

**MICHIGAN DEPARTMENT OF COMMUNITY HEALTH**

**CERTIFICATE OF NEED (CON) REVIEW STANDARDS  
FOR PSYCHIATRIC BEDS AND SERVICES**

(By authority conferred on the CON Commission by Section 22215 of Act No. 368 of the Public Acts of 1978, as amended, and Sections 7 and 8 of Act No. 306 of the Public Acts of 1969, as amended, being Sections 333.22215, 24.207 and 24.208 of the Michigan Compiled Laws).

**Section 1. Applicability**

Sec. 1. (1) These standards are requirements for the approval and delivery of services for all projects approved and Certificates of Need issued under Part 222 of the Code which involve psychiatric beds and services.

(2) A psychiatric hospital or unit is a covered health facility for purposes of Part 222 of the Code.

(3) An increase in licensed psychiatric beds or the physical relocation from a licensed site to another geographic location is a change in bed capacity for purposes of Part 222 of the Code.

(4) The Department shall use sections 3, 4, 5, 6, 7, 8, 9, and 10, as applicable, in applying Section 22225(1) of the Code, being Section 333.22225(1) of the Michigan Compiled Laws.

(5) The Department shall use Sections 12 and 13, as applicable, in applying Section 22225(2)(c) of the Code, being Section 333.22225(2)(c) of the Michigan Compiled Laws.

(6) The Department shall use Section 11 in applying Section 22215(1)(b) of the Code, being Section 333.22215(1)(b) of the Michigan Compiled Laws

**Section 2. Definitions**

Sec. 2. (1) For purposes of these standards:

(a) "Acquisition of a psychiatric hospital or unit" means the issuance of a new license as the result of the acquisition (including purchase, lease, donation, or other comparable arrangement) of an existing licensed psychiatric hospital or unit and which does not involve a change in the number of licensed psychiatric beds at that health facility.

(b) "Adult" means any individual aged 18 years or older.

(c) "Base year" means 1992 or the most recent year for which verifiable data are collected by the Department and are available separately for the population age cohorts of 0 to 17 and 18 and older.

(d) "Certificate of Need Commission" or "Commission" means the Commission created pursuant to Section 22211 of the Code, being Section 333.22211 of the Michigan Compiled Laws.

(e) "Child/adolescent" means any individual less than 18 years of age.

(f) "Code" means Act No. 368 of the Public Acts of 1978, as amended, being Section 333.1101 et seq. of the Michigan Compiled Laws.

(g) "Community mental health board" or "board" or "CMH" means the board of a county(s) community mental health board as referenced in the provisions of MCL 330.1200 to 330.1246.

(h) "Comparative group" means the applications which have been grouped for the same type of project in the same planning area and are being reviewed comparatively in accordance with the CON rules.

(i) "Department" means the Michigan Department of Community Health (MDCH).

(j) "Department inventory of beds" means the current list maintained by the Department which includes:

