

Opening and Operating a Residential Care Apartment Complex (RCAC)



What is a Residential Care Apartment Complex (RCAC)?

- A place where 5 or more adults reside that consists of independent apartments, each of which has:
 - an individual lockable entrance and exit;
 - a kitchen, including a stove;
 - individual bathroom, sleeping and living areas;
- And that provides, to a person who resides in the place, not more than 28 hours per week of services that are supportive, personal and nursing services.



Services Provided by an RCAC

- **Supportive Services:** includes meals, housekeeping, laundry, arranging for transportation, and arranging for access to medical service.
- **Personal Assistance:** means direct assistance with activities of daily living, including dressing, eating, bathing, grooming, toileting, transferring and ambulation or mobility.
- **Nursing Services:** means nursing procedures, excluding personal services, which, according to the provisions of ch. 441, Stats., the nurse practice act, must be performed by a registered nurse or as a delegated act under the supervision of a registered nurse.

Pre-Application Activities

Review regulations that apply to the operation of a



- DHS 89 – Residential Care Apartment Complexes:
<http://legis.wisconsin.gov/rsb/code/dhs/dhs089.pdf>
- Chapter 50 Wisconsin Statutes:
<http://www.legis.state.wi.us/statutes/Stat0050.pdf>
- DHS 12 – Caregiver Background Checks:
<http://www.legis.state.wi.us/rsb/code/dhs/dhs012.pdf>
- DHS 13 – Reporting and Investigation of Caregiver Misconduct:
<http://www.legis.state.wi.us/rsb/code/dhs/dhs013.pdf>

Pre-Application Activities (continued)

- Complete a market analysis of the community to determine the need for an RCAC. A map showing RCACs in your area can be found at:
<http://dhs.wisconsin.gov/bqaconsumer/AssistedLiving/factlymap.htm>
- Contact funding agencies (county or Managed Care Organization)



Choosing Registered vs. Certified



- All RCACs are required to be either registered or certified by the department.
- Certification is required to qualify for public funding.
- No fees are required for registered RCACs.
- Fees are required for certified RCACs.
- The department conducts periodic surveys at certified RCACs
- The department conducts complaint investigations at registered and certified RCACs

Application Form

- RCAC Initial Certification or Registration Application:
<http://www.dhs.wisconsin.gov/forms1/F6/F62380.doc>
- Licensee or designee signature is required
- Incomplete applications are not accepted



Materials to be Submitted with Application

- Regulation Compliance Statement:
<http://dhs.wisconsin.gov/forms1/F6/F62381.pdf>
- Certification Fee of \$445 + \$7.60 per apartment
- Facility Floor Plan
- Diagram of apartment configuration (e.g. 1 bedroom, 2 bedroom, suite)
- RCAC Webcast Certificate



Additional Documents for Review

- Evidence of plan approval
- Copy of building inspection approval or occupancy permit
- Emergency Plan
- Tenant rights and grievance procedure
- Service agreement
- Risk agreement
- Staffing plan
- Written schedule of fees



New Construction Plan Review

Before starting the construction of an RCAC, consult the plan review procedures on the department's website:

http://dhs.wisconsin.gov/rl_DSL/planreview/index.htm

Conversion of Existing Buildings

Obtain a Certificate of Occupancy from the local municipality or Department of Commerce



Background Check



The Office of Caregiver Quality (OCQ) completes a background check on the following persons prior to initial licensure:

- Any individual applicant
 - Submit a Background Information Disclosure (BID) form and Background Information Disclosure Appendix (BID Appendix)
- Any principal officers or board members of a corporation applying for licensure who has regular, direct contact with residents
 - Submit a BID and BID Appendix
- Any individuals age 10 and older who are not tenants but live at the RCAC
 - Submit a BID and BID Appendix

Information, forms, and mailing address for the BID and BID Appendix can be found at:

