STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Home and Community Living Administration
PO Box 45600, Olympia, WA 98504-5600

September 3, 2026

CERTIFIED MAIL 9489 0090 0027 6340 7264 08

Administrator
The Cottages at Lacey
8570 Martin Way E
Lacey, WA 98516

Assisted Living Facility License # **2443**
Licensee: Lacey Special Care Community LLC

IMPOSITION OF CIVIL FINES AND
IMPOSITION OF CONDITIONS ON A LICENSE

Dear Administrator:

On August 20, 2026, the Department of Social and Health Services (DSHS), Residential Care Services completed a full inspection at your facility. This letter constitutes formal notice of civil fines and the imposition of conditions on the license for your assisted living facility, also known as **The Cottages at Lacey,** located at **8570 Martin Way E, Lacey,** by the State of Washington, Department of Social and Health Services. These actions are taken under the authority granted pursuant to Laws of 1998, Chapter 272 and RCW 18.20.190 and 18.20.520.

The civil fines and conditions on the license are based on the following violations of the RCW and/or WAC as described in the attached Statement of Deficiencies (SOD) report dated **August 20, 2026.**

Civil Fines

WAC 388-78A-2320 (1)(a)(b)(2)(b)(3)(c) Intermittent nursing services systems. **$1,500.00**

The licensee failed to have Registered Nurse (RN) Delegation services and documentation in place for four residents. This failure placed all memory care residents that required RN delegation and receiving RN delegated services at risk for receiving care and services by untrained staff.

This is a recurring deficiency previously cited on February 28, 2025, December 17, 2024, and October 14, 2024.

WAC 388-78A-2610 (1)(2)(c)(ii)(d)(e) Infection control. **$1,500.00**

The licensee failed to ensure the facility staff members washed their hands per the acceptable standards for two staff members observed. The facility failed to ensure infection control supplies were accessible and available for none care areas reviewed for staff to use. These failures resulted in staff not having necessary infection control supplies and placed all memory care residents, all staff, and visitors at risk of contracting and spreading communicable diseases.

This is a recurring deficiency previously cited on December 17, 2024, October 24, 2024, April 5, 2024, and January 18, 2024, under subsections (1)(2)(c)(e).

WAC 388-78A-3100 (1)(2)(3)(4) Safe storage of supplies. and equipment. **$750.00**

The licensee failed to secure potentially hazardous supplies accessible to memory care residents for two locations within the facility. This failure placed all memory care residents at risk of ingesting potentially toxic materials.

This is a recurring deficiency previously cited on December 17, 2024, October 14, 2024, and January 18, 2024.

WAC 388-78A-3090 (1)(a)(b)(c) Maintenance and housekeeping. **$600.00**

The licensee failed to provide a safe, sanitary, and well-maintained environment for three Cottages reviewed. These failures placed all memory care residents at risk to have a diminished quality of life due to unsafe, unsanitary, and unmaintained living conditions for all residents.

This is a recurring deficiency previously cited on April 5, 2024, and January 18, 2024, under subsection (1)(a).

WAC 388-78A-2660 (1)(4) Resident rights. **$400.00**

The licensee failed to address and resolve resident grievances for two residents. This failure resulted in residents having unresolved concerns and placed all residents at risk for decreased quality of life.

This is a recurring deficiency previously cited on August 22, 2025, under subsection (1)(4).

Conditions on License

WAC 388-78A-2320 (1)(a)(b)(2)(b)(3)(c) Intermittent nursing services systems.

The licensee failed to have Registered Nurse (RN) Delegation services and documentation in place for four residents. This failure placed all memory care residents that required RN delegation and receiving RN delegated services at risk for receiving care and services by untrained staff.

This is a recurring deficiency previously cited on February 28, 2025, December 17, 2024, and October 14, 2024.

WAC 388-78A-2610 (1)(2)(c)(ii)(d)(e) Infection control.

The licensee failed to ensure the facility staff members washed their hands per the acceptable standards for two staff members observed. The facility failed to ensure infection control supplies were accessible and available for none care areas reviewed for staff to use. These failures resulted in staff not having necessary infection control supplies and placed all memory care residents, all staff, and visitors at risk of contracting and spreading communicable diseases.

This is a recurring deficiency previously cited on December 17, 2024, October 24, 2024, April 5, 2024, and January 18, 2024, under subsections (1)(2)(c)(e).

The department has determined that the following conditions shall be placed on your assisted living facility license:

- ***The licensee must hire, at their own expense, a Registered Nurse Consultant (RNC) not currently or previously associated with the facility no later than September 21, 2026, who is familiar with assisted living facility regulations, nursing delegation, and infection control, to assist with the following:***
  - ***Ensure ALL staff providing nursing delegation services have complete documentation for DSHS Nurse Delegation certifications, and Nurse Delegation training to include weekly RND supervision and evaluation no later than October 9, 2026.***
  - ***Ensure only staff with current necessary qualifications provide delegated tasks to any resident assessed to need the service.***
  - ***All residents requiring nursing delegation services have the required consents in place.***
  - ***Develop and implement processes for staff providing nurse delegation tasks to not pass medications until they are delegated to do so.***