- (i) licensed adult and child/adolescent psychiatric beds; and
  - (ii) adult and child/adolescent psychiatric beds approved by a valid CON, which are not yet licensed.
- A separate inventory will be maintained for child/adolescent beds and adult beds.
- (k) "Existing adult inpatient psychiatric beds" or "existing adult beds" means:
    - (i) all adult beds in psychiatric hospitals or units licensed by the Department pursuant to the Mental Health Code;
    - (ii) all adult beds approved by a valid CON, which are not yet licensed;
    - (iii) proposed adult beds under appeal from a final Department decision, or pending a hearing from a proposed decision; and
    - (iv) proposed adult beds that are part of a completed application (other than the application or applications in the comparative group under review) which are pending final Department decision.
  - (l) "Existing child/adolescent inpatient psychiatric beds" or "existing child/adolescent beds" means:
    - (i) all child/adolescent beds in psychiatric hospitals or units licensed by the Department pursuant to the Mental Health Code;
    - (ii) all child/adolescent beds approved by a valid CON, which are not yet licensed;
    - (iii) proposed child/adolescent beds under appeal from a final Department decision, or pending a hearing from a proposed decision; and
    - (iv) proposed child/adolescent beds that are part of a completed application (other than the application or applications in the comparative group under review) which are pending final Department decision.
  - (m) "Initiation of service" means the establishment of an inpatient psychiatric unit with a specified number of beds at a site not currently providing psychiatric services.
  - (n) "Involuntary commitment status" means a hospital admission effected pursuant to the provisions of MCL 330.1423 to 330.1429.
  - (o) "Licensed site" means either:
    - (i) in the case of a single site hospital, the location of the facility authorized by license and listed on that licensee's certificate of licensure; or
    - (ii) in the case of a hospital with multiple sites, the location of each separate and distinct inpatient unit of the health facility as authorized by license and listed on that licensee's certificate of licensure.
  - (p) "Medicaid" means title XIX of the Social Security Act, chapter 531, 49 Stat. 620, 1396r-6 and 1396r-8 to 1396v.
  - (q) "Mental Health Code" means Act 258 of the Public Acts of 1974, as amended, being Sections 330.1001 to 330.2106 of the Michigan Compiled Laws.
  - (r) "Mental health professional" means an individual who is trained and experienced in the area of mental illness or developmental disabilities and who is any 1 of the following:
    - (i) a physician who is licensed to practice medicine or osteopathic medicine and surgery in Michigan and who has had substantial experience with mentally ill, mentally retarded, or developmentally disabled clients for 1 year immediately preceding his or her involvement with a client under administrative rules promulgated pursuant to the Mental Health Code;
    - (ii) a psychologist who is licensed in Michigan pursuant to the provisions of MCL 333.16101 to 333.18838;
    - (iii) a licensed master's social worker licensed in Michigan Pursuant to the provisions of MCL 333.16101 to 333.18838;
    - (iv) a registered nurse who is licensed in Michigan pursuant to the provisions of MCL 333.16101 to 333.18838;
    - (v) a licensed professional counsel or licensed in Michigan pursuant to the provisions of MCL 333.16101 to 333.18838;
    - (vi) a marriage and family therapist licensed in Michigan pursuant to the provisions of MCL 333.16101 to 333.18838;
    - (vii) a professional person, other than those defined in the administrative rules promulgated pursuant to the Mental Health Code, who is designated by the Director of the Department or a director of a facility operated by the Department in written policies and procedures. This mental health professional shall have a degree in his or her profession and shall be recognized by his or her respective professional

association as being trained and experienced in the field of mental health. The term does not include non-clinical staff, such as clerical, fiscal or administrative personnel.

(s) "Mental health service" means the provision of mental health care in a protective environment with mental illness or mental retardation, including, but not limited to, chemotherapy and individual and group therapies pursuant to MCL 330.2001.

(t) "Non-renewal or revocation of license" means the Department did not renew or revoked the psychiatric hospital's or unit's license based on the hospital's or unit's failure to comply with state licensing standards.

(u) "Non-renewal or termination of certification" means the psychiatric hospital's or unit's Medicare and/or Medicaid certification was terminated or not renewed based on the hospital's or unit's failure to comply with Medicare and/or Medicaid participation requirements.

(v) "Offer" means to provide inpatient psychiatric services to patients.

(w) "Physician" means an individual licensed in Michigan to engage in the practice of medicine or osteopathic medicine and surgery pursuant to MCL 333.16101 to 333.18838.

(x) "Planning area" means the geographic boundaries of the groups of counties shown in Section 15.

(y) "Planning year" means 1990 or a year in the future, at least 3 years but no more than 7 years, established by the CON Commission for which inpatient psychiatric bed needs are developed. The planning year shall be a year for which official population projections from the Department of Management and Budget are available.

(z) "Psychiatric hospital" means an inpatient program operated by the Department for the treatment of individuals with serious mental illness or serious emotional disturbance or a psychiatric hospital or psychiatric unit licensed under Section 137, pursuant to MCL 330.1100.

(aa) "Psychiatrist" means 1 or more of the following, pursuant to MCL 330.1100:

(i) a physician who has completed a residency program in psychiatry approved by the Accreditation Council for Graduate Medical Education or The American Osteopathic Association, or who has completed 12 months of psychiatric rotation and is enrolled in an approved residency program;

(ii) a psychiatrist employed by or under contract with the Department or a community health services program on March 28, 1996;

(iii) a physician who devotes a substantial portion of his or her time to the practice of psychiatry and is approved by the Director.