<http://dhs.wisconsin.gov/caregiver/NewApplicants.htm>

DHS 89.22 – Building Requirements

- All living units must be independent apartments
- Each apartment must have:
 - An individual lockable entrance and exit
 - Visually and functionally distinct kitchen area
 - An individual bathroom
 - Visually and functionally distinct sleeping areas
 - 250 square feet of living space



DHS 89.22 – Building Requirements (continued)

- Multiple occupancy of an apartment is limited to a spouse or a roommate chosen by the tenant
- All public and common use areas must be accessible
- If an RCAC is attached to a nursing home, hospital, or community based residential facility, there must be physical and program separation



DHS 89.23 – Services

- The RCAC must provide or contract for services sufficient and qualified to meet the care needs identified in the service agreements, meet unscheduled care needs and make emergency assistance available 24 hours a day



DHS 89.23 – Services (continued)

- The RCAC must have the capacity to provide supportive, personal, and nursing services to all tenants, either directly or under contract
- Services above the minimum required levels may be made available at the option of the facility
- An RCAC is not required to provide or be staffed to provide services which are not needed, are not included in the service agreements, or are above minimum required levels



DHS 89.23 – Services (continued)

- The number, assignment and responsibilities of staff must be adequate to provide all services identified in the tenants' service agreement as well as unscheduled care needs
- The RCAC must have the capacity to provide emergency assistance 24 hours a day
- The RCAC must have a written emergency plan describing the procedures to be followed in the event of fire, serious illness, accident, severe weather or other emergency

DHS 89.23 – Services (continued)

- Services must be provided by qualified staff
- Services must be provided in the type, amount and frequency identified in the service agreements
- Services must be provided to meet both scheduled and unscheduled care needs and shall be provided in a timely manner
- Services must be appropriate to the needs, abilities and preferences of tenants
- Services must be provided in a manner which respects tenant privacy, enhances tenant self-reliance and supports autonomy in decision making, including the right to accept risk
- All meals and snacks must be prepared, stored and served in a safe and sanitary manner

DHS 89.23 – Services (continued)

- RCAC services must be provided by staff that are trained in the services they provide and are capable of doing their assigned work
- Medication administration and management must be performed by, or as a delegated task under the supervision of a nurse or pharmacist

DHS 89.23 – Services (continued)

- Personal and supportive services must be performed by staff with documented training or experience in needs and techniques for assistance with tenant care and activities of daily living, including:
 - Bathing
 - Skin care
 - Ambulation
 - Meal preparation
 - Dressing
 - Grooming
 - Transfer
 - Exercise
 - Eating assistance
 - Use of adaptive aids



DHS 89.23 – Services (continued)

- Each RCAC must have a service manager who is responsible for the day to day operation and must ensure that:
 - Services are provided to meet tenant needs and are provided by qualified staff
 - Staff are appropriately trained and supervised
 - Policies and procedures are followed
 - The health, safety and autonomy of tenants are protected
- The service manager must be capable of managing a multi-disciplinary staff

DHS 89.23 – Services (continued)

- A competent person must be delegated to be in charge of the RCAC when the manager is not present
- The person in charge must be available and easily reachable by tenants and staff
- The person in charge must be present in the facility or in an attached or adjacent facility and be able to be present on short notice



DHS 89.23 – Services (continued)

- An RCAC may not employ any person who has been convicted of a crime that is substantially related to the performance or circumstances of their job
- An RCAC may not employ any person who has a substantiated finding of abuse, neglect or misappropriation on the department's caregiver registry
- An RCAC must conduct a criminal record check with the Wisconsin Department of Justice and check the department's caregiver registry when hiring a service manager, service provider, or other persons who work in the RCAC or have contact with tenants

DHS 89.23 – Services (continued)

- All RCAC staff must have training in safety procedures, including fire safety, first aid, standard precautions and the emergency plan, and in tenant rights
- All RCAC staff must have documented training or experience in:
 - Physical, functional and psychological characteristics associated with aging, or likely to be present in the population and the implications for service needs
 - The purpose and philosophy of assisted living, including respect for tenant privacy, autonomy and independence
 - Assigned duties and responsibilities, including the needs and abilities of the tenants for whom they will be providing care
- The RCAC must maintain an up-to-date written staffing plan



