



## **Guidance for Providers on Nursing Facility Changes of Ownership**

### **Background**

Effective July 1, 2018, there was a new Change of Ownership (CHOW) process implemented for nursing facility providers to make the CHOW process faster and easier.

### **What is a CHOW?**

A CHOW occurs when there is a change in the nursing facility ownership, including either a change in individual owners, corporations, or general partnerships (e.g., a new partnership agreement would constitute a CHOW).

### **What should I do if I am considering a CHOW?**

Buyers considering a CHOW must notify TennCare and TennCare Managed Care Organizations (MCOs) **at least sixty (60) days prior** to the anticipated effective date of the CHOW using the *Provider Change of Ownership Notification Form*. This form is the same for all MCOs and is located at the end of this guidance document. Failure to notify the MCOs at least sixty (60) days prior to the effective date of the CHOW may result in claim payment delays.

**NOTE:** If there are changes to the proposed CHOW effective date or the transaction is not completed, the buyer must notify TennCare and TennCare MCOs within one (1) business day or as soon as possible of either the change in the effective date or cancellation of the proposed CHOW.

### **If more than one facility is involved in the CHOW, are multiple forms required?**

If the current legal entity (seller) is selling a group of facilities, each employer identification number (tax ID) must be completed separately on its own individual form. In these instances, please send all forms as a single submission to TennCare and the MCO(s).

### **Where do I send my completed CHOW form?**

Please submit a completed request and supporting documents for CHOW to the following addresses:

- TennCare: [Provider.Registration@tn.gov](mailto:Provider.Registration@tn.gov)
- BlueCare Tennessee: [Provider\\_CHOW@bcbst.com](mailto:Provider_CHOW@bcbst.com)
- Amerigroup Community Care: [tnltsprovidercontracting@anthem.com](mailto:tnltsprovidercontracting@anthem.com)
- UnitedHealthcare: [tn\\_ltc\\_networkmail@uhc.com](mailto:tn_ltc_networkmail@uhc.com)

### **What happens after I submit my CHOW materials?**

MCO contracting representatives will review the materials submitted. If the materials are incomplete or if there are questions, MCO representatives will contact you.

### **What if I need assistance with the form or supporting documents?**

Please see the MCO provider websites below or contact the applicable MCO(s) at the following numbers:

Health Plan	Provider Services
Amerigroup Community Care: <a href="https://providers.amerigroup.com/TN">https://providers.amerigroup.com/TN</a>	1-800-454-3730
BlueCare Tennessee: <a href="https://bluecare.bcbst.com/providers/">https://bluecare.bcbst.com/providers/</a>	1-800-468-9736
UnitedHealthcare Community Plan: <a href="https://www.uhcprovider.com/en/health-plans-by-state/tennessee-health-plans/tn-comm-plan-home.html">https://www.uhcprovider.com/en/health-plans-by-state/tennessee-health-plans/tn-comm-plan-home.html</a>	1-800-690-1606

### **How do I get my Medicaid ID?**

To become a Medicaid provider, you must complete enrollment registration online to obtain a Medicaid ID and complete the required Disclosure of Ownership (*DOO*) via the TennCare Electronic Registration Portal. To do this:

- Access the web portal from [www.tn.gov/tenncare](http://www.tn.gov/tenncare)
- Select **Providers** and then **Provider Registration**.
  - If you have additional questions or need assistance, please call toll free: 1-800-852-2683 Monday-Friday 8 a.m.- 4:30 p.m. CT or email questions to: [Provider.Registration@tn.gov](mailto:Provider.Registration@tn.gov).
- Once completed, you will receive an email from TennCare noting the completed registration and new Medicaid ID. Upon receipt, please notify the MCOs using the MCO contact information above to release claims for out-of-network payment and to begin the contracting process.

### **Contracting with MCOs**

#### ***Buyer Assumes Existing MCO Provider Agreement***

All buyers must sign both a participating agreement with the State and a provider agreement with the MCOs to allow participation in the Medicaid program. To expedite the CHOW process, the State requires that MCOs have a provider agreement in place with the buyer – either a newly executed contract or assignment of the previous contract – prior to the effective date of the CHOW.

If the buyer assumes the existing MCO provider agreement, the buyer receives benefits such as any underpayments discovered after the CHOW. However, the buyer also assumes all penalties and sanctions under the MCO program, including repayment of any accrued overpayments

discovered, regardless of who had ownership of the provider agreement at the time of the overpayment **unless** fraud was involved. If fraud is involved, in any fiscal year the seller had assignment, responsibility for the repayment of fraudulent overpayments remains with the seller.

By operation of T.C.A. §§ 71-5-132 and 71-5-1003 the Buyer is responsible for “outstanding liabilities” at the time of purchase, unless fraud was involved. The Buyer is required to make provision for any monies owed to Medicaid before the CHOW can become effective. This includes any past due payments for the nursing facility assessment fee. Any arrangements between the buyer and seller to address those issues are a private contractual matter between the parties.

The Buyer is required to send a copy of the bill of sale or purchase documentation (minus purchase price) to the MCO within 5 business days of closing. Failure to provide this within the required timeframe will result in suspension of payments under the new owner.

Once a CHOW becomes effective, the buyer becomes the only party bound by the MCO provider agreement, which controls the organization’s interactions with the MCO. **This means that the buyer must submit claims under their new Provider Medicaid ID number, NPI, and Tax ID.** The Seller’s Medicaid ID will allow for final claims processing to occur. The transaction agreement(s) should include reimbursement arrangements to the seller. After the CHOW becomes effective, the seller may submit claims under its Medicaid ID only for dates of service that occurred before the effective date of the CHOW.

#### ***Buyer Does Not Assume Existing MCO Provider Agreement***

As stated above, buyers must execute a participating agreement with the State to participate in the Medicaid program. However, if the seller refuses to assign, or the buyer refuses to assume the existing MCO provider agreement, the buyer must enter into its own MCO provider agreement.

#### **Claims Processing**

Claims for dates of service by the provider *on or after* the CHOW **must be filed using the NPI/Medicaid ID for the new owner.**

Claims for dates of service *prior to* the date of the CHOW will continue to be billed under the seller’s NPI.

## Provider Change of Ownership Notification Form

Buyers considering a change of ownership must notify the MCO(s) at least sixty (60) days prior to the anticipated effective date of change or as soon as change of ownership has been determined. The buyer's notice to MCOs regarding a change of ownership must contain the information listed below:

<b>Please select the applicable MCO</b>	
<input type="checkbox"/> BlueCare Tennessee <input type="checkbox"/> Amerigroup Community Care <input type="checkbox"/> UnitedHealthcare	
<b>Former legal business name (W-9)</b>	
Old legal entity name	
Primary address	
NPI/TIN/taxonomy	
Medicare provider ID	
<b>New legal business name (W-9)</b>	
New legal entity name	
NPI/TIN/taxonomy	
Medicare Provider ID	
Anticipated date of ownership change	
Contact person	
Telephone number	

### Additional required documents to initiate a CHOW:

- A copy of the existing nursing facility license
- A listing of timeframes for the buyer to submit required information to MCOs to complete a new contract. This includes timeframes for completing:
  - The universal credentialing application;
  - The buyer's Medicaid ID
- The proposed organization chart for the buyer, including the names and titles of key management staff
- Signed attestation providing assurances that any outstanding compliance issues will be fully resolved;