(bb) "Psychiatric unit" means a unit of a general hospital that provides inpatient services for individuals with serious mental illness or serious emotional disturbances pursuant to MCL 330.1100.

(cc) "Psychologist" means an individual licensed to engage in the practice of psychology, who devotes a substantial portion of his or her time to the diagnosis and treatment of individuals with serious mental illness, serious emotional disturbance, or developmental disability, pursuant to MCL 333.16101 to 333.18838.

(dd) "Public patient" means an individual approved for mental health services by a CMH or an individual who is admitted as a patient under Section 423, 429, or 438 of the Mental Health Code, Act No. 258 of the Public Acts of 1974, being Sections 330.1423, 330.1429, and 330.1438 of the Michigan Compiled Laws.

(ee) "Qualifying project" means each application in a comparative group which has been reviewed individually and has been determined by the Department to have satisfied all of the requirements of Section 22225 of the Code, being Section 333.22225 of the Michigan Compiled Laws, and all other applicable requirements for approval in the Code and these standards.

(ff) "Registered professional nurse" or "R.N." means an individual licensed in Michigan pursuant to the provisions of MCL 333.16101 to 333.18838.

(gg) "Replacement beds" means beds in a psychiatric hospital or unit which meet all of the following conditions:

(i) an equal or greater number of beds are currently licensed to the applicant at the current licensed site;

(ii) the beds are proposed for replacement in new physical plant space being developed in new construction or in newly acquired space (purchase, lease, donation, or other comparable arrangement); and

- (iii) the beds to be replaced will be located in the replacement zone.
- (hh) "Replacement zone" means a proposed licensed site which is:
  - (i) in the same planning area as the existing licensed site; and
  - (ii) on the same site, on a contiguous site, or on a site within 15 miles of the existing licensed site.
- (ii) "Social worker" means an individual registered in Michigan to engage in social work under the provisions of MCL 333.18501.

(2) The terms defined in the Code have the same meanings when used in these standards.

### **Section 3. Determination of needed inpatient psychiatric bed supply**

Sec. 3. (1) Until changed by the Commission in accordance with Section 4(3) and Section 5, the use rate for the base year for the population age 0-17 is set forth in Appendix D.

(2) The number of child/adolescent inpatient psychiatric beds needed in a planning area shall be determined by the following formula:

(a) Determine the population for the planning year for each separate planning area for the population age 0-17.

(b) Multiply the population by the use rate established in Appendix D. The resultant figure is the total patient days.

(c) Divide the total patient days obtained in subsection (b) by 365 (or 366 for leap years) to obtain the projected average daily census (ADC).

(d) Divide the ADC by 0.75.

(e) For each planning area, all psychiatric hospitals or units with an average occupancy of 60% or less for the previous 24 months will have the ADC, for the previous 24 months, multiplied by 1.7. The net decrease from the current licensed beds will give the number to be added to the bed need.

(f) The adjusted bed need for the planning area is the sum of the results of subsections (d) and (e).

(3) The number of needed adult inpatient psychiatric beds shall be determined by multiplying the population aged 18 years and older for the planning year for each planning area by either:

(a) The ratio of adult beds per 10,000 adult population set forth in Appendix C; or

(b) The statewide ratio of adult beds per 10,000 adult population set forth in Appendix C, whichever is lower; and dividing the result by 10,000. If the ratio set forth in Appendix C for a specific planning area is "0", the statewide ratio of adult beds per 10,000 adult population shall be used to determine the number of needed adult inpatient psychiatric beds.

(c) For each planning area, an addition to the bed need will be made for low occupancy facilities. All psychiatric hospitals or units with an average occupancy of 60% or less for the previous 24 months will have the ADC, for the previous 24 months, multiplied by 1.5. The net decrease from the current licensed beds will give the number to be added to the bed need.

(d) The adjusted bed need for the planning area is the sum of the results of subsections (b) and (c).

### **Section 4. Bed need for inpatient psychiatric beds**

Sec. 4. (1) For purposes of these standards, until otherwise changed by the Commission, the bed need numbers determined pursuant to Section 3, incorporated as part of these standards as Appendices A and B, as applicable, shall apply to projects subject to review under these standards, except where a specific CON review standard states otherwise.

(2) The Department shall apply the bed need methodologies in Section 3 on a biennial basis.

