

1 MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

2  
3 **CERTIFICATE OF NEED (CON) REVIEW STANDARDS**  
4 **FOR NURSING HOME AND HOSPITAL LONG-TERM-CARE UNIT (HLTCU) BEDS**  
5

6 (By authority conferred on the CON Commission by Section 22215 of Act No. 368 of the Public Acts of  
7 1978, as amended, and sections 7 and 8 of Act No. 306 of the Public Acts of 1969, as amended, being  
8 sections 333.22215, 24.207, and 24.208 of the Michigan Compiled Laws.)  
9

10 **Section 1. Applicability**

11  
12 Sec. 1. (1) These standards are requirements for approval ~~and delivery of nursing homes and~~  
13 ~~HLTCU services~~ under Part 222 of the Code THAT INVOLVE A) BEGINNING OPERATION OF A NEW  
14 NURSING HOME/HLTCU, (B) REPLACING BEDS IN A NURSING HOME/HLTCU OR PHYSICALLY  
15 RELOCATING NURSING HOME/HLTCU BEDS FROM ONE LICENSED SITE TO ANOTHER  
16 GEOGRAPHIC LOCATION, (C) INCREASING LICENSED BEDS IN A NURSING HOME/HLTCU –A  
17 nursing home licensed under Part 217 and a HLTCU defined in Section 20106(6), OR (D) ACQUIRING A  
18 NURSING HOME/HLTCU. PURSUANT TO THE CODE, A NURSING HOME/HLTCU ~~are~~ IS A covered  
19 health ~~facilities~~ facility for purposes of Part 222 of the Code. The Department shall use these standards in  
20 applying Section 22225(1) of the Code, being Section 333.22225(1) of the Michigan Compiled Laws and  
21 Section 22225(2)(c) of the Code, being Section 333.22225(2)(c) of the Michigan Compiled Laws.  
22

23 (2) AN INCREASE IN LICENSED NURSING HOME/HLTCU BEDS IS A CHANGE IN BED  
24 CAPACITY FOR PURPOSES OF PART 222 OF THE CODE.  
25

26 (3) THE PHYSICAL RELOCATION OF NURSING HOME/HLTCU BEDS FROM A LICENSED SITE  
27 TO ANOTHER GEOGRAPHIC LOCATION IS A CHANGE IN BED CAPACITY FOR PURPOSES OF  
28 PART 222 OF THE CODE.  
29

30 **Section 2. Definitions**

31  
32 Sec. 2. (1) As used in these standards:

33 (a) "Acquisition of an existing nursing home/HLTCU" means the issuance of a new nursing  
34 home/HLTCU license as the result of the acquisition (including purchase, lease, donation, or other  
35 comparable arrangement) of an existing licensed and operating nursing home/HLTCU and which does not  
36 involve a change in bed capacity of that health facility.

37 (b) "ADC adjustment factor" means the factor by which the average daily census (ADC), derived  
38 during the bed need methodology calculation set forth in Section 3(2)(d) for each planning area, is divided.  
39 For planning areas with an ADC of less than 100, the ADC adjustment factor is 0.90 and for planning  
40 areas with an ADC of 100 or more, the ADC adjustment factor is 0.95.

41 (c) "Applicant's cash" means the total unrestricted cash, designated funds, and restricted funds  
42 reported by the applicant as the source of funds in the application. IF THE PROJECT INCLUDES SPACE  
43 LEASE COSTS, THE APPLICANT'S CASH INCLUDES THE CONTRIBUTION DESIGNATED FOR THE  
44 PROJECT FROM THE LANDLORD.

45 (d) "Base year" means 1987 or the most recent year for which verifiable data collected as part of  
46 the Michigan Department of Community Health Annual Survey of Long-Term-Care Facilities or other  
47 comparable MDCH survey instrument are available.

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

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

52 (g) "Common ownership or control" means a nursing home, regardless of the state in which it is  
53 located, that is owned by, is under common control of, or has a common parent as the applicant nursing  
54 home pursuant to the definition of common ownership or control utilized by the Department's OF  
55 LICENSING AND REGULATORY AFFAIRS's (LARA), Bureau of Health Systems CARE SERVICES.

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

59 (i) "Converted space" means existing space in a health facility that is not currently licensed as part  
60 of the nursing home/HLTCU and is proposed to be licensed as nursing home or HLTCU space. An  
61 example is proposing to license home for the aged space as nursing home space.

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

63 (k) "Department inventory of beds" means the current list, for each planning area maintained on a  
64 continuing basis by the Department: (i) licensed nursing home beds and (ii) nursing home beds approved  
65 by a valid CON issued under Part 222 of the Code which are not yet licensed. It does not include (a)  
66 nursing home beds approved from the statewide pool and (b) short-term nursing care program beds  
67 approved pursuant to Section 22210 of the Code, being Section 333.22210 of the Michigan Compiled  
68 Laws.

69 (l) "Existing nursing home beds" means, for a specific planning area, the total of all nursing home  
70 beds located within the planning area including: (i) licensed nursing home beds, (ii) nursing home beds  
71 approved by a valid CON issued under Part 222 of the Code which are not yet licensed, (iii) proposed  
72 nursing home beds under appeal from a final Department decision made under Part 222 or pending a  
73 hearing from a proposed decision issued under Part 222 of the Code, and (iv) proposed nursing home  
74 beds that are part of a completed application under Part 222 of the Code which is pending final  
75 Department decision. (a) Nursing home beds approved from the statewide pool are excluded; and (b)  
76 short-term nursing care program beds approved pursuant to Section 22210 of the Code, being Section  
77 333.22210 of the Michigan Compiled Laws, are excluded.

78 (m) "Health service area" or "HSA" means the geographic area established for a health systems  
79 agency pursuant to former Section 1511 of the Public Health Service Act and set forth in Section 14.

80 (n) "Hospital long-term-care unit" or "HLTCU" means a nursing care facility, owned and operated by  
81 and as part of a hospital, that provides organized nursing care and medical treatment to seven (7) or more  
82 unrelated individuals suffering or recovering from illness, injury, or infirmity.

83 (o) "Licensed only facility" means a licensed nursing home that is not certified for Medicare or  
84 Medicaid.

85 (p) "Licensed site" means the location of the health facility authorized by license and listed on that  
86 licensee's certificate of licensure.

87 (q) "Medicaid" means title XIX of the social security act, chapter 531, 49 Stat. 620, 1396r-6 TO  
88 1396G and 1396r-8 to 1396v1396U.

89 ~~(r) "Metropolitan statistical area county" means a county located in a metropolitan statistical area  
90 as that term is defined under the "standards for defining metropolitan and micropolitan statistical areas" by  
91 the statistical policy office of the office of information and regulatory affairs of the United States office of  
92 management and budget, 65 F.R. p. 82238 (December 27, 2000) and as shown in Appendix C.~~

93 ~~(s) "Micropolitan statistical area county" means a county located in a micropolitan statistical area as  
94 that term is defined under the "standards for defining metropolitan and micropolitan statistical areas" by  
95 the statistical policy office of the office of information and regulatory affairs of the United States office of  
96 management and budget, 65 F.R. p. 82238 (December 27, 2000) and as shown in Appendix C.~~

97 ~~(t) "New design model" means a nursing home/HLTCU built in accordance with specified design  
98 requirements as identified in the applicable sections.~~

99 ~~(u) "Nursing home" means a nursing care facility, including a county medical care facility, but  
100 excluding a hospital or a facility created by Act No. 152 of the Public Acts of 1885, as amended, being  
101 sections 36.1 to 36.12 of the Michigan Compiled Laws, that provides organized nursing care and medical~~

102 treatment to seven (7) or more unrelated individuals suffering or recovering from illness, injury, or infirmity.  
103 This term applies to the licensee only and not the real property owner if different than the licensee.

104 (vt) "Nursing home bed" means a bed in a health facility licensed under Part 217 of the Code or a  
105 licensed bed in a hospital long-term-care unit. The term does not include short-term nursing care program  
106 beds approved pursuant to Section 22210 of the Code being Section 333.22210 of the Michigan Compiled  
107 Laws or beds in health facilities listed in Section 22205(2) of the Code, being Section 333.22205(2) of the  
108 Michigan Compiled Laws.

109 (wu) "Occupancy rate" means the percentage which expresses the ratio of the actual number of  
110 patient days of care provided divided by the total number of patient days. Total patient days is calculated  
111 by summing the number of licensed and/or CON approved but not yet licensed beds and multiplying these  
112 beds by the number of days that they were licensed and/or CON approved but not yet licensed. This shall  
113 include nursing home beds approved from the statewide pool. Occupancy rates shall be calculated using  
114 verifiable data from either (i) the actual number of patient days of care for 12 continuous months of data  
115 from the MDCH CON Annual Survey of Long-Term-Care Facilities or other comparable MDCH survey  
116 instrument or (ii) the actual number of patient days of care for 4 continuous quarters of data as reported to  
117 the Department for purposes of compiling the "Staffing/Bed Utilization Ratios Report," whichever is the  
118 most recent available data.

119 (xv) "Planning area" means the geographic boundaries of each county in Michigan with the  
120 exception of: (i) Houghton and Keweenaw counties, which are combined to form one planning area and  
121 (ii) Wayne County which is divided into three planning areas. Section 12 identifies the three planning  
122 areas in Wayne County and the specific geographic area included in each.

123 (yw) "Planning year" means 1990 or the year in the future, at least three (3) years but no more than  
124 seven (7) years, established by the CON Commission for which nursing home bed needs are developed.  
125 The planning year shall be a year for which official population projections, from the Department of  
126 Management and Budget or U.S. Census, data are available.

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

131 (aax) "Relocation of existing nursing home/HLTCU beds" means a change in the location of existing  
132 nursing home/HLTCU beds from the licensed site to a different EXISTING licensed site within the planning  
133 area.

134 (bby) "Renewal of lease" means execution of a lease between the licensee and a real property owner  
135 in which the total lease costs exceed the capital expenditure threshold.

136 (eez) "Replacement bed" means a change in the location of the licensed nursing home/HLTCU, the  
137 replacement of a portion of the licensed beds at the same licensed site, or the replacement of a portion of  
138 the licensed beds pursuant to the new model design. The nursing home/HLTCU beds will be in new  
139 physical plant space being developed in new construction or in newly acquired space (purchase, lease,  
140 donation, etc.) within the replacement zone.

141 (ddaa) "Replacement zone" means a proposed licensed site that is,  
142 (i) for a rural or micropolitan statistical area county, within the same planning area as the existing  
143 licensed site.  
144 (ii) for a county that is not a rural or micropolitan statistical area county,  
145 (A) within the same planning area as the existing licensed site and  
146 (B) within a three-mile radius of the existing licensed site.

147 ~~(ee) "Rural county" means a county not located in a metropolitan statistical area or micropolitan~~  
148 ~~statistical areas as those terms are defined under the "standards for defining metropolitan and~~  
149 ~~micropolitan statistical areas" by the statistical policy office of the office of information regulatory affairs of~~  
150 ~~the United States office of management and budget, 65 F.R. p. 82238 (December 27, 2000) and as~~  
151 ~~shown in Appendix C.~~

152 | ~~(ffcc) "Staffing/Bed Utilization Ratios Report" means the report issued by the Department on a~~  
153 | ~~quarterly basis.~~

154 | (ggbb) "Use rate" means the number of nursing home and hospital long-term-care unit days of care per  
155 | 1,000 population during a one-year period.

