

# **Licensing Fee Structure Report for Health Facilities and Agencies**

(Pursuant to Public Act 200 of 2012)

**April 12, 2013**

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## **REPORT AUTHORITY**

Public Act 200 of 2012, Section 731:

(1) The bureau of health systems shall prepare a report detailing the number of facilities, locations, and beds for each type of health facility licensed, certified, inspected, or otherwise regulated by the bureau. The report shall also include the bureau's cost to license, certify, inspect, or otherwise regulate each type of facility. The data required by this subsection shall be collected and reported on acute care hospitals, home health agencies, hospices, hospice residences, psychiatric units in general hospitals, psychiatric hospitals, partial hospitalization psychiatric programs, freestanding surgical outpatient facilities (FSOF), laboratories, end stage renal disease (ESRD) facilities, rural health clinics, substance abuse programs, radiation long-term care facilities including nursing homes, hospital long-term care units, county medical care facilities, and radiation machines.

(2) By February 1, the bureau of health systems shall work with interested stakeholders to recommend to the governor and the legislature a schedule of fees to be charged by the bureau for regulating health facilities. The fee schedule proposed by the bureau shall bear a direct relationship to the cost of the service or act, including overhead expenses. The report shall also recommend the necessary statutory and administrative rule changes necessary to implement the recommended fee schedule.

## **REPORT OVERVIEW**

In accordance with Public Act 200 of 2011, this report provides the following:

- A proposed fee schedule for State licensing of health facilities and agencies,
- Costs associated with State licensing and federal certification activities,
- Statutory and rule changes necessary to implement the proposed fee schedule, and
- A directory of all health facilities and agencies licensed and certified in the State.

# RECOMMENDED STATE LICENSING FEE STRUCTURE

The Michigan Compiled Laws (MCL), specifically 333.20161 and 330.1139, set forth the licensing fees. Licensing fees were established in Code on October 1, 1981 and have remained for the most part unchanged for the last 30 years.

Table 1 is the recommended fee schedule for licensing activities by the Bureau of Health Care Services (“Bureau”) within the Michigan Department of Licensing and Regulatory Affairs (“Department”). This table also includes the current fee schedule.

**Table 1**  
**Recommended Health Facility/Agency Licensing Fee Schedule**

Hospitals.....	Proposed	\$1,500 per license + \$40 per bed
Current		\$8.28 per bed x # of years
Hospice Agencies.....	Proposed	\$1,500 per license
Current		No Licensure Fee
Hospice Residences.....	Proposed	\$1,500 per license + \$20 per bed
Current		\$200 per license + \$20 per bed
FSOFs.....	Proposed	\$1,500 per license
Current		\$238 per license
Nursing Homes.....	Proposed	\$1,500 per license + \$20 per bed
Current		\$2.20 per bed
Psychiatric Hospitals/Units.....	Proposed	\$1,500 per license + \$30 per bed
Current		\$600 per license + \$7.50 per bed
Partial Psych Hosp Programs*.....	Proposed	See Recommendations
Current		\$600 per license + \$7.50 per Tx position
Clinical Laboratories*.....	Proposed	See Recommendations
Current		\$475 per license
Substance Abuse Programs*.....	Proposed	\$1,500 per license
		No Licensure Fee
Application Fee.....		\$3,500 per new license

\*The Department recommends deregulation of this provider type or reducing the number of provider types to be licensed (inpatient and residential for substance abuse programs).

The proposed fees are assessed on an annual basis. If licensure is for more than one year, as specified in Code, the proposed fees are multiplied by the number of years for which the license is issued. The Bureau is also proposing an application fee for new providers to assist in covering the initial costs of pre- and post-licensure surveys prior to initial licensure. The application fee does not apply to renewal of a license or for changes to an existing license.

