



COMMISSIONER
Jon Weizenbaum

October 1, 2013

To: Nursing Facilities

Subject: **Provider Letter 13-34** – Nursing Facility (NF) Licensure Period and Fee Changes

House Bill 3196, 83rd Texas Legislature, Regular Session, 2013, amended Health and Safety Code §242.034(a) by authorizing the Department of Aging and Disability Services (DADS) to adjust NF license fees. The new license fees will align with the three-year licensure period authorized by Senate Bill (SB) 7, 82nd Texas Legislature, First Called Session, 2011. (SB 7 amended Health and Safety Code §242.033(d) by extending the NF licensure period from two years to three years.) Texas Administrative Code Title 40, Part 1, Chapter 19, Nursing Facility Requirements for Licensure and Medicaid Certification, is being amended to implement the new license fees.

The three-year initial and renewal license fee is \$375 plus \$15 for each unit of capacity or bed space for which a license is sought. To coincide with the anticipated rules effective date, the implementation date for the three-year license fee is January 1, 2014. Beginning that date, DADS will process licenses in the following manner:

- DADS will charge the three-year license fee for initial applications filed on or after January 1, 2014.
- DADS will charge the three-year license fee for change of ownership applications filed with an effective date of January 1, 2014, or later.
- DADS is staggering the three-year licensure period for NF license renewals that fall between September 1, 2013, and August 31, 2014 as outlined in Provider Letter 12-33 – Licensure Period Changes. Facilities with a facility identification number ending in an odd digit (whose licenses expire between January 1, 2014, and August 31, 2014), will be charged a three-year fee. Facilities with a facility identification number ending in an even digit (whose licenses expire between January 1, 2014, and August 31, 2014), will be charged two-thirds of a three-year fee.
- DADS will charge the three-year license fee for all licenses that expire after August 31, 2014.

If you have any questions about this letter, please contact a program specialist in the NF Licensure and Certification Unit at 512-438-2630.

Sincerely,

Susan E. Davis
Interim Assistant Commissioner
Regulatory Services

SED/cg