156 |  
157 | (2) The definitions in Part 222 of the Code shall apply to these standards.

### 158 | **Section 3. Determination of needed nursing home bed supply**

159 |  
160 |  
161 | Sec. 3 (1)(a) The age specific use rates for the planning year shall be the actual statewide age  
162 | specific nursing home use rates using data from the base year.

163 | (b) The age cohorts for each planning area shall be: (i) age 0 - 64 years, (ii) age 65 - 74 years, (iii)  
164 | age 75 - 84 years, and (iv) age 85 and older.

165 | (c) Until the base year is changed by the Commission in accord with Section 4(3) and Section 5,  
166 | the use rates for the base year for each corresponding age cohort, established in accord with subsection  
167 | (1)(b), are set forth in Appendix [AB](#).

168 |  
169 | (2) The number of nursing home beds needed in a planning area shall be determined by the  
170 | following formula:

171 | (a) Determine the population for the planning year for each separate planning area in the age  
172 | cohorts established in subsection (1)(b).

173 | (b) Multiply each population age cohort by the corresponding use rate established in Appendix [AB](#).

174 | (c) Sum the patient days resulting from the calculations performed in subsection (b). The resultant  
175 | figure is the total patient days.

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

178 | (e) The following shall be known as the ADC adjustment factor. (i) If the ADC determined in  
179 | subsection (d) is less than 100, divide the ADC by 0.90. (ii) If the ADC determined in subsection (d) is 100  
180 | or greater, divide the ADC by 0.95.

181 | (f) The number determined in subsection (e) represents the number of nursing home beds needed  
182 | in a planning area for the planning year.

### 183 | **Section 4. Bed need**

184 |  
185 |  
186 | Sec. 4. (1) The bed need numbers ~~shown in Appendix B and incorporated as part of these~~  
187 | ~~standards~~ shall apply to project applications subject to review under these standards, except where a  
188 | specific CON standard states otherwise.

189 |  
190 | (2) The Department shall apply the bed need methodology in Section 3 on a biennial basis.

191 |  
192 | (3) The base year and the planning year that shall be utilized in applying the methodology pursuant  
193 | to subsection (2) shall be set according to the most recent data available to the Department.

194 |  
195 | (4) The effective date of the bed need numbers shall be established by the Commission.

196 |  
197 | (5) New bed need numbers established by subsections (2) and (3) shall supersede ~~the PREVIOUS~~  
198 | ~~bed need numbers shown in Appendix B and shall be included as an amended appendix to these~~  
199 | ~~standards~~ POSTED ON THE STATE OF MICHIGAN CON WEB SITE AS PART OF THE NURSING  
200 | HOME/HLTCU BED INVENTORY.

202 (6) Modifications made by the Commission pursuant to this section shall not require standard  
203 advisory committee action, a public hearing, or submittal of the standard to the Legislature and the  
204 Governor in order to become effective.

205  
206 **Section 5. Modification of the age specific use rates by changing the base year**  
207

208 Sec. 5. (1) The base year shall be modified based on data obtained from the Department and  
209 presented to the Commission. The Department shall calculate use rates for each of the age cohorts set  
210 forth in Section 3(1)(b) and biennially present the revised use rates based on 2006 information, or the  
211 most recent base year information available biennially after 2006, to the CON Commission.

212  
213 (2) The Commission shall establish the effective date of the modifications made pursuant to  
214 subsection (1).

215  
216 (3) Modifications made by the Commission pursuant to subsection (1) shall not require standard  
217 advisory committee action, a public hearing, or submittal of the standard to the Legislature and the  
218 Governor in order to become effective.

219  
220 **Section 6. Requirements for approval to increase beds in a planning area**  
221

222 Sec. 6. An applicant proposing to increase the number of nursing home beds in a planning area  
223 must meet the following as applicable:

224  
225 (1) An applicant proposing to increase the number of nursing home beds in a planning area by  
226 beginning operation of a new nursing home/HLTCU or increasing the number of beds to an existing  
227 licensed nursing home/HLTCU shall demonstrate the following:

228 (a) At the time of application, the applicant, as identified in the table, shall provide a report  
229 demonstrating that it does not meet any of the following conditions in 14%, but not more than five, of its  
230 nursing homes/HLTCUs:

231

Type of Applicant	Reporting Requirement
Applicant with only Michigan nursing homes/HLTCUs	All Michigan nursing homes/HLTCUs under common ownership or control
Applicant with 10 or more Michigan nursing homes/HLTCUs and out of state nursing homes/HLTCUs	All Michigan nursing homes/HLTCUs under common ownership or control
Applicant with fewer than 10 Michigan nursing homes/HLTCUs and out of state nursing homes/HLTCUs	All Michigan and out of state nursing homes/HLTCUs under common ownership or control

232  
233 (i) A state enforcement action resulting in a license revocation, reduced license capacity, or  
234 receivership within the last three years, or from the change of ownership date if the facility has come  
235 under common ownership or control within 24 months of the date of the application.

236 (ii) A filing for bankruptcy within the last three years, or from the change of ownership date if the  
237 facility has come under common ownership or control within 24 months of the date of the application.

238 (iii) Termination of a Medical Assistance Provider Enrollment and Trading Partner Agreement  
239 initiated by the Department or licensing and certification agency in another state, within the last three  
240 years, or from the change of ownership date if the facility has come under common ownership or control  
241 within 24 months of the date of the application.

242 (iv) A number of citations at Level D or above, excluding life safety code citations, on the scope and  
243 severity grid on two consecutive standard surveys that exceeds twice the statewide average, calculated

244 from the quarter in which the standard survey was completed, in the state in which the nursing  
245 home/HLTCU is located. For licensed only facilities, a number of citations at two times the average of all  
246 licensed only facilities on the last two licensing surveys. However, if the facility has come under common  
247 ownership or control within 24 months of the date of the application, the first two licensing surveys as of  
248 the change of ownership date, shall be excluded.

249 (v) Currently listed as a special focus nursing home by the Center for Medicare and Medicaid  
250 services.

251 (vi) ~~Outstanding-DELINQUENT~~ debt obligation to the State of Michigan ~~for-INCLUDING, BUT NOT~~  
252 ~~LIMITED TO,~~ Quality Assurance Assessment Program (QAAP), ~~PREADMISSION SCREENING AND~~  
253 ~~ANNUAL RESIDENT REVIEW (PASARR)~~ -or Civil Monetary Penalties (CMP).

254 (b) The applicant certifies that the requirements found in the Minimum Design Standards for Health  
255 Care Facilities of Michigan, referenced in Section 20145 (6) of the Public Health Code, Act 368 of 1978,  
256 as amended and are published by the Department, will be met when the architectural blueprints are  
257 submitted for review and approval by the Department.

258 (c) A Plan of Correction for cited state or federal code deficiencies at the health facility, if any, has  
259 been submitted and approved by the Bureau of Health ~~Systems-CARE SERVICES~~ within ~~LARA,the~~  
260 ~~Department.~~ Code deficiencies include any unresolved deficiencies still outstanding with ~~the~~  
261 ~~DepartmentLARA.~~

262 (d) The proposed increase, if approved, will not result in the total number of existing nursing home  
263 beds in that planning area exceeding the needed nursing home bed supply ~~set forth in Appendix B~~, unless  
264 one of the following is met:

265 (i) An applicant may request and be approved for up to a maximum of 20 beds if, when the total  
266 number of "existing nursing home beds" is subtracted from the bed need for the planning area ~~set forth in~~  
267 ~~Appendix B~~, the difference is equal to or more than 1 and equal to or less than 20. This subsection is not  
268 applicable to projects seeking approval for beds from the statewide pool of beds.

269 (ii) An exception to the number of beds may be approved, if the applicant facility has experienced  
270 an average occupancy rate of 97% for ~~12 quarters~~~~THREE YEARS~~ based on the ~~Department's~~  
271 ~~"Staffing/Bed Utilization Ratios Report."~~~~CON ANNUAL SURVEY.~~ The number of beds that may be  
272 approved in excess of the bed need for each planning area ~~identified in Appendix B~~ is set forth in  
273 subsection (A).

274 (A) The number of beds that may be approved pursuant to this subsection shall be the number of  
275 beds necessary to reduce the occupancy rate for the planning area in which the additional beds are  
276 proposed to the ADC adjustment factor for that planning area as shown in Appendix ~~BC~~. The number of  
277 beds shall be calculated by (1) dividing the actual number of patient days of care provided during the most  
278 recent 12-month period for which verifiable data are available to the Department provided by all nursing  
279 home (including HLTCU) beds in the planning area, including patient days of care provided in beds  
280 approved from the statewide pool of beds and dividing that result by 365 (or 366 for leap years); (2)  
281 dividing the result of step (1) by the ADC adjustment factor for the planning area in which the beds are  
282 proposed to be added; (3) rounding the result of step (2) up to the next whole number; and (4) subtracting  
283 the total number of beds in the planning area including beds approved from the statewide pool of beds  
284 from the result of step (3). If the number of beds necessary to reduce the planning area occupancy rate to  
285 the ADC adjustment factor for that planning area is equal to or more than 20, the number of beds that may  
286 be approved pursuant to this subsection shall be up to that number of beds. If the number of beds  
287 necessary to reduce the planning area occupancy rate to the ADC adjustment factor for that planning area  
288 is less than 20, the number of additional beds that may be approved shall be that number of beds or up to  
289 a maximum of 20 beds.

290 (iii) An applicant may request and be approved for up to a maximum of 20 beds if the following  
291 requirements are met:

292 (A) The planning area in which the beds will be located shall have a population density of less than  
293 28 individuals per square mile based on the ~~2000-2010~~ U.S. Census figures as set forth in Appendix ~~DE~~.

294 (B) The applicant facility has experienced an average occupancy rate of 92% for the most recent 24  
 295 months TWO YEARS based on the Department's "Staffing/Bed Utilization Ratios Report." CON ANNUAL  
 296 SURVEY.

298 (2) An applicant proposing to increase the number of nursing home beds in a planning area by  
 299 beginning operation of a new nursing home/HLTCU or increasing the number of beds to an existing  
 300 licensed nursing home/HLTCU pursuant to the new design model shall demonstrate the following:

301 (a) At the time of application, the applicant, as identified in the table, shall provide a report  
 302 demonstrating that it does not meet any of the following conditions in 14%, but not more than five, of its  
 303 nursing homes/HLTCUs:  
 304

Type of Applicant	Reporting Requirement
Applicant with only Michigan nursing homes/HLTCUs	All Michigan nursing homes/HLTCUs under common ownership or control
Applicant with 10 or more Michigan nursing homes/HLTCUs and out of state nursing homes/HLTCUs	All Michigan nursing homes/HLTCUs under common ownership or control
Applicant with fewer than 10 Michigan nursing homes/HLTCUs and out of state nursing homes/HLTCUs	All Michigan and out of state nursing homes/HLTCUs under common ownership or control

305 (i) A state enforcement action resulting in a license revocation, reduced license capacity, or  
 306 receivership within the last three years, or from the change of ownership date if the facility has come  
 307 under common ownership or control within 24 months of the date of the application.