(3) The Commission shall designate the planning year, and, for child/adolescent beds, the base year, which shall be utilized in applying the bed need methodologies pursuant to subsection (2).

(4) The effective date of the bed need numbers shall be established by the Commission.

(5) New bed need numbers established by subsections (2) and (3) shall supercede the bed need numbers shown in Appendices A and B and shall be included as amended appendices to these standards.

(6) Modifications made by the Commission pursuant to this Section shall not require Standard Advisory Committee action, a public hearing, or submittal of the standard to the Legislature and the Governor in order to become effective.

#### **Section 5. Modification of the child/adolescent use rate by changing the base year**

Sec. 5. (1) The Commission may modify the base year based on data obtained from the Department and presented to the Commission. The Department shall calculate the use rate for the population age 0-17 and biennially present the revised use rate based on the most recent base year information available biennially to the CON Commission.

(2) The Commission shall establish the effective date of the modifications made pursuant to subsection (1).

(3) Modifications made by the Commission pursuant to subsection (1) shall not require Standard Advisory Committee action, a public hearing, or submittal of the standard to the Legislature and the Governor in order to become effective.

#### **Section 6. Requirements for approval to initiate service**

Sec. 6. An applicant proposing the initiation of an adult or child/adolescent psychiatric service shall demonstrate or provide the following:

(1) The number of beds proposed in the CON application cannot result in the number of existing adult or child/adolescent psychiatric beds, as applicable, in the planning area exceeding the bed need set forth in Appendix A or B, as applicable. However, an applicant may request and be approved for up to a maximum of 10 beds if, when the total number of existing adult beds or existing child/adolescent beds is subtracted from the bed need for the planning area set forth in Appendix A or B, the difference is equal to or more than 1 or less than 10.

(2) A written recommendation, from the Department or the CMH that serves the county in which the proposed beds or service will be located, which shall include an agreement to enter into a contract to meet the needs of the public patient. At a minimum, the letter of agreement shall specify the number of beds to be allocated to the public patient and the applicant's intention to serve patients with an involuntary commitment status.

(3) The number of beds proposed in the CON application to be allocated for use by public patients shall not be less than 50% of the beds proposed in the CON application. Applications proposed in direct response to a Department plan pursuant to subsection (5) shall allocate not less than 80% of the beds proposed in the CON application.

(4) The minimum number of beds in a psychiatric unit shall be at least 10 beds. If a psychiatric unit has or proposes to operate both adult and child/adolescent beds, each unit shall have a minimum of 10 beds. The Department may approve an application for a unit of less than 10 beds, if the applicant demonstrates to the satisfaction of the Department, that travel time to existing units would significantly limit access to care.

(5) An applicant shall not be required to be in compliance with subsection (1) if the applicant demonstrates that the application meets both of the following:

(a) The Director of the Department determines that an exception to subsection (1) should be made and certifies in writing that the proposed project is a direct response to a Department plan for reducing the use of public institutions for acute mental health care through the closure of a state-owned psychiatric hospital; and

(b) The proposed beds will be located in the area currently served by the public institution that will be closed, as determined by the Department.

## **Section 7. Requirements for approval to increase beds**

Sec. 7 An applicant proposing an increase in the number of adult or child/adolescent beds shall demonstrate or provide the following:

(1) The number of beds proposed in the CON application will not result in the number of existing adult or child/adolescent psychiatric beds, as applicable, in the planning area exceeding the bed need set forth in Appendix A or B, as applicable. However, an applicant may request and be approved for up to a maximum of 10 beds if, when the total number of existing adult beds or existing child/adolescent beds is subtracted from the bed need for the planning area set forth in Appendix A or B, the difference is equal to or more than 1 or less than 10.

(2) The average occupancy rate for the applicant's facility, where the proposed beds are to be located, was at least 70% for adult or child/adolescent beds, as applicable, during the most recent, consecutive 24 month period, as of the date of the submission of the application, for which verifiable data are available to the Department.

(3) Subsections (1) and (2) shall not apply if the applicant meets the following:

(a) the beds are being added at the existing licensed site;

(b) the average occupancy rate for the applicant's facility was at least 75% for facilities with 19 beds or less and 80% for facilities with 20 beds or more, as applicable, during the most recent, consecutive 24 month period, as of the date of the submission of the application, for which verifiable data are available to the Department;

(c) the number of beds being added shall not exceed the results of the following formula: the facility's average daily census for the most recent, consecutive 24 month period, as of the date of the submission of the application, for which verifiable data are available to the Department multiplied by 1.5 for adult beds and 1.7 for child/adolescent beds.