DHS 89.24 – Hours of Service

- An RCAC may not provide more than 28 hours per week of supportive, personal and nursing service to any tenant
- The amount of services provided by the RCAC is to be determined by the tenant's needs and preferences as documented in the service agreement
- An RCAC may not limit the hours of service to a tenant to less than 28 hours per week if needed by the tenant



**DHS 89.24 – Hours of Service
(continued)**

- A tenant may contract for additional services from providers of their choice, if the tenant informs the facility, complies with facility policies and procedures and agrees to have the arrangement reflected in the risk agreement
- The RCAC may approve the provider of services for a tenant and require that the provider of services comply with the RCAC standards and policies
- The RCAC may limit the amount of services from outside providers only when the total amount of services received from all providers exceeds 28 hours per week

**DHS 89.24 – Hours of Service
(continued)**

- The RCAC may not limit the amount of hospice care a tenant receives or the amount of unpaid services provided by the tenant's family or friends
- The RCAC may not limit the amount of recuperative care which a tenant receives, provided the recuperative care does not raise the total service level above 28 hours per week for more than 90 days

**DHS 89.24 – Hours of Service
(continued)**

- An RCAC shall compute the hours of service when necessary for the purpose of determining whether the 28 hour per week limit has been reached
- Only staff time that is directly attributable to providing services may count toward the 28 hour per week limit on services
- Hours include nursing assessment, documentation and consultation as well as standby assistance for activities of daily living and other services directly attributable to the tenant
- Congregate services such as meals, housekeeping, laundry and activities may not be counted in the 28 hours per week limit on services
- Time meeting a tenant's unscheduled care needs must be included in the 28 hours
- Services arranged for directly by the tenant from a provider other than the RCAC do not count toward the limit on the amount of services provided by the RCAC

DHS 89.25 – Schedule of Fees for Services

- The RCAC must have a written schedule for fees for services to include all of the following:
 - Separately identified charges for rent, meals and services
 - The schedule of fees must identify those services included in the base service rate and those services for which there will be an additional charge
 - The amount of any application fee, entrance fee or security deposit
 - The RCAC's refund policy regarding application and entrance fees, security deposits and monthly rent, meal and service charges in the event of death or termination of the contract between the tenant and the facility



DHS 89.25 – Schedule of Fees for Services (continued)

- The fee schedule must be presented in a language and format that allows tenants to readily identify the cost of the components of the service agreement and make informed choices about the services they receive
- A copy of the fee schedule must be given to each prospective tenant and family or designated representative as well as information materials on assisted living if provided by the department
- Copies of revised fee schedules must be provided to current tenants and their families or representatives at least 30 days in advance of an increase in fees



DHS 89.26 – Comprehensive Assessment

- A comprehensive assessment must be performed prior to admission for each person seeking admission to the RCAC
- The comprehensive assessment is the basis for developing the service agreement and the risk agreement
- The assessment must be performed with the active participation of the prospective tenant and participation of the person's family or designated representative, if desired by the person

DHS 89.26 – Comprehensive Assessment (continued)

The comprehensive assessment must identify and evaluate the following factors relating to the person's need and preference for services:

- Physical health
- Physical and functional limitations and capacities
- Medications and ability to self-administer medications
- Nutritional status and needs
- Mental and emotional health
- Behavior patterns
- Social and leisure needs and preferences
- Strengths, abilities and capacity for self-care
- Situations or conditions which could put the tenant at risk of harm or injury
- Type, amount and timing of services desired by the tenant
- Frequency of monitoring which the tenant's condition requires



DHS 89.26 – Comprehensive Assessment (continued)

- Persons performing the comprehensive assessment must have expertise in areas related to the tenant's health and service needs
- Portions of the comprehensive assessment relating to physical health, medications and ability to self-administer medications shall be performed by a physician or a registered nurse

DHS 89.26 – Comprehensive Assessment (continued)

The comprehensive assessment must be performed or arranged for by:

- The RCAC for tenants whose bills are paid for from private resources or by third party payers
- The county department or aging unit designated to administer the Medicaid waiver for those tenants whose services are paid for under s. 46.27 (11) or 46.277, Stats.