## **RECOMMENDED FEE STRUCTURE BENEFITS**

The recommended fee schedule will:

- Reduce the need for general fund dollars to support state licensing functions.
- Provide necessary funding to fulfill mandatory licensing activities, such as
  - Timely processing of licensing applications for new providers,
  - Routine onsite inspections to assure compliance with state requirements,
  - Timely issuance of inspection reports, and
  - Timely inspection revisits to verify compliance.
- Create an application fee for new providers.
- Create an uninformed base fee for renewals and changes in licensure.
- Create an annual fee adjustment mechanism to offset inflationary increases.
- Create an uninformed triennial inspection requirement for all provider types.

## **RECOMMENDED FEE STRUCTURE OVERVIEW**

The recommended fee schedule includes:

- An annual base license fee for all providers, similar to the current license fee for psychiatric providers. The license fee is designed to cover routine fixed costs that occur no matter the size of the provider. Routine expenditures include administrative costs, periodic onsite inspection visits, issuing licenses, maintaining records, database maintenance, consultations, etc.
- An increase in the existing per bed or per treatment position fee. This proxy allows for an incremental increase in licensing fees based on the size of the health facility or agency. Larger facilities and agencies tend to consume more survey time due to the size and complexity of services offered and potential number of complaints.
- Initiation of a licensing fee for hospice and substance abuse providers consistent with other providers. Currently these providers types are not charged a licensing fee.

- A new initial application fee. This initial fee is to offset the cost of establishing and processing a new provider in the licensing system, as well as the labor intensive work to conduct pre- and post-licensure surveys. New providers will benefit from a timely processing of licensure applications, while not shifting the added costs for this labor intensive process to existing providers under routine licensing fees.
- Create a standardized inspection requirement for all licensed health facilities and agencies. Current inspection requirements call for annual to biennial inspections based on provider type. This fee recommendation is to standardize routine inspections to every three years. These triennial inspections will reduce the cost burden on both the provider and State of Michigan while still assuring patient safety and quality of care oversight.
- Elimination of the State clinical laboratory licensing requirement. State licensing for clinical laboratories was suspended in 1992 under the former Department of Public Health. The Bureau estimates approximately 3,200 existing laboratories could fall under State licensing requirements if re-initiated. A comparable federal program, Clinical Laboratory Improvement Amendments (CLIA), is administered by the Bureau on behalf of the Centers for Medicare and Medicaid Services (CMS) covering nearly 8,000 laboratories in the State.
- Elimination of the State psychiatric partial hospitalization program licensing requirement. State licensure requirements are minimal since these outpatient programs were removed from Certificate of Need oversight/approval in the late 1990s. There is no evidence that patient safety or quality of care would be impacted from deregulation since current requirements are minimal.
- Reduction in the number of service categories that require State licensing for substance abuse programs. There are currently 11 service categories requiring state licensing. The Bureau recommends delicensing all but three service categories: residential, inpatient-intermediate care, and outpatient-methadone. There are approximately 1,700 licensed substance abuse providers in the State. Eliminating nine of the service categories will reduce the number of providers to approximately 220.

Table 2 is an estimate of revenues generated under the current and recommended fee schedules based on licensed health facilities and agencies as of January 2013.

**Table 2  
Estimated Annual Fee Revenues**

<b>Facility Type</b>	<b>Current Fees</b>	<b>Proposed Fees</b>
Acute Care Hospitals	\$216,430	\$1,299,060
Hospices	\$11,360	\$207,760
Psychiatric Hospitals, Units, Programs*	\$64,424	\$155,250
Freestanding Surgical Outpatient Facilities	\$28,798	\$181,500
Clinical Laboratories*	N/A	N/A
Nursing Homes	\$102,865	\$1,598,140
Substance Abuse Program*	\$0	\$330,000
<b>TOTAL FEE REVENUES</b>	<b>\$411,767</b>	<b>\$3,771,710</b>

\*Proposed elimination of licensing programs for clinical laboratories and psychiatric partial hospitalization programs and reduction in service categories for substance abuse programs.