(4) Proof of current contract or documentation of contract renewal, if current contract is under negotiation, with at least one CMH or its designee that serves the planning area in which the proposed beds or service will be located.

(5) Previously made commitments, if any, to the Department or CMH to serve public patients have been fulfilled.

(6) The number of beds proposed in the CON application to be allocated for use by public patients shall not be less than 50% of the beds proposed in the CON application. Applications proposed in direct response to a Department plan pursuant to subsection (9) shall allocate not less than 80% of the beds proposed in the CON application.

(7) The minimum number of beds in a psychiatric unit shall be at least 10 beds. If a psychiatric unit has or proposes to operate both adult and child/adolescent beds, then each unit shall have a minimum of 10 beds. The Department may approve an application for a unit of less than 10 beds, if the applicant

demonstrates, to the satisfaction of the Department, that travel time to existing units would significantly impair access to care.

(8) Subsection (2) shall not apply if the Director of the Department has certified in writing that the proposed project is a direct response to a Department plan for reducing the use of public institutions for acute mental health care through the closure of a state-owned psychiatric hospital.

(9) An applicant shall not be required to be in compliance with subsection (1) if the applicant demonstrates that the application meets both of the following:

(a) The Director of the Department determines that an exception to subsection (1) should be made and certifies in writing that the proposed project is a direct response to a Department plan for reducing the use of public institutions for acute mental health care through the closure of a state-owned psychiatric hospital; and

(b) The proposed beds will be located in the area currently served by the public institution that will be closed as determined by the Department.

### **Section 8. Requirements for approval for replacement beds**

Sec. 8. An applicant proposing replacement beds shall not be required to be in compliance with the needed bed supply set forth in Appendix A or B, as applicable, if the applicant demonstrates all of the following:

(1) The project proposes to replace an equal or lesser number of beds currently licensed to the applicant at the licensed site at which the proposed replacement beds are currently located.

(2) The proposed licensed site is in the replacement zone.

(3) The applicant meets all other applicable CON review standards and agrees and assures to comply with all applicable project delivery requirements.

(4) Not less than 50% of the beds proposed to be replaced shall be allocated for use by public patients.

(5) Previously made commitments, if any, to the Department or CMH to serve public patients have been fulfilled.

(6) Proof of current contract or documentation of contract renewal, if current contract is under negotiation, with the CMH or its designee that serves the planning area in which the proposed beds or service will be located.

### **Section 9. Requirements for approval for acquisition of a psychiatric hospital or unit**

Sec. 9. An applicant proposing to acquire a psychiatric hospital or unit shall not be required to be in compliance with the needed bed supply set forth in Appendix A or B, as applicable, for the planning area in which the psychiatric hospital or unit subject to the proposed acquisition is located, if the applicant demonstrates that all of the following are met:

(1) The acquisition will not result in a change in the number of licensed beds or beds designated for a child/adolescent specialized psychiatric program.

(2) The licensed site does not change as a result of the acquisition.

## Section 10. Additional requirements for applications included in comparative review

Sec. 10. (1) Any application subject to comparative review under Section 22229 of the Code being Section 333.22229 of the Michigan Compiled Laws or these standards shall be grouped and reviewed with other applications in accordance with the CON rules applicable to comparative review.

(2) Each application in a comparative group shall be individually reviewed to determine whether the application has satisfied all the requirements of Section 22225 of the Code being Section 333.22225 of the Michigan Compiled Laws and all other applicable requirements for approval in the Code and these standards. If the Department determines that two or more competing applications satisfy all of the requirements for approval, these projects shall be considered qualifying projects. The Department shall approve those qualifying projects which, when taken together, do not exceed the need, as defined in Section 22225(1) of the Code, and which have the highest number of points when the results of subsection (3) are totaled. If two or more qualifying projects are determined to have an identical number of points, then the Department shall approve those qualifying projects which, when taken together, do not exceed the need, in the order in which the applications were received by the Department, based on the date and time stamp placed on the applications by the Department in accordance with rule 325.9123.