308 (ii) A filing for bankruptcy within the last three years, or from the change of ownership date if the  
 309 facility has come under common ownership or control within 24 months of the date of the application.

310 (iii) Termination of a Medical Assistance Provider Enrollment and Trading Partner Agreement  
 311 initiated by the Department or licensing and certification agency in another state, within the last three  
 312 years, or from the change of ownership date if the facility has come under common ownership or control  
 313 within 24 months of the date of the application.

314 (iv) A number of citations at Level D or above, excluding life safety code citations, on the scope and  
 315 severity grid on two consecutive standard surveys that exceeds twice the statewide average, calculated  
 316 from the quarter in which the standard survey was completed, in the state in which the nursing  
 317 home/HLTCU is located. For licensed only facilities, a number of citations at two times the average of all  
 318 licensed only facilities on the last two licensing surveys. However, if the facility has come under common  
 319 ownership or control within 24 months of the date of the application, the first two licensing surveys as of  
 320 the change of ownership date, shall be excluded.

321 (v) Currently listed as a special focus nursing home by the Center for Medicare and Medicaid  
 322 Services.

323 (vi) Outstanding-DELINQUENT debt obligation to the State of Michigan INCLUDING, BUT NOT  
 324 LIMITED TO, for Quality Assurance Assessment Program (QAAP), PREADMISSION SCREENING AND  
 325 ANNUAL RESIDENT REVIEW (PASARR) or Civil Monetary Penalties (CMP).

326 (b) The proposed project results in no more than 100 beds per new design model and meets the  
 327 following design standards:

328 (i) For inpatient facilities that are not limited to group resident housing of 10 beds or less, the  
 329 construction standards shall be those applicable to nursing homes in the document entitled Minimum  
 330 Design Standards for Health Care Facilities in Michigan and incorporated by reference in Section 20145(6)  
 331 of the Public Health Code, being Section 333.20145(6) of the Michigan Compiled Laws or any future  
 332 versions.

333 (ii) For small resident housing units of 10 beds or less that are supported by a central support  
 334 inpatient facility, the construction standards shall be those applicable to hospice residences providing an  
 335 inpatient level of care, except that:  
 336

- 337 (A) at least 100% of all resident sleeping rooms shall meet barrier free requirements;  
338 (B) electronic nurse call systems shall be required in all facilities;  
339 (C) handrails shall be required on both sides of patient corridors; and  
340 (D) ceiling heights shall be a minimum of 7 feet 10 inches.  
341 (iii) The proposed project shall comply with applicable life safety code requirements and shall be  
342 fully sprinkled and air conditioned.  
343 (iv) The Department may waive construction requirements for new design model projects if  
344 authorized by law.  
345 (c) The proposed project shall include at least 80% single occupancy resident rooms with an  
346 adjoining ~~bathroom~~TOILET ROOM CONTAINING A SINK, WATER CLOSET, AND BATHING FACILITY  
347 AND serving no more than two residents in both the central support inpatient facility and any supported  
348 small resident housing units.  
349 (d) The proposed increase, if approved, will not result in the total number of existing nursing home  
350 beds in that planning area exceeding the needed nursing home bed supply ~~set forth in Appendix B~~, unless  
351 the following is met:  
352 (i) An approved project involves replacement of a portion of the beds of an existing facility at a  
353 geographic location within the replacement zone that is not physically connected to the current licensed  
354 site. If a portion of the beds are replaced at a location that is not the current licensed site, a separate  
355 license shall be issued to the facility at the new location.  
356 (e) A Plan of Correction for cited state or federal code deficiencies at the health facility, if any, has  
357 been submitted and approved by the Bureau of Health ~~Systems~~CARE SERVICES within ~~the~~  
358 DepartmentLARA. Code deficiencies include any unresolved deficiencies still outstanding with ~~the~~  
359 DepartmentLARA.

#### 360 **Section 7. Requirements for approval to relocate existing nursing home/HLTCU beds**

361 ~~Sec. 7. (1) An applicant proposing to relocate existing nursing home/HLTCU beds shall not be required~~  
362 ~~to be in compliance with the needed nursing home bed supply set forth in Appendix B, if the applicant~~  
363 ~~demonstrates all of the following:~~  
364 ~~—(a) An existing nursing home may relocate no more than 50% of its beds to another existing~~  
365 ~~nursing home, and an existing HLTCU may relocate all or a portion of its beds to another existing nursing~~  
366 ~~home/HLTCU.~~  
367 ~~—(b) The nursing home/HLTCU from which the beds are being relocated and the nursing~~  
368 ~~home/HLTCU receiving the beds shall not require any ownership relationship.~~  
369 ~~—(c) The nursing home/HLTCU from which the beds are being relocated and the nursing~~  
370 ~~home/HLTCU receiving the beds must be located in the same planning area.~~  
371 ~~—(d) The nursing home/HLTCU from which the beds are being relocated has not relocated any beds~~  
372 ~~within the last seven (7) years.~~  
373 ~~—(e) The relocated beds shall be licensed to the receiving nursing home/HLTCU and will be counted~~  
374 ~~in the inventory for the applicable planning area.~~  
375 ~~—(f) At the time of transfer to the receiving facility, patients in beds to be relocated must be given the~~  
376 ~~choice of remaining in another bed in the nursing home/HLTCU from which the beds are being transferred~~  
377 ~~or to the receiving nursing home/HLTCU. Patients shall not be involuntary discharged to create a vacant~~  
378 ~~bed.~~  
379 ~~—(2) An applicant proposing to add new nursing home/HLTCU beds, as the receiving existing nursing~~  
380 ~~home/HLTCU under subsection (1), shall not be required to be in compliance with the needed nursing~~  
381 ~~home bed supply set forth in Appendix B, if the applicant demonstrates all of the following:~~  
382 ~~—(a) At the time of application, the applicant, as identified in the table, shall provide a report~~  
383 ~~demonstrating that it does not meet any of the following conditions in 14%, but not more than five, of its~~  
384 ~~nursing homes/HLTCUs:~~  
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Type of Applicant	Reporting Requirement
Applicant with only Michigan nursing homes/HLTCUs	All Michigan nursing homes/HLTCUs under common ownership or control
Applicant with 10 or more Michigan nursing homes/HLTCUs and out of state nursing homes/HLTCUs	All Michigan nursing homes/HLTCUs under common ownership or control
Applicant with fewer than 10 Michigan nursing homes/HLTCUs and out of state nursing homes/HLTCUs	All Michigan and out of state nursing homes/HLTCUs under common ownership or control

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~~— (i) A state enforcement action resulting in a license revocation, reduced license capacity, or receivership within the last three years, or from the change of ownership date if the facility has come under common ownership or control within 24 months of the date of the application.~~

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~~— (ii) A filing for bankruptcy within the last three years, or from the change of ownership date if the facility has come under common ownership or control within 24 months of the date of the application.~~

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~~— (iii) Termination of a Medical Assistance Provider Enrollment and Trading Partner Agreement initiated by the Department or licensing and certification agency in another state, within the last three years, or from the change of ownership date if the facility has come under common ownership or control within 24 months of the date of the application.~~

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~~— (iv) A number of citations at Level D or above, excluding life safety code citations, on the scope and severity grid on two consecutive standard surveys that exceeds twice the statewide average, calculated from the quarter in which the standard survey was completed, in the state in which the nursing home/HLTCU is located. For licensed only facilities, a number of citations at two times the average of all licensed only facilities on the last two licensing surveys. However, if the facility has come under common ownership or control within 24 months of the date of the application, the first two licensing surveys as of the change of ownership date, shall be excluded.~~

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~~— (v) Currently listed as a special focus nursing home by the Center for Medicare and Medicaid Services.~~

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~~— (vi) Outstanding debt obligation to the State of Michigan for Quality Assurance Assessment Program (QAAP) or Civil Monetary Penalties (CMP).~~

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~~— (b) The approval of the proposed new nursing home/HLTCU beds shall not result in an increase in the number of nursing home beds in the planning area.~~

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~~— (c) A Plan of Correction for cited state or federal code deficiencies at the health facility, if any, has been submitted and approved by the Bureau of Health Systems within the Department. Code deficiencies include any unresolved deficiencies still outstanding with the Department.~~

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**Section 87. Requirements for approval to replace beds**

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Sec. 87. An applicant proposing to replace beds must meet the following as applicable.

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(1) An applicant proposing to replace beds within the replacement zone shall not be required to be in compliance with the needed nursing home bed supply ~~set forth in Appendix B AND if the applicant demonstrates~~ all of the following **REQUIREMENTS ARE MET**:

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(a) At the time of application, the applicant, as identified in the table, shall provide a report demonstrating that it does not meet any of the following conditions in 14%, but not more than five, of its nursing homes/HLTCUs:

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Type of Applicant	Reporting Requirement
Applicant with only Michigan nursing homes/HLTCUs	All Michigan nursing homes/HLTCUs under common ownership or control

Applicant with 10 or more Michigan nursing homes/HLTCUs and out of state nursing homes/HLTCUs	All Michigan nursing homes/HLTCUs under common ownership or control
Applicant with fewer than 10 Michigan nursing homes/HLTCUs and out of state nursing homes/HLTCUs	All Michigan and out of state nursing homes/HLTCUs under common ownership or control

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- (i) A state enforcement action resulting in a license revocation, reduced license capacity, or receivership within the last three years, or from the change of ownership date if the facility has come under common ownership or control within 24 months of the date of the application.
  - (ii) A filing for bankruptcy within the last three years, or from the change of ownership date if the facility has come under common ownership or control within 24 months of the date of the application.
  - (iii) Termination of a Medical Assistance Provider Enrollment and Trading Partner Agreement initiated by the Department or licensing and certification agency in another state, within the last three years, or from the change of ownership date if the facility has come under common ownership or control within 24 months of the date of the application.
  - (iv) A number of citations at Level D or above, excluding life safety code citations, on the scope and severity grid on two consecutive standard surveys that exceeds twice the statewide average, calculated from the quarter in which the standard survey was completed, in the state in which the nursing home/HLTCU is located. For licensed only facilities, a number of citations at two times the average of all licensed only facilities on the last two licensing surveys. However, if the facility has come under common ownership or control within 24 months of the date of the application, the first two licensing surveys as of the change of ownership date, shall be excluded.
  - (v) Currently listed as a special focus nursing home by the Center for Medicare and Medicaid Services.
  - (vi) Outstanding-DELINQUENT debt obligation to the State of Michigan INCLUDING, BUT NOT LIMITED TO, for Quality Assurance Assessment Program (QAAP), PREADMISSION SCREENING AND ANNUAL RESIDENT REVIEW (PASARR) or Civil Monetary Penalties (CMP).
  - (b) The proposed project is either to replace the licensed nursing home/HLTCU to a new site or replace a portion of the licensed beds at the existing licensed site.
  - (c) The proposed site is within the replacement zone.
  - (d) The applicant certifies that the requirements found in the Minimum Design Standards for Health Care Facilities of Michigan, referenced in Section 20145 (6) of the Public Health Code, Act 368 of 1978, as amended and are published by the Department, will be met when the architectural blueprints are submitted for review and approval by the Department.
  - (e) A Plan of Correction for cited state or federal code deficiencies at the health facility, if any, has been submitted and approved by the Bureau of Health Systems-CARE SERVICES within ~~the Department~~LARA. Code deficiencies include any unresolved deficiencies still outstanding with ~~the Department~~LARA.
- (2) An applicant proposing to replace a licensed nursing home/HLTCU outside the replacement zone shall demonstrate all of the following:
- (a) At the time of application, the applicant, as identified in the table, shall provide a report demonstrating that it does not meet any of the following conditions in 14%, but not more than five, of its nursing homes/HLTCUs:

Type of Applicant	Reporting Requirement
Applicant with only Michigan nursing homes/HLTCUs	All Michigan nursing homes/HLTCUs under common ownership or control
Applicant with 10 or more Michigan nursing homes/HLTCUs and out of state nursing homes/HLTCUs	All Michigan nursing homes/HLTCUs under common ownership or control

homes/HLTCUs	
Applicant with fewer than 10 Michigan nursing homes/HLTCUs and out of state nursing homes/HLTCUs	All Michigan and out of state nursing homes/HLTCUs under common ownership or control

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(i) A state enforcement action resulting in a license revocation, reduced license capacity, or receivership within the last three years, or from the change of ownership date if the facility has come under common ownership or control within 24 months of the date of the application.

(ii) A filing for bankruptcy within the last three years, or from the change of ownership date if the facility has come under common ownership or control within 24 months of the date of the application.

(iii) Termination of a Medical Assistance Provider Enrollment and Trading Partner Agreement initiated by the Department or licensing and certification agency in another state, within the last three years, or from the change of ownership date if the facility has come under common ownership or control within 24 months of the date of the application.

(iv) A number of citations at Level D or above, excluding life safety code citations, on the scope and severity grid on two consecutive standard surveys that exceeds twice the statewide average, calculated from the quarter in which the standard survey was completed, in the state in which the nursing home/HLTCU is located. For licensed only facilities, a number of citations at two times the average of all licensed only facilities on the last two licensing surveys. However, if the facility has come under common ownership or control within 24 months of the date of the application, the first two licensing surveys as of the change of ownership date, shall be excluded.

(v) Currently listed as a special focus nursing home by the Center for Medicare and Medicaid Services.

(vi) ~~Outstanding-DELINQUENT~~ debt obligation to the State of Michigan INCLUDING, BUT NOT LIMITED TO, for Quality Assurance Assessment Program (QAAP), PREADMISSION SCREENING AND ANNUAL RESIDENT REVIEW (PASARR) or Civil Monetary Penalties (CMP).

(b) The total number of existing nursing home beds in that planning area is equal to or less than the needed nursing home bed supply ~~set forth in Appendix B.~~

(c) The number of beds to be replaced is equal to or less than the number of currently licensed beds at the nursing home/HLTCU at which the beds proposed for replacement are currently located.

(d) The applicant certifies that the requirements found in the Minimum Design Standards for Health Care Facilities of Michigan, referenced in Section 20145 (6) of the Public Health Code, Act 368 of 1978, as amended and are published by the Department, will be met when the architectural blueprints are submitted for review and approval by the Department.

(e) A Plan of Correction for cited state or federal code deficiencies at the health facility, if any, has been submitted and approved by the Bureau of Health ~~Systems-CARE SERVICES~~ within ~~the Department~~LARA. Code deficiencies include any unresolved deficiencies still outstanding with ~~the Department~~LARA.

(3) An applicant proposing to replace beds with a new design model shall not be required to be in compliance with the needed nursing home bed supply ~~set forth in Appendix B~~ AND if the applicant demonstrates all of the following REQUIREMENTS ARE MET:

(a) The proposed project results in no more than 100 beds per new design model and meets the following design standards:

(i) For inpatient facilities that are not limited to group resident housing of 10 beds or less, the construction standards shall be those applicable to nursing homes in the document entitled Minimum Design Standards for Health Care Facilities in Michigan and incorporated by reference in Section 20145(6) of the Public Health Code, being Section 333.20145(6) of the Michigan Compiled Laws or any future versions.

512 (ii) For small resident housing units of 10 beds or less that are supported by a central support  
513 inpatient facility, the construction standards shall be those applicable to hospice residences providing an  
514 inpatient level of care, except that:

- 515 (a) at least 100% of all resident sleeping rooms shall meet barrier free requirements;
  - 516 (b) electronic nurse call systems shall be required in all facilities;
  - 517 (c) handrails shall be required on both sides of patient corridors; and
  - 518 (d) ceiling heights shall be a minimum of 7 feet 10 inches.
- 519 (iii) The proposed project shall comply with applicable life safety code requirements and shall be  
520 fully sprinkled and air conditioned.

521 (iv) The Department may waive construction requirements for new design model projects if  
522 authorized by law.

523 (b) The proposed project shall include at least 80% single occupancy resident rooms with an  
524 adjoining ~~bathroom~~ TOILET ROOM CONTAINING A SINK, WATER CLOSET, AND BATHING FACILITY  
525 AND serving no more than two residents in both the central support inpatient facility and any supported  
526 small resident housing units. If the proposed project is for replacement/renovation of an existing facility  
527 and utilizes only a portion of its currently licensed beds, the remaining rooms at the existing facility shall  
528 not exceed double occupancy.

529 (c) The proposed project shall be within the replacement zone unless the applicant demonstrates  
530 all of the following:

531 (i) The proposed site for the replacement beds is in the same planning area, ~~and not within a three~~  
532 ~~mile radius of a licensed nursing home that has been newly constructed, or replaced (including approved~~  
533 ~~projects) within five calendar years prior to the date of the application,~~

534 (ii) The applicant shall provide a signed affidavit or resolution from its governing body or authorized  
535 agent stating that the proposed licensed site will continue to provide service to the same market, and

536 (iii) The current patients of the facility/beds being replaced shall be admitted to the replacement  
537 beds when the replacement beds are licensed, to the extent that those patients desire to transfer to the  
538 replacement facility/beds.

539 (d) An approved project may involve replacement of a portion of the beds of an existing facility at a  
540 geographic location within the replacement zone that is not physically connected to the current licensed  
541 site. If a portion of the beds are replaced at a location that is not the current licensed site, a separate  
542 license shall be issued to the facility at the new location.

543 (e) A Plan of Correction for cited state or federal code deficiencies at the health facility, if any, has  
544 been submitted and approved by the Bureau of Health ~~Systems~~ CARE SERVICES within ~~the~~  
545 Department LARA. Code deficiencies include any unresolved deficiencies still outstanding with ~~the~~  
546 Department LARA.

547  
548 **Section 8. Requirements for approval to relocate existing nursing home/HLTCU beds**

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550 Sec. 8. (1) An applicant proposing to relocate existing nursing home/HLTCU beds shall not be  
551 required to be in compliance with the needed nursing home bed supply if AND the applicant demonstrates  
552 all of the following REQUIREMENTS ARE MET:

553 (a) An existing nursing home may relocate no more than 50% of its beds to another existing  
554 nursing home, and an existing HLTCU may relocate all or a portion of its beds to another existing nursing  
555 home/HLTCU.

556 (ba) THERE SHALL NOT BE ANY OWNERSHIP RELATIONSHIP REQUIREMENTS BETWEEN  
557 the nursing home/HLTCU from which the beds are being relocated and the nursing home/HLTCU  
558 receiving the beds shall not require any ownership relationship.

559 (cb) THE RELOCATED BEDS SHALL BE PLACEDThe nursing home/HLTCU from which the beds  
560 are being relocated and the nursing home/HLTCU receiving the beds must be located in the same  
561 planning area.

562 (d) The nursing home/HLTCU from which the beds are being relocated has not relocated any beds  
563 within the last seven (7) years.

564 (ec) The relocated beds shall be licensed to the receiving nursing home/HLTCU and will be counted  
 565 in the inventory for the applicable planning area.  
 566 (fd) At the time of transfer to the receiving facility, patients in beds to be relocated must be given the  
 567 choice of remaining in another bed in the nursing home/HLTCU from which the beds are being transferred  
 568 or to the receiving nursing home/HLTCU. Patients shall not be involuntary discharged to create a vacant  
 569 bed.  
 570 (e) RELOCATION OF BEDS SHALL NOT INCREASE THE ROOMS WITH THREE (3) OR MORE  
 571 BED WARDS IN THE RECEIVING FACILITY.

572  
 573 (2) An applicant proposing to add new nursing home/HLTCU beds, as the receiving existing nursing  
 574 home/HLTCU under subsection (1), shall not be required to be in compliance with the needed nursing  
 575 home bed supply; if AND the applicant demonstrates all of the following REQUIREMENTS ARE MET:

576 (a) At the time of application, the applicant, as identified in the table, shall provide a report  
 577 demonstrating that it does not meet any of the following conditions in 14%, but not more than five, of its  
 578 nursing homes/HLTCUs:

<u>Type of Applicant</u>	<u>Reporting Requirement</u>
<u>Applicant with only Michigan nursing homes/HLTCUs</u>	<u>All Michigan nursing homes/HLTCUs under common ownership or control</u>
<u>Applicant with 10 or more Michigan nursing homes/HLTCUs and out of state nursing homes/HLTCUs</u>	<u>All Michigan nursing homes/HLTCUs under common ownership or control</u>
<u>Applicant with fewer than 10 Michigan nursing homes/HLTCUs and out of state nursing homes/HLTCUs</u>	<u>All Michigan and out of state nursing homes/HLTCUs under common ownership or control</u>

580  
 581 (i) A state enforcement action resulting in a license revocation, reduced license capacity, or  
 582 receivership within the last three years, or from the change of ownership date if the facility has come  
 583 under common ownership or control within 24 months of the date of the application.  
 584 (ii) A filing for bankruptcy within the last three years, or from the change of ownership date if the  
 585 facility has come under common ownership or control within 24 months of the date of the application.  
 586 (iii) Termination of a Medical Assistance Provider Enrollment and Trading Partner Agreement  
 587 initiated by the Department or licensing and certification agency in another state, within the last three  
 588 years, or from the change of ownership date if the facility has come under common ownership or control  
 589 within 24 months of the date of the application.  
 590 (iv) A number of citations at Level D or above, excluding life safety code citations, on the scope and  
 591 severity grid on two consecutive standard surveys that exceeds twice the statewide average, calculated  
 592 from the quarter in which the standard survey was completed, in the state in which the nursing  
 593 home/HLTCU is located. For licensed only facilities, a number of citations at two times the average of all  
 594 licensed only facilities on the last two licensing surveys. However, if the facility has come under common  
 595 ownership or control within 24 months of the date of the application, the first two licensing surveys as of  
 596 the change of ownership date, shall be excluded.  
 597 (v) Currently listed as a special focus nursing home by the Center for Medicare and Medicaid  
 598 Services.  
 599 (vi) Outstanding DELINQUENT debt obligation to the State of Michigan INCLUDING, BUT NOT  
 600 LIMITED TO, for Quality Assurance Assessment Program (QAAP), PREADMISSION SCREENING AND  
 601 ANNUAL RESIDENT REVIEW (PASARR) or Civil Monetary Penalties (CMP).  
 602 (b) The approval of the proposed new nursing home/HLTCU beds shall not result in an increase in  
 603 the number of nursing home beds in the planning area.  
 604 (c) A Plan of Correction for cited state or federal code deficiencies at the health facility, if any, has  
 605 been submitted and approved by the Bureau of Health Systems CARE SERVICES within the