DHS 89.26 – Comprehensive Assessment (continued)

- Each tenant’s capabilities, needs and preferences identified in the assessment must be reviewed at least annually to determine if there have been changes necessitating a change in the tenant’s service or risk agreement
- The review may be initiated by the RCAC or at the request of the tenant

DHS 89.27 – Service Agreement

- The RCAC must enter into a mutually agreed upon written service agreement with each tenant based on the comprehensive assessment
- The service agreement must identify the following:
 - Services: The type, amount and frequency of the services to be provided, including services to meet unscheduled care needs, additional services available for purchase by the tenant, and activities and social connections the tenant will be assisted in maintaining
 - Fees: The charge for services covered by the service agreement, the time and amount of any fee increase that will occur during the period covered by the service agreement, and any supplemental fees for services not covered in the service agreement



DHS 89.27 – Service Agreement (continued)

- The service agreement must also identify the following:
 - Policies and procedures, including:
 - The types of additional services the RCAC would make available or assist in arranging for during acute episodes, following release from the hospital, or during times when a tenant may have temporary needs
 - Policies and procedures regarding services the tenant arranges to receive from other providers
 - The grounds for contract termination or relocation of the tenant to another residence and the procedure for tenant participation in decisions regarding termination and relocation

NOTE: The conditions for termination cannot be in conflict with the requirements of DHS 89.29(3)

 - Policies related to tenant rights, including the rights identified in DHS 89
 - The internal grievance procedure for resolving tenant complaints

DHS 89.27 – Service Agreement (continued)

- Only services selected and agreed to by the tenant may be included in the service agreement
- The service agreement may not waive any of the provisions of DHS 89 or other rights of the tenant
- The service agreement must be presented in a language and format for tenants to readily identify the type, amount, frequency and cost of services they receive, the qualifications of the staff providing the services and whether the services are provided directly by the RCAC or by subcontract
- The initial service agreement and any renewals must be dated and signed by a representative of the RCAC, the tenant or the tenant's legal representative
- The service agreement is to be completed by the date of admission
- The service agreement must be reviewed when there is a change in the comprehensive assessment, at the request of the RCAC, or on behalf of the tenant and must be updated as mutually agreed to by all parties

DHS 89.28 – Risk Agreement

- As a protection for both the tenant and the RCAC, the RCAC must enter into a signed, jointly negotiated risk agreement with each tenant by the date of occupancy
- The risk agreement must identify all of the following:
 - Risk to tenants, including:
 - Any situation or condition which is or should be known to the RCAC which involves a course of action by the tenant contrary to the practice or advice of the RCAC and which could put the tenant at risk of harm or injury
 - The tenant's preference concerning how the situation is to be handled and the possible consequences
 - What the RCAC will and will not do to meet the tenant's needs and comply with the tenant's preference relative to the identified course of action
 - Alternatives offered to reduce the risk or mitigate the consequences relating to the situation or condition
 - The agreed upon course of action, including responsibilities of both the tenant and the RCAC
 - The tenant's understanding and acceptance of responsibility for the outcome from the agreed upon course of action

DHS 89.28 – Risk Agreement (continued)

- The risk agreement must also identify:
 - Unmet needs: Any needs identified in the comprehensive assessment that will not be provided for by the RCAC, either directly or under contract
 - Notice regarding enforcement in registered facilities (for registered RCACs only, provide notice that the department does not routinely inspect registered RCACs or verify their compliance with this chapter and does not enforce contractual obligations under the service or risk agreements)



DHS 89.28 – Risk Agreement (continued)