(3)(a) A qualifying project application will be awarded 5 points if, within six months of beginning operation and annually thereafter, 100% of the licensed psychiatric beds (both existing and proposed) at the facility will be Medicaid certified.

(b) A qualifying project will have 4 points deducted if, on or after November 26, 1995, the records maintained by the Department document that the applicant was required to enter into a contract with either the Department or a CMH to serve the public patient and did not do so.

(c) A qualifying project will have 5 points deducted if, on or after November 26, 1995, the records maintained by the Department document that the applicant entered into a contract with MDCH or CMH but never admitted any public patients referred pursuant to that contract.

(d) A qualifying project will have 5 points deducted if, on or after November 26, 1995, the records maintained by the Department document that an applicant agreed to serve patients with an involuntary commitment status but has not admitted any patients referred with an involuntary commitment status.

(e) A qualifying project will be awarded 3 points if the applicant presents, in its application, a plan, acceptable to the Department, for the treatment of patients requiring long-term treatment. For purposes of this subsection, long-term treatment is defined to mean an inpatient length of stay in excess of 45 days.

(f) A qualifying project will be awarded 3 points if the applicant currently provides a partial hospitalization psychiatric program, outpatient psychiatric services, or psychiatric aftercare services, or the applicant includes any of these services as part of their proposed project, as demonstrated by site plans and service contracts.

(g) A qualifying project will have 4 points deducted if the Department has issued, within three years prior to the date on which the CON application was deemed submitted, a temporary permit or provisional license due to a pattern of licensure deficiencies at any psychiatric hospital or unit owned or operated by the applicant in this state.

(h) A qualifying project will have points awarded based on the percentage of the hospital's indigent volume as set forth in the following table.

<u>Hospital Indigent Volume</u>	<u>Points Awarded</u>
0 - <6%	1
6 - <11%	2
11 - <16%	3
16 - <21%	4
21 - <26%	5

26 - <31%	6
31 - <36%	7
36 - <41%	8
41 - <46%	9
46% +	10

For purposes of this subsection, indigent volume means the ratio of a hospital's indigent charges to its total charges expressed as a percentage as determined by the Department pursuant to Chapter VIII of the Medical Assistance Program manual. The indigent volume data being used for rates in effect at the time the application is deemed submitted will be used by the Department in determining the number of points awarded to each qualifying project.

(i) A qualifying project will have points deducted based on the applicant's record of compliance with applicable safety and operating standards for any psychiatric hospital or unit owned and/or operated by the applicant in this state. Points shall be deducted in accordance with the following schedule if, on or after November 26, 1995, the Department records document any non-renewal or revocation of license for cause or non-renewal or termination of certification for cause of any psychiatric hospital or unit owned or operated by the applicant in this state.

<u>Psychiatric Hospital/Unit Compliance Action</u>	<u>Points Deducted</u>
Non-renewal or revocation of license	4
Non-renewal or termination of:	
Certification - Medicare	4
Certification - Medicaid	4

(4) The minimum number of points will be awarded to an applicant under the individual subsections of this Section for conflicting information presented in this Section and related information provided in other Sections of the CON application.

### **Section 11. Requirements for approval for all applicants**

Sec. 11. An applicant shall provide verification of Medicaid participation. An applicant that is a new provider not currently enrolled in Medicaid shall certify that proof of Medicaid participation will be provided to the Department within six (6) months from the offering of services if a CON is approved.

### **Section 12. Project delivery requirements - terms of approval for all applicants**

Sec. 12. (1) An applicant shall agree that, if approved, the project shall be delivered in compliance with the following terms of CON approval:

- (a) Compliance with these standards.
- (b) Compliance with applicable operating standards in the Mental Health Code or the administrative rules promulgated there under.
- (c) Compliance with the following applicable quality assurance standards:
  - (i) The average occupancy rate for all licensed beds at the psychiatric hospital or unit shall be at least 60 percent (%) for adult beds and 40 percent (%) for child/adolescent beds for the second 12 months of operation, and annually thereafter. After the second 12 months of operation, if the average occupancy rate is below 60% for adult beds or 40% for child/adolescent beds, the number of beds shall be reduced to achieve a minimum of 60% average annual occupancy for adult beds or 40% annual average occupancy for child/adolescent beds for the revised licensed bed complement. However, the psychiatric hospital or unit shall not be reduced to less than 10 beds.