~~DepartmentLARA. Code deficiencies include any unresolved deficiencies still outstanding with the DepartmentLARA.~~

**Section 9. Requirements for approval to acquire an existing nursing home/HLTCU or renew the lease of an existing nursing home/HLTCU**

Sec. 9. An applicant proposing to acquire an existing nursing home/HLTCU or renew the lease of an existing nursing home/HLTCU must meet the following as applicable:

(1) An applicant proposing to acquire an existing nursing home/HLTCU shall not be required to be in compliance with the needed nursing home bed supply ~~set forth in Appendix B~~ for the planning area in which the nursing home or HLTCU is located ~~if AND the applicant demonstrates~~ all of the following **REQUIREMENTS ARE MET:**

(a) At the time of application, the applicant, as identified in the table, shall provide a report demonstrating that it does not meet any of the following conditions in 14%, but not more than five, of its nursing homes/HLTCUs:

Type of Applicant	Reporting Requirement
Applicant with only Michigan nursing homes/HLTCUs	All Michigan nursing homes/HLTCUs under common ownership or control
Applicant with 10 or more Michigan nursing homes/HLTCUs and out of state nursing homes/HLTCUs	All Michigan nursing homes/HLTCUs under common ownership or control
Applicant with fewer than 10 Michigan nursing homes/HLTCUs and out of state nursing homes/HLTCUs	All Michigan and out of state nursing homes/HLTCUs under common ownership or control

(i) A state enforcement action resulting in a license revocation, reduced license capacity, or receivership within the last three years, or from the change of ownership date if the facility has come under common ownership or control within 24 months of the date of the application.

(ii) A filing for bankruptcy within the last three years, or from the change of ownership date if the facility has come under common ownership or control within 24 months of the date of the application.

(iii) termination of a Medical Assistance Provider Enrollment and Trading Partner Agreement initiated by the Department or licensing and certification agency in another state, within the last three years, or from the change of ownership date if the facility has come under common ownership or control within 24 months of the date of the application.

(iv) A number of citations at Level D or above, excluding life safety code citations, on the scope and severity grid on two consecutive standard surveys that exceeds twice the statewide average, calculated from the quarter in which the standard survey was completed, in the state in which the nursing home/HLTCU is located. For licensed only facilities, a number of citations at two times the average of all licensed only facilities on the last two licensing surveys. However, if the facility has come under common ownership or control within 24 months of the date of the application, the first two licensing surveys as of the change of ownership date, shall be excluded.

(v) Currently listed as a special focus nursing home by the Center for Medicare and Medicaid Services.

(vi) Outstanding DELINQUENT debt obligation to the state of Michigan INCLUDING, BUT NOT LIMITED TO, for quality assurance assessment program (QAAP), PREADMISSION SCREENING AND ANNUAL RESIDENT REVIEW (PASARR) OR civil monetary penalties (CMP).

(b) The acquisition will not result in a change in bed capacity.

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

(d) The project is limited solely to the acquisition of a nursing home/HLTCU with a valid license.

648 (e) A Plan of Correction for cited state or federal code deficiencies at the health facility, if any, has  
 649 been submitted and approved by the Bureau of Health Systems-CARE SERVICES within ~~the~~  
 650 Department LARA. Code deficiencies include any unresolved deficiencies still outstanding with the  
 651 Department, and

652 (f) The applicant shall participate in a quality improvement program, approved by the Department,  
 653 for five years and provide an annual report to the Michigan State Long-Term-Care Ombudsman, Bureau  
 654 of Health Systems-CARE SERVICES WITHIN LARA, and shall post the annual report in the facility if the  
 655 facility being acquired has met any of conditions in subsections (a)(i), (ii), (iii), (iv), (v), or (vi).  
 656

657 (2) An applicant proposing to acquire an existing nursing home/HLTCU approved pursuant to the  
 658 new design model shall demonstrate the following:

659 (a) At the time of application, the applicant, as identified in the table, shall provide a report  
 660 demonstrating that it does not meet any of the following conditions in 14%, but not more than five, of its  
 661 nursing homes/HLTCUs:  
 662

Type of Applicant	Reporting Requirement
Applicant with only Michigan nursing homes/HLTCUs	All Michigan nursing homes/HLTCUs under common ownership or control
Applicant with 10 or more Michigan nursing homes/HLTCUs and out of state nursing homes/HLTCUs	All Michigan nursing homes/HLTCUs under common ownership or control
Applicant with fewer than 10 Michigan nursing homes/HLTCUs and out of state nursing homes/HLTCUs	All Michigan and out of state nursing homes/HLTCUs under common ownership or control

663 (i) A state enforcement action resulting in a license revocation, reduced license capacity, or  
 664 receivership within the last three years, or from the change of ownership date if the facility has come  
 665 under common ownership or control within 24 months of the date of the application.

666 (ii) A filing for bankruptcy within the last three years, or from the change of ownership date if the  
 667 facility has come under common ownership or control within 24 months of the date of the application.

668 (iii) Termination of a Medical Assistance Provider Enrollment and Trading Partner Agreement  
 669 initiated by the Department or licensing and certification agency in another state, within the last three  
 670 years, or from the change of ownership date if the facility has come under common ownership or control  
 671 within 24 months of the date of the application.  
 672

673 (iv) A number of citations at level D or above, excluding life safety code citations, on the scope and  
 674 severity grid on two consecutive standard surveys that exceeds twice the statewide average, calculated  
 675 from the quarter in which the standard survey was completed, in the state in which the nursing  
 676 home/HLTCU is located. For licensed only facilities, a number of citations at two times the average of all  
 677 licensed only facilities on the last two licensing surveys. However, if the facility has come under common  
 678 ownership or control within 24 months of the date of the application, the first two licensing surveys as of  
 679 the change of ownership date, shall be excluded.

680 (v) Currently listed as a special focus nursing home by the Center for Medicare and Medicaid  
 681 Services.

682 (vi) Outstanding-DELINQUENT debt obligation to the State of Michigan INCLUDING, BUT NOT  
 683 LIMITED TO, for Quality Assurance Assessment Program (QAAP), PREADMISSION SCREENING AND  
 684 ANNUAL RESIDENT REVIEW (PASARR) or Civil Monetary Penalties (CMP).

685 (b) An applicant will continue to operate the existing nursing home/HLTCU pursuant to the new  
 686 design model requirements.

687 (c) The applicant shall participate in a quality improvement program, approved by the Department,  
 688 for five years and provide an annual report to the Michigan State Long-Term-Care Ombudsman, Bureau

689 | of Health ~~Systems~~OF HEALTH CARE SERVICES WITHIN LARA, and shall post the annual report in the  
690 | facility if the facility being acquired has met any of conditions in subsections (a)(i), (ii), (iii), (iv), (v), or (vi).

691 | (d) A Plan of Correction for cited state or federal code deficiencies at the health facility, if any, has  
692 | been submitted and approved by the Bureau of Health ~~Systems~~CARE SERVICES within ~~the~~  
693 | ~~Department~~LARA. Code deficiencies include any unresolved deficiencies still outstanding with ~~the~~  
694 | ~~Department~~LARA.

695 |  
696 | (3) An applicant proposing to renew the lease for an existing nursing home/HLTCU shall not be  
697 | required to be in compliance with the needed nursing home bed supply ~~set forth in Appendix B~~ for the  
698 | planning area in which the nursing home/HLTCU is located, ~~if AND the applicant demonstrates~~ all of the  
699 | following REQUIREMENTS ARE MET:

- 700 | (a) The lease renewal will not result in a change in bed capacity.
- 701 | (b) The licensed site does not change as a result of the lease renewal.
- 702 | (c) A Plan of Correction for cited state or federal code deficiencies at the health facility, if any, has  
703 | been submitted and approved by the Bureau of Health ~~Systems~~CARE SERVICES within ~~the~~  
704 | ~~Department~~LARA. Code deficiencies include any unresolved deficiencies still outstanding with ~~the~~  
705 | ~~Department~~LARA.

706 |  
707 | **Section 10. Review standards for comparative review**

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

712 |  
713 | (2) The degree to which each application in a comparative group meets the criterion set forth in  
714 | Section 22230 of the Code, being Section 333.22230 of the Michigan Compiled Laws, shall be determined  
715 | based on the sum of points awarded under subsections (a) and (b).

- 716 | (a) A qualifying project will be awarded points as follows:
  - 717 | (i) For an existing nursing home/HLTCU, the current percentage of patient days of care  
718 | reimbursed by Medicaid for the most recent 12 months of operation.
  - 719 | (ii) For a new nursing home/HLTCU, the proposed percentage of patient days of care to be  
720 | reimbursed by Medicaid in the second 12 months of operation following project completion.

721 |

Percentage of Medicaid Patient Days (calculated using total patient days for all existing and proposed beds at the facility)	Points Awarded	
	<u>Current EXISTING</u>	Proposed
<u>20-50</u> – <u>59</u> 69%	<u>6</u> 4	3
<u>60-70</u> – 100%	<u>10</u> 8	<u>5</u> 7

722 |  
723 | (b) A qualifying project will be awarded 10 points ~~as follows~~:

724 | ~~—— (i) For an existing nursing home/HLTCU, nine (9) points if 100%, six (6) points if 75%, and four (4)~~  
725 | ~~points if 50% of the licensed nursing home beds are Medicaid certified for the most recent 12 months of~~  
726 | ~~operations.~~

727 | ~~—— (ii) For a new nursing home/HLTCU, seven (7) points if 100%, four (4) points if 75%, and two (2)~~  
728 | ~~points if 50% of the proposed beds will be Medicaid certified by the second 12 months of operation~~  
729 | ~~following project completion.~~  
730 | IF ALL BEDS IN THE PROPOSED PROJECT WILL BE DUALY CERTIFIED  
731 | FOR BOTH MEDICARE AND MEDICAID SERVICES BY THE SECOND 12 MONTHS OF OPERATION.