- A risk agreement may not waive any provision of DHS 89 or any other right of a tenant
- Neither the tenant nor the RCAC may refuse to accept reasonable risk or insist that the other party accept unreasonable risk
- The risk agreement must be signed and dated by a representative of the RCAC and by the tenant or the tenant's legal representative
- The risk agreement must be updated when the tenant's condition or service needs change in a way that may affect risk, as indicated by a review and update of the comprehensive assessment, by a change in the service agreement or at the request of the tenant or the RCAC



DHS 89.29 – Admission and Retention of Tenants

- No RCAC may admit any of the following persons, unless the person being admitted shares an apartment with a competent spouse or other person who has legal responsibility for the individual:
 - A person who has a court determination of incompetence and is subject to guardianship under ch. 54, Stats.
 - A person who has an activated power of attorney for health care under ch. 155, Stats.
 - A person who has been found by a physician or psychologist to be incapable of recognizing danger, summoning assistance, expressing need or making care decisions

NOTE: This requirement is included because tenants must be competent to understand and express their needs and preferences, enter into a service agreement and understand and accept risk

DHS 89.29 – Admission and Retention of Tenants (continued)

- If the secretary of the department has certified that a resource center, as defined in s. DHS 10.13 (42), is available for the RCAC under s. DHS 10.71, the RCAC must provide information to prospective tenants and refer tenants and prospective tenants to the aging and disability resource center as required under s. 50.034 (5m) to (5p) Stats., and s. DHS 10.73
- An RCAC may retain a tenant whose service needs can be met by the facility or can be met with services made available by another provider

DHS 89.29 – Admission and Retention of Tenants (continued)

- An RCAC may retain a tenant who becomes incompetent or incapable of recognizing danger, summoning assistance, expressing need or making care decisions provided that the RCAC ensures all of the following:
 - That adequate oversight, protection and services are provided for the tenant
 - That the tenant has a guardian appointed or has an activated power of attorney for health care or a durable power of attorney, or both
 - That both the service agreement and risk agreement are signed by the guardian and the health care agent or the agent with power of attorney, if any
 - No owner, operator, staff member or family member of a person connected with an RCAC may serve as a guardian, representative payee or other financial conservator for a tenant of the RCAC

DHS 89.29 – Admission and Retention of Tenants (continued)

- An RCAC may terminate a contract with a tenant when any of the following apply:
 - Except as provided below*, the tenant's needs cannot be met at the level of service which RCACs are required to make available
 - Except as provided below*, the time required to provide supportive, personal and nursing services to the tenant exceeds 28 hours per week
 - Except as provided below*, the tenant's condition requires the immediate availability of a nurse 24 hours a day

*An RCAC may not terminate a contract with a tenant if the tenant arranges for the needed services from another provider consistent with the provisions of DHS 89.24(2)(b) and any unmet needs or disputes regarding potentially unsafe situations are documented in a risk agreement

DHS 89.29 – Admission and Retention of Tenants (continued)

- An RCAC may also terminate a contract with a tenant when any of the following apply:
 - The tenant is adjudicated incompetent, has an activated power of attorney for health care, or has been found to be incapable of recognizing danger, summoning assistance, expressing need or making care decisions by 2 physicians or by one physician and one licensed psychologist who have personally examined the tenant and signed a statement specifying that the person is incapable
 - The tenant's behavior or condition poses an immediate threat to the health or safety of self or others
 - The tenant refuses to cooperate in an examination by a physician or psychologist of their own choosing to determine their health or mental status for the purpose of establishing appropriateness for retention or termination
 - The tenant's fees have not been paid, provided the tenant and the tenant's designated representative were notified and given reasonable opportunity to pay any deficiency
 - The tenant refuses to enter into a negotiated risk agreement or refuses to revise the risk agreement when there is a documented and significant medical reason to do so
 - There is the presence of any condition identified as grounds for termination in the service agreement

DHS 89.29 – Admission and Retention of Tenants (continued)

