



COMMISSIONER
Chris Traylor

March 15, 2010

To: Adult Day Care Facilities, Assisted Living Facilities (Except Type C Facilities) and Intermediate Care Facilities for Persons with Mental Retardation

Subject: **Provider Letter 10-04** – Revised Form 3720 (Application for State License to Operate a Long-Term Care Facility)

Effective April 1, 2010, the Department of Aging and Disability Services (DADS) will implement use of the revised Form 3720 (Application for State License to Operate a Long-Term Care Facility). The revised form will be available on the DADS website beginning on March 15, 2010, at <http://www.dads.state.tx.us/forms/3720>.

The new application forms will apply to initial and change of ownership (CHOW) licenses that have an effective date of May 1, 2010, or later.

Since initial licenses are not effective until the date the facility complies with all survey requirements, including both Life Safety Code and health surveys, it may not be apparent whether the effective date for some licenses will be prior to or after May 1, 2010. In those cases, Regulatory Services enrollment staff will work with the applicant to obtain any new information required by the new forms. The additional information required should be minimal and the licensure process should not be delayed or disrupted by this requirement.

Since applicants must submit CHOW applications at least 30 days prior to the effective date, Regulatory Services enrollment staff will work with CHOW applicants that have an effective date in early May to obtain any additional information required by the new forms. The additional information required should be minimal and the licensure process should not be delayed.

The new application forms will apply to license renewal applications that have an effective date of September 1, 2010, or later.

License renewal packets are generated electronically, printed and mailed to licensees approximately 120 days prior to expiration of the current license. All license renewal packets generated and mailed to licensees prior to April 1, 2010, will be produced in the current format. DADS enrollment staff will work with license renewal applicants to obtain any new information required by the new form during the transition period.

The major changes to Form 3720 are as follows:

- Items 1–5 on the front page of the application form have been reformatted for clarity purposes.
- Items 6 & 7, pertaining to ownership and management of the facility, have been modified in order to more clearly identify all controlling persons and the ownership and management structures of each licensed entity. One of the primary factors necessitating this modification is the increasingly complex multi-tiered ownership structures of health care providers.
- Item 8, pertaining to other controlling persons, was added to the form. The current form does not provide applicants an opportunity to identify controlling persons that are not members of the ownership or management entities.
- Item 9, pertaining to real estate information, was modified to more clearly identify the actual ownership of the property and the legal circumstances under which the licensee has the right to occupy the real estate (i.e., ownership, lease, sub-lease, multiple sub-leases, etc.). The new format will better enable DADS to identify the precise role of landlords and tenants for each facility.
- Item 10, pertaining to disclosure requirements, was updated and modified. Applicants that operate multiple facilities are no longer required to provide a list of all of their facilities. They will now only be required to enter information about facilities they operate that are not licensed by DADS in this revised portion of the application. Additionally, the revised form updated disclosure requirements, including disclosure time periods, specified in current rules.
- Item 11, pertaining to approval by the local fire authority, is essentially unchanged.
- Item 12, the affidavit attesting that the application is complete and correct, contains only minor modifications.

If you have questions about these matters, please call 512-438-2630 and request assistance from a facility licensing specialist.

Sincerely,

[signature on file]

Veronda L. Durden
Assistant Commissioner
Regulatory Services

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