(3) ~~A qualifying project will be awarded points based on the most recent 12 months of participation level in the Medicare program for an existing nursing home/HLTCU and the proposed participation level for a new nursing home/HLTCU.~~

	Points
<u>Participation Level</u>	<u>Awarded</u>
Medicare certification of at least one (1) bed but less than 100%	1
Medicare certification of 100% of all existing and proposed beds	3

~~(4)~~ A qualifying project will have 15 points deducted if the applicant has any of the following at the time the application is submitted:

~~(a)~~ ~~is currently a special focus nursing home/HLTCU as identified by the Centers for Medicare and Medicaid Services (CMS):~~

~~(b)~~ has been a special focus nursing home/HLTCU within the last three (3) years;

~~(c)~~ has had more than eight (8) substandard quality of care citations; immediate harm citations, and/or immediate jeopardy citations in the three (3) most recent standard survey cycles (includes intervening abbreviated surveys, standard surveys, and revisits);

~~(d)~~ has had an involuntary termination or voluntary termination at the threat of a medical assistance provider enrollment and trading partner agreement within the last three (3) years;

~~(e)~~ has had a state enforcement action resulting in a reduction in license capacity or a ban on admissions within the last three (3) years; or

~~(f)~~ has any ~~outstanding-DELINQUENT~~ debt obligation to the state of Michigan INCLUDING, BUT NOT LIMITED TO, ~~for~~ quality assurance assessment program (QAAP), civil monetary penalties (CMP), Medicaid level of care determination (LOCD), or preadmission screening and annual resident review (PASARR).

~~(54)~~ A qualifying project will be awarded ~~40-THREE (3)~~ points if the applicant provides documentation that it participates or ~~five (5) points~~ if it proposes to participate in a culture change model, which contains person centered care, ongoing staff training, and measurements of outcomes. An additional five (5) points will be awarded if the culture change model, either currently used or proposed, is a model approved by the Department.

~~(65)~~ A qualifying project will be awarded points based on the proposed percentage of the "Applicant's cash" to be applied toward funding the total proposed project cost as follows:

Percentage "Applicant's Cash"	Points Awarded
Over 20%	5
10 – 20%	3
5 – 9%	2

~~(76)~~ ~~A qualifying project will be awarded five (5) points if the existing or proposed nursing home/HLTCU is fully equipped with sprinklers.~~

~~(8)~~ A qualifying project will be awarded ~~five-FOUR (54)~~ points if the ENTIRE existing ~~or-AND~~ proposed nursing home/HLTCU is fully equipped with air conditioning. FULLY EQUIPPED WITH AIR CONDITIONING MEANS MEETING THE DESIGN TEMPERATURES IN TABLE 6B OF THE MINIMUM

DESIGN STANDARDS FOR HEALTH CARE FACILITIES IN MICHIGAN AND CAPABLE OF MAINTAINING A TEMPERATURE OF 71 – 81 DEGREES FOR THE RESIDENT UNIT CORRIDORS.

(97) A qualifying project will be awarded SIX (6) OR FOUR (4) points based on ~~the proposed project as follows~~ ONLY ONE OF THE FOLLOWING:

(a) SIX (6) POINTS IF THE PROPOSED PROJECT HAS 100% private rooms with DEDICATED TOILET ROOM CONTAINING A sink, WATER CLOSET, and shower BATHING FACILITY OR

(b) FOUR (4) POINTS IF THE PROPOSED PROJECT HAS 80% private rooms with dedicated TOILET ROOM CONTAINING A SINK, WATER CLOSET and shower BATHING FACILITY.

Facility Design	Points Awarded
<del>100% private rooms with adjoining sink, toilet, and shower</del>	<del>10</del>
<del>100% private rooms with dedicated and shared adjoining toilet, sink and shower</del>	<del>5</del>
<del>80% private rooms with dedicated sink, shared adjoining toilet and sink, and central showers with adjoining space for drying and dressing in visual privacy</del>	<del>3</del>

(108) A qualifying project will be awarded 10 points if it results in a nursing home/HLTCU with 150 or fewer beds IN TOTAL.

~~(11) A qualifying project will be awarded five (5) points if the applicant provides its audited financial statements.~~

(129) A qualifying project will be awarded five (5) points if the proposed beds will be housed in new construction.

(1310) A qualifying project will be awarded 10 points if the ENTIRE existing AND PROPOSED nursing home/HLTCU AND ITS PROPOSED PROJECT eliminates all of its 3- and 4-bed wards WILL HAVE NO MORE THAN DOUBLE OCCUPANCY ROOMS AT COMPLETION OF THE PROJECT.

(1411) A qualifying project will be awarded ~~5-TWO (2)~~ points if the existing or proposed nursing home/HLTCU is on or readily accessible to an existing or proposed public transportation route.

(1512) A qualifying project will be awarded ~~no more than four (4)~~ points for technological innovation as follows:

Technology Feature/INNOVATIONS	Points Awarded
<u>THE PROPOSED PROJECT WILL HAVE wireless nurse call/paging system including wireless devices carried by direct care staff Electronic health record and computer point-of-service entry capability (including wireless tablets)</u>	<u>1</u>
<u>WIRELESS INTERNET WITH RESIDENT ACCESS TO RELATED EQUIPMENT/DEVICE IN ENTIRE FACILITY Wireless nurse call/paging system including wireless devices carried by direct care staff</u>	<u>1</u>
<u>AN INTEGRATED ELECTRONIC MEDICAL RECORDS SYSTEM WITH POINT-OF-SERVICE ACCESS</u>	<u>4</u>

<u>CAPABILITY (INCLUDING WIRELESS DEVICES) FOR ALL DISCIPLINES INCLUDING PHARMACY, PHYSICIAN, NURSING, AND THERAPY SERVICES AT THE ENTIRE EXISTING AND PROPOSED NURSING HOME/HLTCU</u> <del>Wireless internet in total existing and proposed facility</del>	
<del>Computer stations or internet cafes for resident use</del>	<u>4</u>
<u>THE PROPOSED PROJECT WILL HAVE A BACKUP GENERATOR SUPPORTING ALL FUNCTIONS WITH AN ON-SITE OR PIPED-IN FUEL SUPPLY AND BE CAPABLE OF PROVIDING AT LEAST 48 HOURS OF SERVICE AT FULL LOAD</u>	<u>4</u>

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(4613) A QUALIFYING PROJECT WILL BE AWARDED THREE (3) POINTS IF THE PROPOSED PROJECT INCLUDES BARIATRIC ROOMS AS FOLLOWS: PROJECT USING 0 – 49 BEDS WILL RESULT IN AT LEAST ONE (1) BARIATRIC ROOM OR PROJECT USING 50 OR MORE BEDS WILL RESULT IN AT LEAST TWO (2) BARIATRIC ROOMS. BARIATRIC ROOM MEANS THE CREATION OF PATIENT ROOM(S) INCLUDED AS PART OF THE CON PROJECT, AND IDENTIFIED ON THE ARCHITECTURAL SCHEMATICS, THAT ARE DESIGNED TO ACCOMMODATE THE NEEDS OF BARIATRIC PATIENTS WEIGHING OVER 400 POUNDS. THE BARIATRIC PATIENT ROOMS SHALL HAVE A LARGER ROOM AND BATHROOM ENTRANCE WIDTH TO ACCOMMODATE OVER-SIZED EQUIPMENT, AND SHALL INCLUDE A MINIMUM OF A BARIATRIC BED, BARIATRIC TOILET, BARIATRIC WHEELCHAIR, AND A DEVICE TO ASSIST RESIDENT MOVEMENT (SUCH AS A PORTABLE OR BUILD IN LIFT). IF AN IN-ROOM SHOWER IS NOT INCLUDED IN THE BARIATRIC PATIENT ROOM, THE MAIN/CENTRAL SHOWER ROOM THAT IS LOCATED ON THE SAME FLOOR AS THE BARIATRIC PATIENT ROOM(S) SHALL INCLUDE AT LEAST ONE (1) SHOWER STALL THAT HAS AN OPENING WIDTH AND DEPTH THAT IS LARGER THAN MINIMUM MI CODE REQUIREMENTS.

(14) Submission of conflicting information in this section may result in a lower point award. If an application contains conflicting information which could result in a different point value being awarded in this section, the Department will award points based on the lower point value that could be awarded from the conflicting information. For example, if submitted information would result in 6 points being awarded, but other conflicting information would result in 12 points being awarded, then 6 points will be awarded. If the conflicting information does not affect the point value, the Department will award points accordingly. For example, if submitted information would result in 12 points being awarded and other conflicting information would also result in 12 points being awarded, then 12 points will be awarded.

(4715) 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, being Section 333.22225(1) of the Michigan Compiled Laws, and which have the highest number of points when the results of subsections (2) through (4512) 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, as defined in Section 22225(1), in the order in which the applications were received by the Department, based on the date and time stamp on the application when the application is filed.

**Section 11. Project delivery requirements --AND terms of approval for all applicants**

Sec. 11. ~~(1)~~ An applicant shall agree that, if approved, the project-NURSING HOME/HLTCU SERVICES shall be delivered in compliance with the following terms of CON-approval:

847 (a1) Compliance with these standards, including the requirements of Section 10. IF AN APPLICANT  
848 IS AWARDED BEDS PURSUANT TO SECTION 10 AND REPRESENTATIONS MADE IN THAT  
849 SECTION, THE DEPARTMENT SHALL MONITOR COMPLIANCE WITH THOSE STATEMENTS AND  
850 REPRESENTATIONS AND SHALL DETERMINE ACTIONS FOR NON-COMPLIANCE.

851  
852 (b2) COMPLIANCE WITH THE FOLLOWING APPLICABLE QUALITY ASSURANCE STANDARDS:  
853

854 (a) Compliance with Section 22230 of the Code shall be based on the nursing home's/HLTCU's  
855 actual Medicaid participation within the time periods specified in these standards. Compliance with  
856 Section 10(2)(a) of these standards shall be determined by comparing the nursing home's/HLTCU's actual  
857 patient days reimbursed by Medicaid, as a percentage of the total patient days, with the applicable  
858 schedule set forth in Section 10(2)(a) for which the applicant had been awarded points in the comparative  
859 review process. If any of the following occurs, an applicant shall be required to be in compliance with the  
860 range in the schedule immediately below the range for which points had been awarded in Section  
861 10(2)(a), instead of the range of points for which points had been awarded in the comparative review in  
862 order to be found in compliance with Section 22230 of the Code: (i) the average percentage of Medicaid  
863 recipients in all nursing homes/HLTCUs in the planning area decreased by at least 10 percent between  
864 the second 12 months of operation after project completion and the most recent 12-month period for  
865 which data are available, (ii) the actual rate of increase in the Medicaid program per diem reimbursement  
866 to the applicant nursing home/HLTCU is less than the annual inflation index for nursing homes/HLTCUs  
867 as defined in any current approved Michigan State Plan submitted under Title XIX of the Social Security  
868 Act which contains an annual inflation index, or (iii) the actual percentage of the nursing home's/HLTCU's  
869 patient days reimbursed by Medicaid (calculated using total patient days for all existing and proposed  
870 nursing home beds at the facility) exceeds the statewide average plus 10 percent of the patient days  
871 reimbursed by Medicaid for the most recent year for which data are available from the Michigan  
872 Department of Community Health [subsection (iii) is applicable only to Section 10(2)(a)]. In evaluating  
873 subsection (ii), the Department shall rely on both the annual inflation index and the actual rate increases in  
874 per diem reimbursement to the applicant nursing home/HLTCU and/or all nursing homes/HLTCUs in the  
875 HSA.