## **LEGISLATIVE FEE STRUCTURE HISTORY**

### **LICENSING FEES**

Prior to the Public Act 76 of 1981, the licensing fee section of the Public Health Code read, "The department may promulgate rules to prescribe fees for a review of a license application and the issuance or renewal of a license."

Public Act 76 codified the current licensing fees for health facilities and agencies, effective October 1, 1981, under MCL 333.20161(1). Relevant amendments since 1981 are identified below.

Public Act 376 of 1984 amended the fee for clinical laboratories from \$270 to \$475. On September 4, 1992, the former Department of Public Health suspended all State clinical laboratory licensing activities. This action was taken to save general fund dollars at the time. No State clinical laboratory licenses have been issued or fees collected since.

Public Act 267 of 1996 added a licensing fee for hospice residences of \$200 per license and \$20 per bed annually. This amendment did not propose a license fee for hospice agencies that provide in-home care. Last year, the Bureau issued approximately 110 licenses to existing hospice agencies with no licensing fee assessed.

## **ANNUAL COST OF LICENSING ACTIVITIES**

Public Act 469 of 2004 amended MCL 333.20161(9) to read, “The cost of licensure activities shall be supported by license fees.”

## **LICENSING REQUIREMENTS**

### **HEALTH FACILITIES/AGENCIES**

For purposes of this report, MCL 333.20106 defines a “Health facility or agency” as a clinical laboratory, county medical care facility, freestanding surgical outpatient facility, hospital, nursing home, hospice, and hospice residence.

### **PROVIDER LICENSING REQUIREMENT**

MCL 333.20141(1) states that, “A person shall not establish or maintain and operate a health facility or agency without holding a license from the department.”

MCL 333.6233(1) states that, “A person not otherwise licensed to provide psychological, medical, or social services shall not establish, conduct, or maintain a substance abuse service unless it is licensed under this article.”

### **DEPARTMENT LICENSING DUTIES**

The following excerpts from the Code provide a general overview of core duties of the Bureau related to issuing licenses and monitoring compliance with State requirements.

MCL 333.20131 requires the establishment of a comprehensive system to license and certify health facilities or agencies in order to protect the health, safety, and welfare of individuals receiving care and services in or from a health facility or agency, and assure the medical accountability for reimbursed care provided by a certified health facility or agency participating in a federal or state health program.

MCL 333.20162 (1) requires the issuance of an initial license within 6 months after the applicant files a completed application.

Prior to issuance of a license, the Bureau conducts a pre-licensure survey to verify policies, procedures, and staffing are in place prior to receiving and caring for patients. In addition, MCL 20145 may require a construction permit to be issued prior to construction of or renovation to a health facility.

Some administrative rules require the department to conduct opening surveys for initial licensure within specific time frames. For example, Hospice Administrative Rule 325.13205 requires the department to conduct a survey and investigation of a hospice for initial licensure within the 3-month period following receipt of the application.

Once a pre-licensure survey is conducted, and the health facility or agency demonstrates compliance with State requirements, a post-licensure survey will be conducted after the provider has delivered care to patients. The pre- and post- surveys are designed to assure the health, safety and welfare of patients.

MCL 333.20164 (1) requires a license to be issued for one to two years. Licenses are then renewed through the department's online licensing system.

MCL 333.20155 (1) requires the department to make annual visits to each health facility or agency licensed for the purposes of survey, evaluation, and consultation, as well as to investigate complaints.

MCL 333.20155 (2) requires the department to make at least a biennial (every two years) visit to each licensed clinical laboratory, each nursing home, and each hospice residence for the purposes of survey, evaluation, and consultation.

MCL 333.20155 (3) requires the department to make a biennial visit to each hospital for survey and evaluation for the purpose of licensure. This provision can be waived if the hospital meets certain requirements set forth by Code.

MCL 333.6238 requires the department to issue substance abuse licenses annually and under Section 6241 conduct onsite inspections of these licensed programs.

