

**Bulletin Number:** MSA 15-20

**Distribution:** Nursing Facilities, County Medical Care Facilities, Hospital Long-Term Care Units, Ventilator-Dependent Care Units

**Issued:** June 1, 2015

**Subject:** Update to the Nursing Facility Certification, Survey & Enforcement Appendix on Nursing Facility Voluntary Closure

**Effective:** As Indicated

**Programs Affected:** Medicaid, Healthy Michigan Plan

The purpose of this bulletin is to update the Nursing Facility Certification, Survey & Enforcement Appendix of the Michigan Medicaid Provider Manual to coincide with an update to the Code of Federal Regulations at 42 CFR 483.12(a)(8), 42 CFR 483.75(r) and 42 CFR 483.75(s). This update requires that written notification and a plan for closure must be given at least 60 days prior to closure. This change occurred in April 2014. The Voluntary Withdrawal from Participation in the Medicaid Program or Voluntary Nursing Facility Closure Section of the Nursing Facility Certification, Survey & Enforcement Appendix will be updated to read as follows:

### **Voluntary Withdrawal from Participation in the Medicaid Program or Voluntary Nursing Facility Closure**

A provider may choose to close voluntarily, not as a result of regulatory action. A provider may also choose to continue operating as a nursing facility, but withdraw from participation in the Medicaid Program. In both situations, the nursing facility must follow established guidelines, per federal law, to assure safe and appropriate care of residents.

When a provider decides to close voluntarily, the administrator of the nursing facility must provide written notification prior to the impending closure to the:

- State Survey Agency (SSA),
- State Medicaid Agency/LTC Services Section,
- Long-Term Care (LTC) Ombudsman,
- Residents of the nursing facility, and
- Legal representatives of such residents or other responsible parties.

**Written notice must be provided at least 60 days before the date of closure.** Note: In cases where the Secretary terminates the facility's participation in either the Medicare and/or Medicaid programs, notice must be provided no later than the date that the Secretary determines appropriate for such notification.

This 60 day notice requirement begins before any attempt to transfer a resident out of the facility in anticipation of a facility closure/withdrawal. The provider must ensure that no new residents are admitted on or after the date on which such written notification is submitted.

The written notice of a voluntary closure must include the **plan** for closure. **The plan must be approved** by the SSA and State Medicaid Agency (SMA)/LTC Services Section prior to notification of residents of the closure. The plan must outline the transfer and adequate relocation of residents that assures placement in the most appropriate facility or other setting in terms of quality, services, and location, taking into consideration the needs, choice, and best interests of each resident.

Upon approval of the plan by the SSA and SMA/LTC Services Section, actual notice of closure must be given, which means that the notice must be given to the resident and a family member or legal representative in a form that they can understand and must be explained to them as needed. The notice must include the plan as approved by the State for the transfer and adequate relocation of the residents by the date specified by the State prior to closure. It must also include assurances that the residents would be transferred to the most appropriate facility or other setting in terms of quality, services, and location, including home or community based settings, taking into consideration the needs, choice, and best interests of each resident. The notice must include contact information for the LTC Ombudsman and Area Agency on Aging.

In the event of a voluntary closure, the nursing facility remains Medicaid-certified until all residents are relocated.

### **Manual Maintenance**

Retain this bulletin until the information is incorporated into the Michigan Medicaid Provider Manual.

### **Questions**

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Health and Human Services, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). When you submit an e-mail be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

### **Approved**



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