876 (eb) For projects involving the acquisition of a nursing home/HLTCU, the applicant shall agree to  
877 maintain the nursing home's/HLTCU's level of Medicaid participation (patient days and new admissions)  
878 for the time periods specified in these standards, within the ranges set forth in Section 10(2)(a) for which  
879 the seller or other previous owner/lessee had been awarded points in a comparative review.

880 ~~(d) Compliance with applicable operating standards.~~

881 ~~(e) Compliance with the following quality assurance standards:~~

882 (ic) For projects involving replacement of an existing nursing home/HLTCU, the current patients of  
883 the facility/beds being replaced shall be admitted to the replacement beds when the replacement beds are  
884 licensed, to the extent that those patients desire to transfer to the replacement facility/beds.

885 (id) The applicant will assure compliance with Section 20201 of the Code, being Section 333.20201  
886 of the Michigan Compiled Laws.

887  
888 (3) COMPLIANCE WITH THE FOLLOWING ACCESS TO CARE REQUIREMENTS:  
889

890 (a) THE APPLICANT, TO ASSURE APPROPRIATE UTILIZATION BY ALL SEGMENTS OF THE  
891 MICHIGAN POPULATION, SHALL:

892 (i) NOT DENY SERVICES TO ANY INDIVIDUAL BASED ON PAYOR SOURCE.

893 (ii) MAINTAIN INFORMATION BY SOURCE OF PAYMENT TO INDICATE THE VOLUME OF  
894 CARE FROM EACH PAYOR AND NON-PAYOR SOURCE PROVIDED ANNUALLY.

895 (iii) PROVIDE SERVICES TO ANY INDIVIDUAL BASED ON CLINICAL INDICATIONS OF NEED  
896 FOR THE SERVICES.

898 (4) COMPLIANCE WITH THE FOLLOWING MONITORING AND REPORTING REQUIREMENTS:

899  
900 (iii) The applicant shall participate in a data collection network established and administered by the  
901 Department or its designee. The data may include, but is not limited to, annual budget and cost  
902 information; operating schedules; and demographic, diagnostic, morbidity, and mortality information, as  
903 well as the volume of care provided to patients from all payor sources. The applicant shall provide the  
904 required data on an individual basis for each licensed site, in a format established by the Department, and  
905 in a mutually agreed upon media. The Department may elect to verify the data through on-site review of  
906 appropriate records.

907 (iv) The applicant shall provide the Department with a ~~TIMELY~~ notice ~~stating the date the beds are~~  
908 ~~placed in operation and such notice shall be submitted to the Department~~ OF THE PROPOSED  
909 PROJECT IMPLEMENTATION consistent with applicable statute and promulgated rules.

910  
911 (25) An applicant shall agree that, if approved, and material discrepancies are later determined  
912 within the reporting of the ownership and citation history of the applicant facility and all nursing homes  
913 under common ownership and control that would have resulted in a denial of the application, shall  
914 surrender the CON. This does not preclude an applicant from reapplying with corrected information at a  
915 later date.

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

918  
919 **Section 12. Department inventory of beds**

920  
921 Sec. 12. The Department shall maintain a listing of the Department Inventory of Beds for each  
922 planning area.

923  
924 **Section 13. Wayne County planning areas**

925  
926 Sec. 13. (1) For purposes of these standards the cities and/or townships in Wayne County are  
927 assigned to the planning areas as follows:

928  
929 Planning Area 84/Northwest Wayne

930  
931 Canton Township, Dearborn, Dearborn Heights, Garden City, Inkster, Livonia, Northville (part), Northville  
932 Township, Plymouth, Plymouth Township, Redford Township, Wayne, Westland

936 Planning area 85/Southwest Wayne

937  
938 Allen Park, Belleville, Brownstown Township, Ecorse, Flat Rock, Gibraltar, Grosse Ile Township, Huron  
939 Township, Lincoln Park, Melvindale, River Rouge, Riverview, Rockwood, Romulus, Southgate, Sumpter  
940 Township, Taylor, Trenton, Van Buren Township, Woodhaven, Wyandotte

941  
942 Planning area 86/Detroit

943  
944 Detroit, Grosse Pointe, Grosse Pointe Township, Grosse Pointe Farms, Grosse Pointe Park, Grosse  
945 Pointe Woods, Hamtramck, Harper Woods, Highland Park

947 **Section 14. Health Service Areas**

948  
949 Sec. 14. Counties assigned to each of the HSAs are as follows:

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

987 Delta Keweenaw Ontonagon  
988 Dickinson Luce Schoolcraft

989  
990 **Section 15. Effect on prior CON review standards, comparative reviews**

991  
992 Sec. 15. (1) These CON review standards supersede and replace the CON Standards for Nursing  
993 Home and Hospital Long-Term-Care Unit (HLTCU) Beds approved by the CON Commission on ~~April 30,~~  
994 ~~2008~~DECEMBER 15, 2010 and effective on ~~June 20, 2008~~MARCH 11, 2011.

995  
996 (2) Projects reviewed under these standards involving a change in bed capacity shall be subject to  
997 comparative review except as follows:

- 998 (a) replacement of an existing nursing home/HLTCU being replaced in a rural county;  
999 (b) replacement of an existing nursing home/HLTCU in a micropolitan or metropolitan statistical  
1000 area county that is within two miles of the existing nursing home/HLTCU;  
1001 (c) relocation of existing nursing home/HLTCU beds; or  
1002 (d) an increase in beds pursuant to Section 6(1)(d)(ii) or (iii).

1003  
1004 (3) Projects reviewed under these standards that relate solely to the acquisition of an existing  
1005 nursing home/HLTCU or the renewal of a lease shall not be subject to comparative review.  
1006  
1007

Counties assigned to each of the HSAs are as follows:

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

1057  
1058  
1059 **CON REVIEW STANDARDS**  
1060 **FOR NURSING HOME AND HOSPITAL LONG-TERM-CARE UNIT BEDS**  
1061

1062 The use rate per 1000 population for each age cohort, for purposes of these standards, effective ~~March~~  
1063 AUGUST 14, 2011~~2013~~, and until otherwise changed by the Commission, is as follows.

- 1064  
1065 (i) Age 0 - 64: ~~208-200~~ days of care  
1066  
1067 (ii) Age 65 - 74: ~~2,791-2,638~~ days of care  
1068  
1069 (iii) Age 75 - 84: ~~40,047~~9379 days of care  
1070  
1071 (iv) Age 85 +: ~~36,758~~34,009 days of care

**CON REVIEW STANDARDS  
FOR NURSING HOME AND HOSPITAL LONG-TERM-CARE UNIT BEDS**

The ~~bed need numbers~~ ADC ADJUST FACTOR, for purposes of these standards, effective ~~TBD~~ AUGUST 1, 2013, and until otherwise changed by the Commission, are as follows:

Planning Area	<u>Bed Need</u>	ADC Adjustment Factor
Alcona	<u>115</u>	<u>0.9590</u>
Alger	<u>65</u>	0.90
Allegan	<u>500</u>	0.95
Alpena	<u>187</u>	0.95
Antrim	<u>168</u>	0.95
Arenac	<u>100</u>	<u>0.9590</u>
Baraga	<u>58</u>	0.90
Barry	<u>275</u>	0.95
Bay	<u>603</u>	0.95
Benzie	<u>124</u>	0.95
Berrien	<u>884</u>	0.95
Branch	<u>224</u>	0.95
Calhoun	<u>675</u>	0.95
Cass	<u>273</u>	0.95
Charlevoix	<u>159</u>	0.95
Cheboygan	<u>188</u>	0.95
Chippewa	<u>202</u>	0.95
Clare	<u>185</u>	0.95
Clinton	<u>319</u>	0.95
Crawford	<u>95</u>	0.90
Delta	<u>245</u>	0.95
Dickinson	<u>190</u>	0.95
Eaton	<u>491</u>	0.95
Emmet	<u>201</u>	0.95
Genesee	<u>1,880</u>	0.95
Gladwin	<u>184</u>	0.95
Gogebic	<u>137</u>	0.95
Gd. Traverse	<u>455</u>	0.95
Gratiot	<u>209</u>	0.95
Hillsdale	<u>233</u>	0.95
Houghton/Keweenaw	<u>222</u>	0.95
Huron	<u>237</u>	0.95



**APPENDIX B-C - continued**

	Planning Area	Bed Need	ADC Adjustment Factor
1124			
1125			
1126			
1127			
1128			
1129			
1130			
1131	Ingham	1,048	0.95
1132	Ionia	260	0.95
1133	Iosco	204	0.95
1134	Iron	120	0.9590
1135	Isabella	245	0.95
1136			
1137	Jackson	777	0.95
1138			
1139	Kalamazoo	1,077	0.95
1140	Kalkaska	95	0.90
1141	Kent	2,451	0.95
1142			
1143	Lake	88	0.90
1144	Lapeer	375	0.95
1145	Leelanau	159	0.95
1146	Lenawee	524	0.95
1147	Livingston	710	0.95
1148	Luce	36	0.90
1149			
1150	Mackinac	78	0.90
1151	Macomb	4,255	0.95
1152	Manistee	169	0.95
1153	Marquette	338	0.95
1154	Mason	186	0.95
1155	Mecosta	220	0.95
1156	Menominee	167	0.95
1157	Midland	411	0.95
1158	Missaukee	92	0.90
1159	Monroe	686	0.95
1160	Montcalm	291	0.95
1161	Montmorency	101	0.9590
1162	Muskegon	843	0.95
1163			
1164	Newaygo	241	0.95
1165			
1166	Oakland	5,630	0.95
1167	Oceana	152	0.95
1168	Ogemaw	134	0.95
1169	Ontonagon	59	0.90
1170	Osceola	127	0.95
1171	Oscoda	72	0.90
1172	Otsego	132	0.95
1173	Ottawa	1,145	0.95
1174			
1175			

**APPENDIX B - continued**

		<u>Bed</u>	ADC
	<u>Planning Area</u>	<u>Need</u>	<u>Adjustment</u>
			<u>Factor</u>
1176			
1177			
1178			
1179			
1180			
1181			
1182			
1183	Presque Isle	124	0.95
1184			
1185	Roscommon	227	0.95
1186			
1187	Saginaw	1,038	0.95
1188	St. Clair	811	0.95
1189	St. Joseph	290	0.95
1190	Sanilac	250	0.95
1191	Schoolcraft	61	0.90
1192	Shiawassee	336	0.95
1193			
1194	Tuscola	287	0.95
1195			
1196	Van Buren	365	0.95
1197			
1198	Washtenaw	1,268	0.95
1199	Wexford	170	0.95
1200	NW Wayne	2,305	0.95
1201	SW Wayne	1,542	0.95
1202			
1203	Detroit	4,140	0.95
1204			
1205	<b>Statewide Total</b>	<b>46,995</b>	
1206			

