



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

**AL TSA: NH #2019-027**

**CHANGE OF OWNERSHIP PROCESS CHANGE FOR MEDICAID CONTRACTED FACILITIES**

Dear Nursing Facility/Home Administrator

This letter is to inform you of an update in the change of ownership (CHOW) application process for nursing facilities (NF). 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 (AL TSA) will be adjusting the CHOW process for any nursing 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 NF 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 Lisa Herke, Nursing Home Policy Program Manager, at 509-225-2819 or [Lisa.Herke@dshs.wa.gov](mailto:Lisa.Herke@dshs.wa.gov).

Sincerely,

Candace Goehring, Director  
Residential Care Services

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