(ii) The proposed licensed psychiatric beds shall be operated in a manner that is appropriate for a population with the ethnic, socioeconomic, and demographic characteristics including the developmental stage of the population to be served.

(iii) The applicant shall establish procedures to care for patients who are disruptive, combative, or suicidal and for those awaiting commitment hearings, and the applicant shall establish a procedure for obtaining physician certification necessary to seek an order for involuntary treatment for those persons that, in the judgment of the professional staff, meet the Mental Health Code criteria for involuntary treatment.

(iv) The applicant shall develop a standard procedure for determining, at the time the patient first presents himself or herself for admission or within 24 hours after admission, whether an alternative to inpatient psychiatric treatment is appropriate.

(v) The inpatient psychiatric hospital or unit shall provide clinical, administrative, and support services that will be at a level sufficient to accommodate patient needs and volume, and will be provided seven days a week to assure continuity of services and the capacity to deal with emergency admissions.

(vi) The applicant shall participate in a data collection network established and administered by the Department or its designee. The data may include, but is not limited to: annual budget and cost information, operating schedules, and demographic, diagnostic, morbidity and mortality information, as well as the volume of care provided to patients from all payor sources. The applicant shall provide the required data on a separate basis for each licensed site; in a format established by the Department; and in a mutually agreed upon media. The Department may elect to verify the data through on-site review of appropriate records.

(vii) The applicant shall provide the Department with a notice stating the date the beds or services are placed in operation and such notice shall be submitted to the Department consistent with applicable statute and promulgated rules.

(viii) The applicant, to assure appropriate utilization by all segments of the Michigan population, shall:

(A) Not deny acute inpatient mental health services to any individual based on ability to pay, source of payment, age, race, handicap, national origin, religion, gender, sexual orientation or commitment status;

(B) Provide acute inpatient mental health services to any individual based on clinical indications of need for the services;

(C) Maintain information by payor and non-paying sources to indicate the volume of care from each source provided annually.

Compliance with selective contracting requirements shall not be construed as a violation of this term.

(ix) An applicant required to enter into a contract with a CMH(s) or the Department pursuant to these standards shall have in place, at the time the approved beds or services become operational, a signed contract to serve the public patient. The contract must address a single entry and exit system including discharge planning for each public patient. The contract shall specify that at least 50% or 80% of the approved beds, as required by the applicable sections of these standards, shall be allocated to the public patient, and shall specify the hospital's or unit's willingness to admit patients with an involuntary commitment status. The contract need not be funded.

(x) An applicant shall participate in Medicaid at least 12 consecutive months within the first two years of operation and continue to participate annually thereafter.

(2) Compliance with this Section shall be determined by the Department based on a report submitted by the applicant and/or other information available to the Department.

(3) The agreements and assurances required by this Section shall be in the form of a certification agreed to by the applicant or its authorized agent.

### **Section 13. Project delivery requirements - additional terms of approval for child/adolescent service**

Sec. 13. (1) In addition to the provisions of Section 12, an applicant for a child/adolescent service shall agree to operate the program in compliance with the following terms of CON approval, as applicable:

(a) There shall be at least the following child and adolescent mental health professionals employed, either directly or by contract, by the hospital or unit, each of whom must have been involved in the delivery of child/adolescent mental health services for at least 2 years within the most recent 5 years:

- (i) a child/adolescent psychiatrist;
- (ii) a child psychologist;
- (iii) a psychiatric nurse;
- (iv) a psychiatric social worker;
- (v) an occupational therapist or recreational therapist; and

(b) There shall be a recipient rights officer employed by the hospital or the program.

(c) The applicant shall identify a staff member(s) whose assigned responsibilities include discharge planning and liaison activities with the home school district(s).

(d) There shall be the following minimum staff employed either on a full time basis or on a consulting basis:

- (i) a pediatrician;
- (ii) a child neurologist;
- (iii) a neuropsychologist;
- (iv) a speech and language therapist;
- (v) an audiologist; and
- (vi) a dietician.

(e) A child/adolescent service shall have the capability to determine that each inpatient admission is the appropriate treatment alternative consistent with Section 498e of the Mental Health Code, being Section 330.1498e of the Michigan Compiled Laws.

