing a Medicaid contract with providers, Centers for Medicare and Medicaid Services (CMS) 42 CFR § 455.104(b) requires DSHS to obtain disclosure from providers (individuals or corporations) of any ownership or controlling interest of five percent or more. This disclosure information includes Tax Identification Numbers. If any of these individuals are a foreign entity, they are required to have an Individual Taxpayer Identification Number (ITIN) prior to contracting.

To assure compliance with this requirement, starting November 27, 2019 the Business Analysis and Applications Unit (BAAU) and the contracting unit in the Aging and Long Term Support Administration (ALTSA) will be adjusting the CHOW process for any assisted living facility that currently holds a Medicaid contract. The contracts unit will send a letter to the applicant to determine if the business has any foreign entities with ownership or controlling interest of five percent or more. If it is determined through this process there are foreign entities who meet the criteria, the ITIN will need to be provided before the application can continue.

Alternately, if the incoming licensee will not be approved for a Medicaid contract because the required information is not provided, the current licensee will need to provide written notice to the department and residents or resident representatives (if any), ninety calendar days prior to the date of the change of licensee, if the proposed change of ALF licensee is anticipated to result in the discharge or transfer of any resident.

Thank you for your continued commitment to resident health and safety. If you have any questions, please contact Jeanette Childress, Assisted Living Policy Program Manager, at 360-725-2591 or Jeanette.Childress@dshs.wa.gov.

Sincerely,

Candace Goehring, Director
Residential Care Services

DSHS: "Transforming Lives"