

When Wis. Stat. Chapter 50 Resident Relocation Requirements Apply¹

Facility Decision to Close

Wis. Stat. ch. 50 Plan Required

The reasons for the decision to close an entire facility, or a certain type or level of service, will vary and may include bankruptcy, financial receivership, going out of business, change in service delivery, decline in market or community demand, age and location of physical plant, regulatory compliance problems, loss of provider agreements, and the sale of the organization.

When a facility makes a decision to close, the facility is required by Wis. Stat. § 50.03(14)(c)7, to notify the Department of Health Services (DHS) in writing of its intention to close and relocate residents. A resident relocation plan must be submitted whenever five or more residents will be relocated.

Downsizing by Purposeful Discharge Due to Change in Type or Level of Services Generalized Downsizing by Residents' Voluntary Choice to Relocate

Wis. Stat. ch. 50 Plan Required

When a facility changes a type or level of service, such as closing a distinct part specialty unit, and will therefore no longer care for five or more residents who need these services, it must abide by all ch. 50 resident relocation requirements in discharging the affected residents.

Generalized downsizing of a facility when there is no change in the type and level of services provided by the facility is accomplished by each residents' voluntary decision to relocate following the facility's announcement of its intent to downsize. In this case, the ch. 50 plan will focus on how the facility announces its intent to downsize; and how, as well as what, information will be offered to residents so they can make informed decisions about where they want to live. Residents have choices. They may choose to stay at the facility and cannot be involuntarily discharged, or they may choose to voluntarily discharge. The facility must not encourage or persuade residents to relocate.

Downsizing by Natural Attrition

Wis. Stat. ch. 50 Plan NOT Required

When a facility intends to decrease its licensed bed capacity by natural attrition, it will allow census to decline to the desired level through normal day-to-day discharge occurrences. These discharges are most often due to death, resident decisions to return to their community homes or relocate to another region of the state or country, or transfer to another provider type. Downsizing by natural attrition takes as long as it takes; it could take many months or

¹ Source: DHS Resident Relocation Planning and Procedure Manual (November 2010).



years. The facility does not make any additional or concerted effort to encourage resident discharges.

Replacement Facilities

Wis. Stat. ch. 50 Plan NOT Required

When a provider builds a new building to replace its physical plant, the facility is not required to submit a ch. 50 resident relocation plan, but must advise the Division of Quality Assurance (DQA) and follow DQA directives. In addition, providers are strongly encouraged to contact the Board on Aging and Long Term Care (an ombudsman program) for technical assistance.

A Note Regarding Employees:

Actions need to be taken to avoid the possibility of insufficient facility staff due to premature employee resignations. Many facilities provide an incentive to employees agreeing to remain on staff throughout the relocation process to maintain consistent and familiar staffing while decreasing the stress to all involved residents. In addition, depending on the number of employees, a facility must follow the legal notice requirements for employees, including the requirements found in the Worker Adjustment and Retraining Notification Act (WARN Act) at 20 C.F.R. § 639.