(f) The child/adolescent service shall develop and maintain a coordinated relationship with the home school district of any patient to ensure that all public education requirements are met.

(g) The applicant shall demonstrate that the child/adolescent service is integrated within the continuum of mental health services available in its planning area by establishing a formal agreement with the CMH(s) serving the planning area in which the child/adolescent specialized psychiatric program is located. The agreement shall address admission and discharge planning issues which include, at a minimum, specific procedures for referrals for appropriate community services and for the exchange of information with the CMH(s), the probate court(s), the home school district, the Michigan Department of Human Services, the parent(s) or legal guardian(s) and/or the patient's attending physician.

(2) Compliance with this Section shall be determined by the Department based on a report submitted by the program and/or other information available to the Department.

(3) The agreements and assurances required by this Section shall be in the form of a certification agreed to by the applicant or its authorized agent.

#### **Section 14. Department inventory of beds**

Sec. 14. The Department shall maintain, and provide on request, a listing of the Department Inventory of Beds for each adult and child/adolescent planning area.

#### **Section 15. Planning areas**

Sec. 15. The planning areas for inpatient psychiatric beds are the geographic boundaries of the groups of counties as follows.

**Planning Areas**

**Counties**

1	Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, Wayne
2	Clinton, Eaton, Hillsdale, Ingham, Jackson, Lenawee
3	Barry, Berrien, Branch, Calhoun, Cass, Kalamazoo, St. Joseph, Van Buren
4	Allegan, Ionia, Kent, Lake, Mason, Montcalm, Muskegon, Newaygo, Oceana, Ottawa
5	Genesee, Lapeer, Shiawassee
6	Arenac, Bay, Clare, Gladwin, Gratiot, Huron, Iosco, Isabella, Midland, Mecosta, Ogemaw, Osceola, Oscoda, Saginaw, Sanilac, Tuscola
7	Alcona, Alpena, Antrim, Benzie, Charlevoix, Cheboygan, Crawford, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee, Montmorency, Otsego, Presque Isle, Roscommon, Wexford
8	Alger, Baraga, Chippewa, Delta, Dickinson, Gogebic, Houghton, Iron, Keweenaw, Luce, Mackinac, Marquette, Menominee, Ontonagon, Schoolcraft

**Section 16. Effect on prior CON review standards; comparative reviews**

Sec. 16. (1) These CON review standards supercede and replace the CON Review Standards for Psychiatric Beds and Services, approved by the CON Commission on June 22, 2005 and effective on October 17, 2005.

(2) Projects involving replacement beds or an increase in beds, approved pursuant to Section 7(3), are reviewed under these standards and shall not be subject to comparative review.

(3) Projects involving initiation of services or an increase in beds, approved pursuant to Section 7(1), are reviewed under these standards and shall be subject to comparative review.

**CON REVIEW STANDARDS  
FOR CHILD/ADOLESCENT PSYCHIATRIC BEDS**

The bed need numbers, for purposes of these standards until otherwise changed by the Commission, are as follows:

<b>Planning Area</b>	<b>Bed Need</b>
1	109
2	12
3	20
4	40
5	20
6	17
7	8
8	5
<b>TOTAL</b>	<b>231</b>

**CON REVIEW STANDARDS  
FOR ADULT PSYCHIATRIC BEDS**

The bed need numbers, for purposes of these standards until otherwise changed by the Commission, are as follows:

<b>PLANNING AREA</b>	<b>BED NEED</b>
1	1011
2	170
3	186
4	282
5	172
6	101
7	51
8	37
<b>TOTAL</b>	<b>2010</b>

**RATIO OF ADULT INPATIENT PSYCHIATRIC  
BEDS PER 10,000 ADULT POPULATION**

<b>PLANNING AREA</b>	<b>ADULT BEDS PER 10,000 ADULT POPULATION</b>
1	2.9521
2	2.3372
3	2.4239
4	2.4423
5	2.9853
6	1.3419
7	1.2070
8	1.4938
<b>STATE</b>	2.5342

**CON REVIEW STANDARDS**  
**FOR CHILD/ADOLESCENT INPATIENT PSYCHIATRIC BEDS**

The use rate per 1000 population age 0-17, for purposes of these standards, until otherwise changed by the Commission, is 18.53.