## **DEPARTMENT STRUCTURE**

### **DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS (LARA)**

The Department is composed of agencies and commissions that promote business growth and job creation through streamlined, simple, fair, and efficient regulation, while at the same time protect the health and safety of Michigan's citizens.

### **BUREAU OF HEALTH CARE SERVICES (BHCS)**

The Bureau serves to protect and improve the health status of Michigan citizens through the development, maintenance and assurance of safe, effective, efficient and accessible health care services delivered through health care facilities and to promote the development of appropriate regulatory policies to achieve a safe, efficient and effective health care delivery system.

The Bureau is responsible for State licensing of health facilities and agencies under the Public Health and Mental Health Codes. In addition, the Bureau is the State agency in Michigan responsible for conducting certification surveys on behalf of the Centers for Medicare and Medicaid Services (CMS) to assure that covered health providers meet the federal conditions of participation for the Medicare and Medicaid programs.

Table 3 shows the types of health facilities and agencies that are required to be licensed in the State of Michigan, while table 5 shows the types of health providers and suppliers that can apply for federal certification.

**Table 3**  
**Health Facilities Requiring State Licensure**

Hospitals	Hospice Agencies
Psychiatric Hospitals/Units	Hospice Residences
Partial Psychiatric Hospitalization Programs	Nursing Homes
Freestanding Outpatient Surgical Facilities (FSOF)	Clinical Laboratories
Substance Abuse Programs	

Like other states, Michigan has contracted with the federal government to perform certification inspections at health facilities participating in Medicare and Medicaid. Michigan receives federal dollars for performing this function that has and will continue to reduce the cost of licensing activity. In addition to certification inspections, the Bureau receives complaints filed by consumers and other interested parties against federally certified providers and suppliers. If the complaint alleges a violation of the federal conditions of participation in Medicare/Medicaid, the Bureau will investigate, including onsite inspections, on behalf of CMS.

**Table 4  
Health Entities Requiring Certification to Participate in Medicare/Medicaid  
Conducted by the BHCS**

Hospitals	Hospice Agencies
Psychiatric Hospitals/Units	Hospice Residences
Partial Psychiatric Hospitalization Programs	Nursing Homes
Ambulatory Surgical Centers/FEOF	Clinical Laboratories (CLIA)
Comprehensive Outpatient Rehab (CORF)	Home Health Agencies
Outpatient Physical Therapy (OPT)	Portable X-Ray Providers
End-Stage Renal Dialysis (ESRD)	Rural Health Clinics

While it is important to recognize and understand the Bureau’s scope of duties related to the federal certification activities, this report focuses primarily on those Bureau activities needed to maintain and support the state licensing functions set forth in Code.

## **STATE LICENSED & FEDERALLY CERTIFIED PROVIDERS**

Table 5 lists (as of February 1, 2013) State licensed provider types, number of sites, and number of beds/treatment positions under Bureau oversight, excluding radiation machines (9,951) and clinical laboratories (7,830). All State licensed provider types can also be federally certified for participation in the Medicare and Medicaid programs.

**Table 5  
State Licensed and Federally Certified Sites**

<b>Type</b>	<b>Sites</b>	<b>Beds</b>
Acute Care Hospitals	169	26,139
Hospices	111	N/A
Hospice Residences	23	338
Psychiatric Hospitals/Units	60	2,175
Partial Psychiatric Hospitalization Programs	28	990
Freestanding Surgical Outpatient Facilities	121	N/A
Nursing Homes	442	46,757

Table 6 lists (as of February 1, 2013) other provider types that can be federally certified and the number of sites under Bureau oversight pursuant to CMS agreement (no state licensing required).

**Table 6  
Federally Certified Sites**

Type	Sites
Home Health Agencies	668
Clinical Laboratories*	7,830
End-Stage Renal Dialysis (ESRD) Centers	177
Rural Health Clinics	152
Comprehensive Outpatient Rehab Facilities (CORF)	14
Portable X-Ray Providers	9
Outpatient Physical Therapy Providers (OPT)	196

\*Not licensed since 1992; licensing requirements remain in Code (see recommendation).