  - ***Ensure all staff are trained and can demonstrate proper hand hygiene practices related to infection control.***
  - ***Ensure sure hand hygiene supplies and equipment are readily available and accessible.***

- ***The licensee will provide the RNC with a copy of the August 20, 2026, Statement of Deficiencies report.***

- ***The licensee will provide the Residential Care Services (RCS) Field Manager with the RNC contact information as soon as the RNC is hired.***

- ***The licensee must meet with the RCS Field Manager and Regional Administrator to discuss continued non-compliance and Department expectations by October 12, 2026.***

- ***The RNC will be available to the Department for questions.***

- ***The RNC will send weekly progress reports to the RCS Field Manager for review.***

- ***The licensee must post this Notice of Conditions of Operation, with the license, in a visible location in a common use area accessible to residents and visitors.***

These conditions are effective on **September 3, 2026,** and remain in effect until lifted by formal Department of Social and Health Services notice.

NOTE: These are the violations, which resulted in the fines and conditions; see the attached Statement of Deficiencies for any additional violations. These deficiencies are also included as violations of your conditional certification of Memory Care.

Attestation (Plan of Correction):

Return the enclosed SOD within 10 calendar days with the following:

- The date you have or will have each deficiency corrected;
- A signature and date attesting that you are taking actions to correct and maintain correction for each cited deficiency.

Return the signed and dated SOD to:

Cory Cisneros, Field Manager
Region 3, Unit E
6639 Capitol Blvd SW Point Plaza West
Tumwater, WA 98501
Phone: (253) 254-3190/ Fax: (360) 664-8451
rcsregion3email@dshs.wa.gov

Appeal Rights:

You have two appeal rights: Informal Dispute Resolution (IDR) and an Administrative Hearing. Each has a different request timeline.

Informal Dispute Resolution [RCW 18.20.195]

You have an opportunity to challenge the deficiencies and/or enforcement actions through the state's IDR process. **All IDR requests must be in writing and include:**

- The deficiencies you are disputing; and
- The method of review you prefer (face-to-face, telephone conference or documentation review).

The written request must be received by the 10th working day from receipt of this letter.

During the IDR process, you will have the opportunity to present written and/or oral evidence to dispute the deficiencies.

You can make an IDR request and find directions on the IDR web page at: http://www.dshs.wa.gov/altsa/idr.

Formal Administrative Hearing

You may contest the civil fines and conditions by requesting a formal administrative hearing to challenge the deficiencies, which resulted in the civil fines and conditions. **All hearing requests must be in writing and include:**

- A copy of this letter; and
- A copy of the Statement of Deficiencies.

The written request must be received within twenty-eight (28) calendar days of receipt of this letter.

Send your **written** request to:

Office of Administrative Hearings
PO Box 42489
Olympia, Washington 98504-2489

Payment:

If you do not request a formal administrative hearing, the civil fines is due to the Office of Financial Recovery twenty-eight (28) calendar days after receipt of this letter.

Mail a check for **$4,750.00** payable to the 'Department of Social and Health Services', **and if you have or have had a Medicaid resident(s), please include your ProviderOne ID Number # on the check,** to:

DSHS Office of Financial Recovery
PO Box 9501
Olympia, WA 98507-9501
(360) 664-5919 / FAX: (360) 664-8401
OFRMMISVendor@dshs.wa.gov

If the Office of Financial Recovery has not received your payment within twenty-eight (28) days after receipt of this letter, interest will begin to accrue immediately on the balance, at the rate of one percent per month. If you do not submit a hearing request or make payment within twenty-eight (28) days, the balance due will be recovered.

NOTICE: State and federal law provide protections to defendants who are in military service, and to their dependents. Dependents of a service member are the service member's spouse, the service member's minor child, or and individual for whom the service member provided more than one-half of the individual's support for one hundred eight days immediately preceding an application for relief.

One protection provided is the protection against the entry of a default judgment in certain circumstances. This notice pertains only to a defendant who is a dependent of a member of the National Guard or a military reserve component under a call to active service, or a National Guard member under a call to service authorized by the governor of the state of Washington, for a period of more than thirty consecutive days. Other defendants in military service also have protections against default judgments not covered by this notice. If you are the dependent of a member of the national guard or a military reserve component under a call to active service, or a national guard member under a call to service authorized by the governor of the state of Washington, for a period of more than thirty consecutive days, you should notify the Department in writing of your status as such within twenty days of the receipt of this notice. If you fail to do so, then a court or an administrative tribunal may presume that you are not a dependent of an active duty member of the national guard or reserves, or a national guard member under a call to service authorized by the governor of the state of Washington, and proceed with the entry of an order of default and/or a default judgment without further proof of your status. Your response to the Department about your status does not constitute an appearance for jurisdictional purposes in any pending litigation nor a waiver of your rights.

If you have any questions, please contact Cory Cisneros, Field Manager, at (253) 254-3190.

Sincerely,

Matt Hauser
Compliance Specialist
Residential Care Services

Enclosure

cc: Field Manager, Region 3, Unit E
RCS Regional Administrator, Region 3
HCS Regional Administrator, Region 3
DDA Regional Administrator, Region 3
WA LTC Ombuds
Office of Financial Recovery, Vendor Program Unit
HQ Central Files
DRW
HP