

**DEPARTMENT OF HEALTH & HUMAN SERVICES**  
**Health Care Financing Administration**

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Region VI  
1301 Young Street, Room 833  
Dallas, Texas 75202

May 22, 1998

REGIONAL SURVEY AND CERTIFICATION LETTER NO: 98-08

To: All State Survey Agencies (Action)  
All Title XIX Single State Agencies (Information)

Subject: Voluntary Withdrawals From the Medicare Program

We have recently been receiving numerous requests from health care facilities informing HCFA that they are ceasing operations. We have reviewed our policy for voluntary withdrawals and have enclosed our identical letter to all state agencies dated February 6, 1995.

This letter directed state agencies to begin processing these voluntary terminations effective February 28, 1995. It also requested states to notify the fiscal intermediaries by sending the HCFA 1539 (Certification and Transmittal) directly to the appropriate intermediary. In addition, states were to update the OSCAR/ODIE system at the same time the intermediary was notified of voluntary terminations.

It is our understanding that states have been following this policy since February 28, 1995. If you have any questions, please contact Jann Caldwell at (214) 767-4401.

Sincerely,

~Signature on File~

Calvin G. Cline, Chief  
Survey and Certification Operations  
Division of Medicaid and State Operations

Enclosure

**DEPARTMENT OF HEALTH & HUMAN SERVICES**  
**Health Care Financing Administration**

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Region VI  
1301 Young Street, Room 833  
Dallas, Texas 75202

February 6, 1998

IDENTICAL LETTER TO ALL STATE AGENCIES

CC-01-06

Dear Directors:

The RO is requesting the State agency to implement two new procedures for processing voluntary terminations. The new procedures give the State agency the responsibility for processing voluntary terminations and terminating nursing facilities (NFs) when the NF converts to a skilled nursing facility (SNF). The State agency will take an action to terminate providers wishing to withdraw from the Medicare program or convert to a SNF.

We have enclosed the two new procedures involving the new process. The State agency will send the HCFA 1539 (Certification and Transmittal) directly to the fiscal intermediary (in the case of a NF the Medicaid agency should be notified). The State agency will also update the OSCAR System. As you recall, we discussed implementing this procedure for terminating the NF provider number after conversion to a SNF during our State Agency conference call on the pilot for processing initial certifications. In addition, we are requesting you to process voluntary terminations. The implementation date is February 28, 1995.

Please have your staff to review the new procedures and contact us if they have any questions or comments. Your staff may call me at 214 767-4439 or they may call the Policy Review Team member (Charline Belfrey, Wanda Eskue, LaDonna Fulton, Tiffany Stebel and Jancie Stevenson).

Sincerely,

/s/

Diane Wade,  
Policy Review Coordinator