

**WAC 388-96-026 New contractors.** (1) For purposes of administering the payment system, the department shall consider a "new contractor" as one who receives a new vendor number and:

(a) Builds from the ground-up a new facility; and operates the new facility with completely new staff, administration and residents. If the "new contractor" operated a nursing facility immediately before the opening of the new facility, then the "new contractor" must operate the new facility with:

(i) Staff and administration that are substantially to completely different than the previous operation of the "new contractor"; and

(ii) A resident population that is substantially to completely different than the residents residing in the previous nursing facility; or

(b) Currently operates, acquires, or assumes responsibility for operating an existing nursing facility that was not operated under a medicaid contract immediately prior to the effective date of the new medicaid contract; or

(c) Purchases or leases a nursing facility that, at the time of the purchase or lease, was operated under a medicaid contract.

(2) A new contractor shall submit:

(a) At least sixty days before the effective date of the contract or assignment, a statement disclosing the identity of individuals or organizations who:

(i) Have a beneficial ownership interest in the current operating entity or the land, building, or equipment of the facility; or

(ii) Have a beneficial ownership interest in the purchasing or leasing entity.

(b) By March 31st of the following year, a cost report for the period from the effective date of the contract or assignment through December 31st of year the contract or assignment was effective.

[Statutory Authority: Chapter 74.46 RCW as amended by 1998 c 322 § 19(11) and RCW 74.46.800. WSR 98-20-023, § 388-96-026, filed 9/25/98, effective 10/1/98. Statutory Authority: RCW 74.46.800, 74.46.450 and 74.09.120. WSR 93-12-051 (Order 3555), § 388-96-026, filed 5/26/93, effective 6/26/93. Statutory Authority: RCW 74.46.800. WSR 92-16-013 (Order 3424), § 388-96-026, filed 7/23/92, effective 8/23/92. Statutory Authority: RCW 74.09.180 and 74.46.800. WSR 89-01-095 (Order 2742), § 388-96-026, filed 12/21/88. Statutory Authority: RCW 74.09.120. WSR 83-19-047 (Order 2025), § 388-96-026, filed 9/16/83; Order 1262, § 388-96-026, filed 12/30/77.]