## LICENSING ACTIVITY OVERVIEW

In general, the majority of State licensing activities involve the issuance and renewal of licenses to qualified health facilities and agencies; conducting initial, routine and revisit surveys to determine compliance with State and federal requirements; and investigating complaints against providers.

Onsite surveys are routinely conducted by State surveyors (nurses, pharmacists, social workers, engineers, etc.) to determine if a health facility or agency is ready for licensure and certification prior to receiving and caring for patients or currently meeting State and federal requirements after licensure. These surveys are labor intensive that include, but limited to, intensive training of surveyors, pre-onsite preparations, travel, onsite survey time, report writing, revisits, and data input and record maintenance.

Another labor intensive activity for the Bureau is the intake and investigation of complaints against State licensed and federally certified providers. In FY 2012, the Bureau received more than 2,022 complaints and 6,095 facility incidents reports against State licensed or federally certified providers. Long-term care related complaints (nursing homes, county medical care facilities, hospital long-term care units) accounted for 74% of all complaints received by the Bureau in FY 2012.

## BUDGET OVERVIEW

The Bureau employs approximately 162 employees related to State licensing and federal certification activities. These positions include managers, secretaries, health care surveyors, and other support staff.

State licensing fees for health facilities and agencies have not been revised since the early 1980s, when State licensing of hospice residences was added to the Public Health Code. Even with the addition of hospice residences to the fee schedule, all other health facility and agency fees remained the same. The licensing fees paid by hospitals (\$8.28 per bed) and nursing homes (\$2.20 per bed) have remained the same since the 1970s, while operational costs to license and inspect health facilities and agencies have steadily increased. In addition, there are more licensed health facilities and agencies today with the growth of hospice agencies (currently no fee paid) and freestanding surgical outpatient facilities (\$238 per facility).

This fee proposal has a long-term goal to substantially reduce or completely eliminate the need for general funds dollars, create a cost-based fee schedule, and include funding for other enhancements that are designed to decrease the fixed operating costs of the State licensing program while increasing its efficiency and effectiveness.

**Table 7**  
**Current State Licensing Fee Schedule and Estimated Generated Revenues**

License Facility Type	Fee Schedule	Annual Revenues
Hospitals*	\$8.28 per bed	\$216,430
Hospice Agencies	No Fee	\$0
Hospice Residences	\$200 per license + \$20 per bed	\$11,360
Freestanding Surgical Outpatient Facilities	\$238 per license	\$28,798
Nursing Homes/CMCF/HLTCU	\$2.20 per bed	\$102,865
Psychiatric Hospitals/Units*	\$600 per license + \$7.50 per bed	\$52,312
Psych Partial Hospitalization Programs*	\$600 per license + \$7.50 per Tx position	\$12,112
Clinical Laboratories**	\$475 per license	\$0
<b>TOTAL</b>		<b>\$411,767</b>

**Table 8  
Proposed State Licensing Fee Schedule and Estimated Generated Revenues**

License Facility Type	Fee Schedule	Annual Revenues
Hospitals*	\$1,500 per license + \$40 per bed	\$1,299,060
Hospice Agencies	\$1,500 per license	\$166,500
Hospice Residences	\$1,500 per license + \$20 per bed	\$41,260
Freestanding Surgical Outpatient Facilities	\$1,500 per license	\$181,500
Nursing Homes/CMCF/HLTCU	\$1,500 per license + \$20 per bed	\$1,598,140
Psychiatric Hospitals/Units*	\$1,500 per license + \$30 per bed	\$155,250
Psych Partial Hospitalization Programs*	Recommend deregulation	\$0
Clinical Laboratories**	Recommend deregulation	\$0
<b>TOTAL</b>		<b>\$3,441,710</b>

\* Licensing fee is biennial (every two years)

\*\*State licensing program deactivated in 1992/number of laboratories is estimated by on CLIA data.

