



State of Louisiana
Louisiana Department of Health
Office of Aging Adult Services

MEMORANDUM

OAAS-P-18-009

TO: OAAS Home and Community-Based Services (HCBS) Providers and
OAAS Adult Day Health Care (ADHC) Providers

FROM: Kirsten Clebert *Kirsten Clebert*
OAAS Policy Development Division Director

Date: May 18, 2018

Subject: Required Notification Procedures for Business Closures

The purpose of this memorandum is to remind all HCBS and ADHC licensed providers that proper procedures, in accordance with the Louisiana Administrative Code, must be followed when an ADHC or HCBS provider determines that it will no longer remain in business. Recently, OAAS has not been notified when providers are closing their businesses. It is important that providers send a **signed copy** of the required 30 days advance notice to **ALL** parties identified below and follow **ALL** required procedures.

As per the Louisiana Administrative Code Licensing Standards found in LAC 48, Part 1. §4222 (for ADHC) and §5026 (for HCBS Providers):

ADHC Providers:

§4222. Cessation of Business

- E. Prior to the effective date of the closure or cessation of business, the ADHC center shall:
1. give 30 days' advance written notice to:
 - a. each participant or participant's legal representative, if applicable;
 - b. each participant's physician;
 - c. Health Standards Section (HSS);
 - d. Office of Aging and Adult Services (OAAS); and

- e. support coordination agency for waiver participants;
 2. provide for a safe and orderly discharge and transition of all of the center's participants.
- F. In addition to the advance notice, the ADHC center shall submit a written plan for the disposition of participant(s) medical records for approval by the department. The plan shall include the following:
 1. the effective date of the closure;
 2. provisions that comply with federal and state laws on storage, maintenance, access and confidentiality of the closed center's patients medical records;
 3. the name and contact information for the appointed custodian(s) who shall provide the following:
 - a. access to records and copies of records to the patient or authorized representative, upon presentation of proper authorization(s); and
 - b. physical and environmental security that protects the records against fire, water, intrusion, unauthorized access, loss and destruction;
 4. public notice regarding access to records, in the newspaper with the largest circulation in close proximity to the closing center, at least 15 days prior to the effective date of closure.
- G. If an ADHC center fails to follow these procedures, the owners, managers, officers, directors and administrators may be prohibited from opening, managing, directing, operating or owning an ADHC center for a period of two years.

HCBS Providers:

§5026. Cessation of Business

- E. Prior to the effective date of the closure or cessation of business, the HCBS provider shall:
 1. give 30 days' advance written notice to:
 - a. each client or client's legal representative, if applicable;
 - b. each client's physician;
 - c. HSS;
 - d. OCDD;
 - e. OAAS;

- f. support coordination agency for waiver participants;
 - g. state contractor for state plan LT-PCS services;
 2. provide for a safe and orderly discharge and transition of all of the HCBS provider's clients.
- F. In addition to the advance notice, the provider shall submit a written plan for the disposition of client services related records for approval by the department. The plan shall include the following:
 1. the effective date of the closure;
 2. provisions that comply with federal and state laws on storage, maintenance, access, and confidentiality of the closed provider's client services related records;
 3. the name and contact information for the appointed custodian(s) who shall provide the following:
 - a. access to records and copies of records to the patient or authorized representative, upon presentation of proper authorization(s); and
 - b. physical and environmental security that protects the records against fire, water, intrusion, unauthorized access, loss and destruction;
 4. public notice regarding access to records, in the newspaper with the largest circulation in close proximity to the closing provider, at least 15 days prior to the effective date of closure.
- G. If an HCBS provider fails to follow these procedures, the owners, managers, officers, directors, and administrators may be prohibited from opening, managing, directing, operating, or owning an HCBS for a period of two years.

In addition, the provider must immediately return the original license to HSS once the provider closes its business. If you have any questions regarding these licensing requirements, you can call LDH Health Standards Section at 225-342-0138 or via email to HSS.Mail@la.gov.

KC:mr

c: OAAS State Office
OAAS Regional Offices
OAAS Support Coordination Agencies
Health Standards Section (HSS)
Long Term Care Access Contractor Medicaid Programs Supports and Waivers (MPSW)