



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

March 3, 2023

ALTSA: NH #2023-007
**CMS RELEASED ADMIN INFO: 20-08-ALL REVISED, UPDATING GUIDANCE
FOR VOLUNTARY TERMINATION BASED ON TEMPORARY CLOSURES**

Dear Nursing Facility/Home Administrator:

In an effort to streamline the enrollment process for certified providers and suppliers, Centers for Medicare and Medicaid Service (CMS) transitioned certification enrollment functions performed by the CMS locations to CMS's Center for Program Integrity (CPI), Provider Enrollment Oversight Group (PEOG), and the Medicare Administrative Contractors (MACs). The State Operations Manual (SOM) and Program Integrity Manual (PIM) will be updated to reflect these changes starting with voluntary termination on July 27, 2020.

On November 7, 2022, CMS released [Admin Info: 20-08-ALL Revised](#), that included revisions to existing guidance related to the processing of voluntary terminations based on temporary closures. In addition, CMS has streamlined and transitioned several certification activities including Changes of Ownership (CHOWs); Administrative Changes (relocations, additional sites, services, etc.), and Initial Enrollment. For additional guidance please visit [Admin Info: 22-02-ALL](#).

Three types of Voluntary Terminations:

1. **Provider initiated:** Sent to the MAC directly.
2. **Provider initiated:** Sent to the State Agency (SA) / Accrediting Organizations (AO), or CMS Location directly.
3. **SA or AO identified:** Discovered by the SA or AO as the result of a recertification survey or by the SA as a result of a complaint investigation. (This is also referred to as a Cessation of Business).

Determining a Voluntary Termination:

1. **Voluntary Termination (withdrawal or closure):**
 - **Withdrawal:** When the owner of the Medicare provider agreement decides it no longer wishes to participate in the Medicare program and is still operating and providing care.
 - **Closure:** The facility completely stops operations and is no longer providing care/services to any recipients and all current recipients have been discharged.
 - **Voluntary Termination under a Threat of Involuntary Termination:** (CMS Location responsibility for processing): The facility is requesting a voluntary withdrawal while CMS has enforcement actions pending, which may include potential termination for non-compliance. This may also involve negotiations between the facility and the CMS Location.
2. **Cessation of a Business:**
 - The facility is found to be non-operational by the SA or AO.
 - The provider is no longer providing services at the location which is on the existing CMS Form 855.

ALTSA Provider Letter: **CMS RELEASED ADMIN INFO: 28-08-ALL REVISED, UPDATING GUIDANCE FOR VOLUNTARY TERMINATION BASED ON TEMPORARY CLOSURES**

March 3, 2023

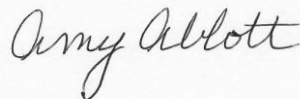
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- If the facility is no longer open for business and has stopped providing services to the community; and no notice has been given to CMS or the SA, the voluntary termination based on cessation of business would be processed.
 - Failure to admit and have current census can be a trigger for the SA or AO to determine if cessation of business has occurred.
3. **Deactivation:** The providers or suppliers billing privileges were stopped but can be restored upon the submission of the updated information. The facility's provider number is deactivated by the MAC due to inactivity of the provider number for billing purposes.
 4. **Temporary Closure:** A process managed by CMS Locations and the SA. This is a request by the facility to temporarily stop providing services to the community. This typically happens for facilities undergoing renovations, during emergencies (natural or man-made, which may not be recognized under Section 1135(b)) or facility-specific circumstances. It is the responsibility of the CMS Location and the SA to determine the length of time for a temporary closure based on individual circumstances.
 5. **State Licensure Actions:** These actions do not trigger a voluntary termination or initiate a cessation of business.

For more details about Voluntary Terminations and the Standard Operating Procedures (SOP), please refer to [Admin Info: 20-08-ALL Revised](#).

Thank you for your continued commitment to resident health and safety. If you have any questions, please contact Molly McClintock, Nursing Home Policy Program Manager, at (360) 742-6966 or molly.mcclintock@dshs.wa.gov.

Sincerely,



Amy Abbott, Director
Residential Care Services

DSHS: "Transforming Lives"