**Table 9  
Current and Proposed Annual Licensing Fee Range by Health Facility Type**

License Facility Type	Smallest State Facility			Largest State Facility		
	Beds	Current	Proposed	Beds	Current	Proposed
Hospitals	8	\$66	\$1,820	1,040	\$8,611.20	\$43,100
Hospice Agencies	N/A	\$0	\$1,500	N/A	\$0	\$1,500
Hospice Residences	6	\$320	\$1,620	32	\$840	\$2,140
FSOFs	N/A	\$238	\$1,500	N/A	\$238	\$1,500
Nursing Homes/CMCF/HLTCU	7	\$15	\$1,640	330	\$726	\$8,100
Psychiatric Hospitals/Units	10	\$337	\$1,800	139	\$821	\$5,670

**Table 10  
Estimated State Licensure Inspection Costs by Health Facility or Agency Type**

License Facility Type	No. of Inspectors*	Average Days to Inspect	Estimated Costs**
Hospitals	4-6	3-4	\$5,410 - \$10,800
Hospice Agencies/Residences	1-3	2-3	\$900 - \$4,050
Freestanding Surgical Outpatient Facilities	1-3	1-2	\$450 - \$3,000
Nursing Homes/CMCF/HLTCU	4-6	3-4	\$5,400 - \$9,600
Psychiatric Hospitals/Units	2-3	2-4	\$1,800 - \$5,400

\* Inspectors include nurses, engineers, social workers, dietitians, etc.

\*\*Costs include staffing and travel costs, but not fixed costs such as equipment, fringes, offices, etc.

**Table 11**  
**FY12 Bureau Budget/Expenditures for State and Federal Surveys and Certifications**

Categories	Expenditures
Salaries	\$9,093,852
Retirement/Fringe Benefits	\$5,878,782
Other Direct Costs	\$3,290,906
Indirect	\$534,719
<b>TOTAL</b>	<b>\$18,798,259</b>

## 2013 PROVIDER DIRECTORY

In accordance with Section 731(1), the 2013 Provider Directory can be obtained from this link: [http://www.michigan.gov/documents/lara/BHCS\\_2013\\_ProviderDirectory\\_04-05-2013\\_416672\\_7.pdf](http://www.michigan.gov/documents/lara/BHCS_2013_ProviderDirectory_04-05-2013_416672_7.pdf).

In addition this report and directory have been posted to the following websites:

- The Health Facilities Division of the Bureau of Health Care Services: [www.michigan.gov/bhcs](http://www.michigan.gov/bhcs).
- The All About LARA section - Legislative Reports of the Department of Licensing and Regulatory Affairs: [www.michigan.gov/lara](http://www.michigan.gov/lara).

This directory lists all facilities and agencies either State licensed or federally certified in Michigan, including:

- Acute care hospitals;
- Home health agencies;
- Hospices;
- Hospice residences;
- Psychiatric units in general hospitals;
- Psychiatric hospitals;
- Partial hospitalization psychiatric programs;
- Outpatient surgical facilities;
- Laboratories;
- End stage renal disease facilities;
- Rural health clinics;
- Substance abuse programs;
- Long-term care facilities including nursing homes;
- Hospital long-term care units;
- County medical care facilities; and
- Radiation machines.

# APPENDIX I - STAKEHOLDER SURVEY

## OVERVIEW

In accordance with Section 731(2), the Bureau completed a survey of stakeholders in 2012 to gauge support for modification to the current fee schedule to support licensing activities. The survey tool was sent by E-mail to more than 1,000 healthcare providers and interested parties (hospitals, nursing homes, hospices, surgery centers, and consumer advocacy groups) using Survey Monkey. Appendix I summarizes the survey findings.

