**7121 AFC Homes with Four or More Residents and Members**

Revision 20-1; Effective March 16, 2020

An adult foster care (AFC) home provider must obtain an assisted living facility (ALF) license if the AFC home provider wants to serve four or more private pay residents and/or members. The AFC home provider may apply for an ALF license from the Texas Health and Human Services Commission (HHSC) Regulatory Services Division. The license must be renewed annually and requires an annual fee. Licensing standards for various types of AL facilities are found in [Title 26 Texas Administrative Code (TAC), Chapter 553](https://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=4&ti=40&pt=1&ch=92" \t "_blank).

The AFC home provider must submit a copy of the ALF license to the managed care organization (MCO) or MCO-contracted AFC provider agency before being credentialed and upon renewal. The AFC home provider must report to the MCO or MCO-contracted AFC provider agency any problem(s) identified by HHSC Regulatory Services. AFC home providers must meet all applicable requirements in the minimum standards for AFC. AFC home providers with an AL license must serve no more than a total of eight adult residents in a small group home.

AFC homes of four or more residents, without an HHSC contract, are also subject to the following two sets of regulations:

* [Appendix XXIV](https://hhs.texas.gov/laws-regulations/handbooks/sph/appendices/appendix-xxiv-minimum-standards-starplus-afc-homes-home-providers), Minimum Standards for STAR+PLUS AFC Homes and Home Providers; and
* Licensing Standards for Assisted Living Facilities, found in Title 40 TAC, Chapter 92.

The stricter requirements apply when requirements of the two sets of regulations conflict. For example, an AFC home licensed as a small group home must comply with the requirement that an attendant be present at all times when residents are in the facility. This requirement applies regardless of the number of members currently residing in the facility.

If the MCO uses a contracted AFC provider agency, the contracted AFC provider agency must provide copies of any licenses for AFC homes of four or more residents when the MCO requests them.