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Date: January 9, 2013

DQA Memo 13-001

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RCAC 01

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Charging Fees Associated with Changes to a License / Certificate

This memo presents an explanation to providers of a Bureau of Assisted Living (BAL) policy change that was effective August 1, 2010. As of that date, BAL began to charge providers full licensing/certification fees when providers requested certain changes to a previously issued license/certificate, when that change was requested separately from the renewal fees. This memo also provides statutory authority, guidance as to which changes now require fees, and suggestions on how to make these changes in a manner most cost-effective to providers.

Background and Statutory Authority

Each of the above-noted facility types require a license or certification to operate in Wisconsin. All types, with the exception of a Registered Residential Care Apartment Complex (RCAC), require payment of a statutory fee as part of the application process. Additionally, depending on facility type, there is either an annual (for Certified RCACs) or biennial (all other types) renewal fee associated with continuing one's license or certificate.

Changes to client group/types of residents served, name of licensee, licensing class of a Community-based Residential Facility (CBRF), or capacity (increase of decrease in number of beds/day care residents) all require BAL to make changes to the records in our facility files and issue an amended license or certificate. These changes require a review from an Assisted Living surveyor and/or Assisted Living Regional Director, as well as staff time of a License/Permit Program Associate to make the changes, print and mail an amended license or certificate.

Adult Day Care:

Wis. Stat. § 49.45(2)(a)11.a requires the Department to establish criteria for certification of an Adult Day Care (ADC), and as part of those standards, a potential provider must complete the “Adult Day Care Initial Certification Application,” and pay the applicable fees. The application requires the proposed ADC to include information on the certificate holder, name of the ADC, address of the ADC, and maximum capacity. Because certificates are not transferable or assignable, and the decision whether to certify is based on the information initially provided, any change to the information above would trigger a new application, which in turn would trigger the payment of new fees.

Adult Family Homes:

Wis. Stat. § 50.033(2) grants authority to the Department to issue Adult Family Home (AFH) licenses to specific persons (licensees) for specific locations (addresses). Once issued, an AFH license is not transferable. Prospective AFHs submit a program statement for review, which states the name of the facility, types of residents served and number (capacity) of residents served. There are no provisions in administrative code that allow for the Department to charge a fee related to the above changes reflected in a Program Statement. AFHs may submit revisions to their program statement to the Department for approval 30 days prior to implementing the change.

Community Based Residential Facilities:

According to Wis. Stat. § 50.03(4)(e), a CBRF license is “issued only for the premises and the persons named in the application and is not transferable or assignable.” Information collected on the Initial Application includes name of facility, address of facility, name of licensee, client group(s) served, classification and type of CBRF (Class A or C, plus ambulatory status), and capacity (number of beds). Licenses are granted to specific licensees and locations, along with the above specific details. All of this information is listed on the license certificate; therefore, any change to that detailed information would trigger a “new” application and licensing fees (base fee plus per bed fee).

Certified Residential Care Apartment Complexes:

According to Wis. Admin. Code DHS 89.53(2)(e), the “[c]ertification shall be issued only for the location, owner and operator identified in the application and is not transferable to another facility, owner, or operator.” The application includes information pertaining to the name of the facility, address of facility, and name of licensee. DHS 89.54 requires RCAC operators to report any changes in the application to the Department and states the Department may require the facility to reapply. For the above changes, new certification fees would be required. Many RCACs use a “floating bed” concept; while the entire facility meets the requirements for certification, only a certain number are certified based on the number of tenants requiring RCAC services. Requests to change capacity may be submitted, in writing, to the regional offices, and will be reviewed and granted without the payment of full fees; however, adding certified apartments will require payment for those added apartments.

Registered Residential Care Apartment Complexes:

Registered RCACs are not charged initial or annual fees; therefore, no fees will be collected in accordance with any changes. A change in ownership or address of the RCAC would require a new application, including Regulations Compliance Statement.

Changes in Ownership

When a provider of any type seeks to change addresses, a new application form, fees, background checks (when required), and all other paperwork, policies, balance sheet and evidence of 60 days operating funds, floor plans etc. must be submitted to the Department for review. Similarly, when there is a change in licensee (new entity takes over operations, corporation to LLC, sole proprietor to LLC, etc.) this is considered a change of ownership which triggers a new application with fees. Unique situations involving corporate mergers and restructuring may not be considered a change of ownership; these requests should be sent to the ALRD for review.

Notifying the Department of Changes

Providers may notify the Department of changes at the time their biennial report and fees are due. All changes mentioned above will require the facility to submit a revised program statement. Changes in licensing class (for CBRFs) and capacity will require a current facility floor plan. This is a very cost-effective time to make these changes. If you have questions as to when your renewal period ends, you may contact the regional offices.

If a change must be made at a different time, the request must be in writing and include a revised program statement as well as fees. Upon receipt of the required fee and review by an Assisted Living Surveyor or Regional Director, a revised license will be issued. This license will begin a new biennial licensure and fee payment cycle. The Regional Directors have the discretion to waive the fees if extenuating circumstances exist.

Summary of when payment of fees is required:

Type of Change	ADC	AFH	CBRF	Certified RCAC	Registered RCAC
Facility name change (not a CHOW)					
Change in facility address (<i>always</i> a new application)	✓	✓	✓	✓	
Change in licensee name (<i>may</i> be a change of ownership)	✓	✓	✓	✓	
Change in licensee's address					
Change in client group/types of residents served			✓	n/a	
Change in CBRF Classification			✓		
Increase or decrease in capacity	✓		✓	Increases pay per apt. fee only	