### Stakeholder Survey Overview

Organizational Interest	No. Responses	Percent
Acute Care Hospitals	43	14%
Psychiatric Hospitals/Units/Programs	3	1%
Hospice	12	4%
Freestanding Surgical Centers	28	9%
Long Term Care	213	71%
Total (3 unknown responders)	302	
Licensed Provider Responses		
Licensed Providers	282	93%
Non-licensed Responders	12	4%

### Key Survey Findings

Survey Questions	Percent
#4 Important to issue license within 90 days from application.	93%
#9 Important to conduct timely revisits after deficient practice is sited.	97%
#10 Support to improve timeliness and effectiveness of licensing process.	85%
#11 Care and treatment generally better when inspections are performed.	35%
#12 Bureau should respond timely to citizen complaints against providers.	92%
#13 Fees should support cost of licensing activities.	49%
#14 Support reasonable license fee increase.	37%
FSOF related responders	52%
Hospice related responders	52%
Hospital related responders	67%
Nursing home related responders	30%
Psychiatric related responders	68%
#15 Actively opposed to a license fee increase.	45%

## SURVEY TOOL

1. Please select the type of health facility/agency that best describes your organization's interest:
  - Hospital (includes acute, rehab, long-term-acute care)
  - Psychiatric Hospital (exclude psychiatric units that are part of acute care hospital)
  - Hospice Agency       Hospice Residence
  - Freestanding Surgical Outpatient Facility
  - Nursing Home (includes county medical care facilities, hospital long-term-care units)
  - Clinical Laboratory
  
2. Is your organization currently licensed by BHS?  YES  NO
  - a. If no, is your organization currently applying for a license?  YES  NO
    - i. If yes, how important is it to your organization to have a license issued within 90 days from application?  Extremely  Important  Not Important
  
3. How long has your health facility/agency been licensed?
  - Less than 2 years       Between 2 to 5 years
  - More than 5 years       Not yet licensed
  
4. When was your health facility/agency last surveyed for state licensing purposes?
  - Less than 2 years ago       Between 2 to 5 years ago
  - More than 5 years ago       Not yet licensed
  
5. New facility construction, by Code, involves a coordinated process of licensure and initial Medicare/Medicaid certification. How valuable/important is it to your organization to receive timely licensure approval, followed by a timely initial certification inspection on new facilities?  Very Important  Important  Not Important
  
6. The department is required to perform routine onsite inspections and complaint investigations to assure licensed health facilities/agencies are delivering care and services as required by law. These unannounced onsite reviews are also valuable learning opportunities for licensed providers to improve services and protect patients. How valuable/important is it to your organization that inspection reports of deficient practices are issued by the State within 10 business days after the conclusion of the inspection?  Very Important  Important  Not Important

7. Does your organization believe the department should conduct timely revisits after a deficient practice is cited and an organization's plan of correction is received while the facility is in penalty status? Yes No
8. Does your organization believe the department should improve the timeliness and effectiveness of the state's licensing and inspection processes? Yes No
9. Does your organization believe that patient care and treatment generally are better when periodic unannounced regulatory inspections are performed?  Yes  No
10. Does your organization believe that BHS should be positioned to respond timely to citizen complaints regarding care and treatment received in licensed health facilities? Yes No
11. MCL 333.20161(9) states, "The cost of licensure activities shall be supported by license fees." Does your organization agree that the licensed health facilities fee structure should support the cost of inspection activity? Yes No
12. Is your organization supportive of a reasonable fee increase to replace State General Fund support and improve the effectiveness of the licensing and survey processes in Michigan? Yes No
13. Would your organization actively oppose a reasonable fee increase to replace State General Fund support and improve the effectiveness of the licensing and survey processes in Michigan? Yes No
14. If the legislature were to pass a license fee increase, would your organization prefer that the resulting funds generated from that fee increase be restricted to use only to support and improve the licensing and survey processes? Yes No
15. Optional:
  - a. Name of the organization you represent?
  - b. Your position within that organization?