- Except for an emergency, an RCAC must provide 30 days advance notice of termination to the tenant and the tenant's designated representative (if there is no designated representative, the RCAC must notify the county department of social or human services)
- Notice of termination must include the grounds for termination and information about how to file a grievance consistent with the grievance policies and procedures in the service agreement
- The 30 day notice period may include the period covered by a notice of nonpayment of fees and opportunity to pay any deficiency, provided that notice of termination is included with the notice of nonpayment of fees
- No 30 day notice is required in an emergency (in this section, "emergency" means an immediate and documented threat to the health or safety of the tenant or of others in the RCAC)
- If the requirements of DHS 89 are violated by either the RCAC or the tenant, the party which is not in violation may terminate the contract on 30 days written notice without financial penalty

Tenant Rights

- An RCAC must establish written policies regarding tenant rights
- An RCAC must explain and provide copies of the tenant rights and of any related facility policies and procedures to the tenant and to his or her designated representative before the service agreement or any other written agreement between the tenant and the facility is signed
- A copy of the rights and related policies shall be posted in a public place in the facility where they will be visible to tenants, visitors and staff

DHS 89.34 – Tenant Rights (continued)

- Tenant rights must include all of the following:
 - Courtesy and respect
 - Privacy
 - Self-direction
 - Management of financial affairs
 - Service choice
 - Choice of health care providers
 - Furnishings and possessions
 - Association
 - Mail
 - Telephone
 - Religion
 - Confidentiality of records
 - Access to records
 - Disclosure of personal information
 - Receipt of services
 - Medications
 - Safe environment
 - Freedom from abuse



DHS 89.35 – Grievances

- An RCAC must have a written grievance procedure and provide a copy to each tenant and tenant’s designated representative
- Tenants of an RCAC may file complaints with the department, and the grievance procedure must include information about how to file a complaint with the department

DHS 89.35 – Grievances (continued)

- Any person assigned by the RCAC to investigate the facts associated with a grievance must not have had any involvement in the issues leading to the grievance
- The RCAC must provide a written summary of the grievance, findings, conclusions and any action taken as a result of the grievance to the tenant, the tenant’s designated representative, and for tenants whose services are funded under s. 46.27 (11) or 46.277, Stats., the county department or aging unit designated to administer the medical assistance waiver

DHS 89.36 – Coercion and Retaliation Prohibited

- Any form of coercion to discourage or prevent a tenant from exercising the rights under DHS 89 is prohibited
- Any form of retaliation against a tenant for exercising his or her rights or filing a grievance or complaint, or against an employee who assists a tenant in exercising his or her rights or filing a grievance or complaint, is prohibited

DHS 89.54 – Reporting of Changes

- A certified RCAC must report to the department 30 days prior to any change which may affect compliance with this chapter, including change of ownership, administration, building or continued operation





- Incomplete or inactive applications will be closed after one year
- Certification fees will not be refunded
- The Bureau of Assisted Living does not provide tenant referrals or funding for assisted living facilities

Resources

- Starting up a Residential Care Apartment Complex
http://dhs.wisconsin.gov/rl_dsl/RCACs/RCACInqResp.htm
- Wisconsin Assisted Living Facilities and Programs:
<http://dhs.wisconsin.gov/bqaconsumer/AssistedLiving/AsLivindex.htm>
- DQA Memos:
http://dhs.wisconsin.gov/rl_DSL/Publications/BQAnodMems.htm
- Provider Associations:
http://dhs.wisconsin.gov/rl_DSL/RelatedSites/provassoc.htm
- DQA E-Mail Subscription Service:
http://dhs.wisconsin.gov/rl_dsl/Listserv/signup.HTM

Verification of Completion

- On the next slide is a form on which to verify that you have viewed this webcast in its entirety
- Print the form, sign and date where indicated and submit the form with your RCAC application materials



Select the link below to access the
Verification of Completion
Residential Care Apartment Complex
(RCAC) Webcast

Link: [Verification of Completion](#)

(This form must be submitted with your
application for a RCAC license.)

Thank you!