CON REVIEW STANDARDS  
FOR NURSING HOME AND HOSPITAL LONG-TERM CARE UNIT BEDS

1207 |  
1208 |  
1209 |  
1210 |  
1211 |  
1212 Rural Michigan counties are as follows:  
1213

1214   Alcona	<a href="#">Hillsdale</a>	Oceana
1215   Alger	Huron	Ogemaw
1216   Antrim	Iosco	Ontonagon
1217   Arenac	Iron	Osceola
1218   Baraga	Lake	Oscoda
1219   Charlevoix	Luce	Otsego
1220   Cheboygan	Mackinac	Presque Isle
1221   Clare	Manistee	Roscommon
1222   Crawford	<a href="#">Mason</a>	Sanilac
1223   Emmet	<a href="#">Montcalm</a>	Schoolcraft
1224   Gladwin	Montmorency	Tuscola
1225   Gogebic	<a href="#">NEWAYGO</a>	

1226 |  
1227 |  
1228 Micropolitan statistical area Michigan counties are as follows:  
1229

1230   Allegan	<a href="#">HILLSDALE</a>	<a href="#">MASON</a>
1231   Alpena	Houghton	Mecosta
1232   Benzie	<a href="#">IONIA</a>	Menominee
1233   Branch	Isabella	<a href="#">Midland</a>
1234   Chippewa	Kalkaska	Missaukee
1235   Delta	Keweenaw	St. Joseph
1236   Dickinson	Leelanau	Shiawassee
1237   Grand Traverse	Lenawee	Wexford
1238   Gratiot	Marquette	

1239 |  
1240 Metropolitan statistical area Michigan counties are as follows:  
1241

1242   Barry	<a href="#">Ionia</a>	<a href="#">MONTCALM</a> <a href="#">Newaygo</a>
1243   Bay	Jackson	Muskegon
1244   Berrien	Kalamazoo	Oakland
1245   Calhoun	Kent	Ottawa
1246   Cass	Lapeer	Saginaw
1247   Clinton	Livingston	St. Clair
1248   Eaton	Macomb	Van Buren
1249   Genesee	<a href="#">MIDLAND</a>	Washtenaw
1250   Ingham	Monroe	Wayne

1251 |  
1252 Source:  
1253

1254 | [65-75 F.R.](#), p. [82238-37245](#) ([December 27](#)[JUNE 28, 2000](#)[2010](#))

1255 Statistical Policy Office  
1256 Office of Information and Regulatory Affairs  
1257 United States Office of Management and Budget  
1258

**CON REVIEW STANDARDS  
FOR NURSING HOME AND HOSPITAL LONG-TERM CARE UNIT BEDS**

Michigan nursing home planning areas with a population density of less than 28 individuals per square mile based on [2000-2010](#) U.S. Census figures.

Planning Area	Population Density Per Square Mile
Ontonagon	<a href="#">6.05.11</a>
Schoolcraft	<a href="#">7.66.95</a>
Luce	<a href="#">7.87.16</a>
Baraga	<a href="#">9.79.67</a>
<del>Alger</del> IRON	<a href="#">40.79.76</a>
<del>Iron</del> ALGER	<a href="#">41.310.25</a>
Mackinac	<a href="#">41.710.45</a>
<del>Oscoda</del> GOGEBIC	<a href="#">46.714.35</a>
<del>Alcona</del> OSCODA	<a href="#">47.415.12</a>
<del>Gegebic</del> ALCONA	<a href="#">45.815.76</a>
Montmorency	<a href="#">48.817.36</a>
<del>Lake</del> PRESQUE ISLE	<a href="#">20.019.53</a>
<del>Presque-isle</del> LAKE	<a href="#">24.820.11</a>
<del>Menominee</del> CHIPPEWA	<a href="#">24.321.29</a>
<del>Chippewa</del> MENOMINEE	<a href="#">24.722.86</a>
Houghton/Keweenaw	<a href="#">24.724.17</a>
<del>Missaukee</del> CRAWFORD	<a href="#">25.525.00</a>
<del>Crawford</del> MISSAUKEE	<a href="#">25.625.90</a>

**Source:** Michigan Department of Management and Budget and the U.S. Bureau of the Census

1293 MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

1294  
1295 CON REVIEW STANDARDS  
1296 FOR NURSING HOME AND HOSPITAL LONG-TERM CARE UNIT BEDS  
1297 --ADDENDUM FOR SPECIAL POPULATION GROUPS  
1298

1299 (By authority conferred on the CON Commission by Section 22215 of Act No. 368 of the Public Acts of  
1300 1978, as amended, and sections 7 and 8 of Act No. 306 of the Public Acts of 1969, as amended, being  
1301 sections 333.22215, 24.207 and 24.208 of the Michigan Compiled Laws.)  
1302

1303 **Section 1. Applicability; definitions**  
1304

1305 Sec. 1. (1) This addendum supplements the CON Review Standards for Nursing Home and  
1306 Hospital Long-term Care Unit Beds and shall be used for determining the need for projects established to  
1307 better meet the needs of special population groups within the long-term care and nursing home  
1308 populations.  
1309

1310 (2) Except as provided in sections 2, 3, 4, 5, 6, 7, and 8 of this addendum, these standards  
1311 supplement, and do not supersede, the requirements and terms of approval required by the CON Review  
1312 Standards for Nursing Home and Hospital Long-term Care Unit Beds.  
1313

1314 (3) The definitions which apply to the CON Review Standards for Nursing Home and Hospital Long-  
1315 term Care Unit Beds shall apply to these standards.  
1316

1317 (4) For purposes of this addendum, the following terms are defined:

1318 (a) "Behavioral patient" means an individual that exhibits a history of chronic behavior management  
1319 problems such as aggressive behavior that puts self or others at risk for harm, or an altered state of  
1320 consciousness, including paranoia, delusions, and acute confusion.

1321 (b) "Hospice" means a health care program licensed under Part 214 of the Code, being Section  
1322 333.21401 et seq.

1323 (c) "Infection control program," means a program that will reduce the risk of the introduction of  
1324 communicable diseases into a ventilator-dependent unit, provide an active and ongoing surveillance  
1325 program to detect the presence of communicable diseases in a ventilator-dependent unit, and respond to  
1326 the presence of communicable diseases within a ventilator-dependent unit so as to minimize the spread of  
1327 a communicable disease.

1328 (d) "Licensed hospital" means either a hospital licensed under Part 215 of the Code; or  
1329 a psychiatric hospital or unit licensed pursuant to Act 258 of the Public Acts of 1974, as amended, being  
1330 sections 330.1001 to 330.2106 of the Michigan Compiled Laws.

1331 (e) "Private residence", means a setting other than a licensed hospital; or a nursing home including  
1332 a nursing home or part of a nursing home approved pursuant to Section 6.

1333 (f) "Traumatic brain injury (TBI)/spinal cord injury (SCI) patient" means an individual with TBI or  
1334 SCI that is acquired or due to a traumatic insult to the brain and its related parts that is not of a  
1335 degenerative or congenital nature. These impairments may be either temporary or permanent and cause  
1336 partial or total functional disability or psychosocial adjustment.

1337 (g) "Ventilator-dependent patient," means an individual who requires mechanical ventilatory  
1338 assistance.  
1339

1340 **Section 2. Requirements for approval -- applicants proposing to increase nursing home beds --**  
1341 **special use exceptions**  
1342

1343 Sec. 2. A project to increase nursing home beds in a planning area which, if approved, would  
1344 otherwise cause the total number of nursing home beds in that planning area to exceed the needed  
1345 nursing home bed supply or cause an increase in an existing excess as determined under the applicable

1346 CON Review Standards for Nursing Home and Hospital Long-term Care Unit Beds, may nevertheless be  
1347 approved pursuant to this addendum.  
1348

1349 **Section 3. Statewide pool for the needs of special population groups within the long-term care**  
1350 **and nursing home populations**  
1351

1352 Sec. 3. (1) A statewide pool of additional nursing home beds of 1,958 beds needed in the state is  
1353 established to better meet the needs of special population groups within the long-term care and nursing  
1354 home populations. Beds in the pool shall be allocated as follows:

1355 (a) These categories shall be allocated 1,109 beds and distributed as follows and shall be  
1356 reduced/redistributed in accordance with subsection (c):

1357 (i) TBI/SCI beds will be allocated 400 beds.

1358 (ii) Behavioral beds will be allocated 400 beds.

1359 (iii) Hospice beds will be allocated 130 beds.

1360 (iv) Ventilator-dependent beds will be allocated 179 beds.

1361 (b) The following historical categories have been allocated 849 beds. Additional beds shall not be  
1362 allocated to these categories. If the beds within any of these categories are delicensed, the beds shall be  
1363 eliminated and not be returned to the statewide pool for special population groups.

1364 (i) Alzheimer's disease has 384 beds.

1365 (ii) Health care needs for skilled nursing care has 173 beds.

1366 (iii) Religious has 292 beds.

1367 (c) The number of beds set aside from the total statewide pool established for categories in  
1368 subsection (1)(a) for a special population group shall be reduced if there has been no CON activity for that  
1369 special population group during at least 6 consecutive application periods.

1370 (i) The number of beds in a special population group shall be reduced to the total number of beds  
1371 for which a valid CON has been issued for that special population group.

1372 (ii) The number of beds reduced from a special population group pursuant to this subsection shall  
1373 revert to the total statewide pool established for categories in subsection (1)(a).

1374 (iii) The Department shall notify the Commission of the date when action to reduce the number of  
1375 beds set aside for a special population group has become effective and shall identify the number of beds  
1376 that reverted to the total statewide pool established for categories in subsection (1)(a).

1377 (iv) For purposes of this subsection, "application period" means the period of time from one  
1378 designated application date to the next subsequent designated application date.

1379 (v) For purposes of this subsection, "CON activity" means one or more of the following:

1380 (A) CON applications for beds for a special population group have been submitted to the  
1381 Department for which either a proposed or final decision has not yet been issued by the Department.

1382 (B) Administrative hearings or appeals to court of decisions issued on CON applications for beds for  
1383 a special population group are pending resolution.

1384 (C) An approved CON for beds for each special population group has expired for lack of appropriate  
1385 action by an applicant to implement an approved CON.

1386 (d) By setting aside these beds from the total statewide pool, the Commission's action applies only  
1387 to applicants seeking approval of nursing home beds pursuant to sections 4, 5, 6, and 7. It does not  
1388 preclude the care of these patients in units of hospitals, hospital long-term care units, nursing homes, or  
1389 other health care settings in compliance with applicable statutory or certification requirements.  
1390

1391 (2) Increases in nursing home beds approved under this addendum for special population groups  
1392 shall not cause planning areas currently showing an unmet bed need to have that need reduced or  
1393 planning areas showing a current surplus of beds to have that surplus increased.  
1394

1395 **Section 4. Requirements for approval for beds from the statewide pool for special population**  
1396 **groups allocated to TBI/SCI patients**  
1397

1398 Sec. 4. The CON Commission determines there is a need for beds for applications designed to  
1399 determine the efficiency and effectiveness of specialized programs for the care and treatment of TBI/SCI  
1400 patients as compared to serving these needs in general nursing home unit(s).

1401  
1402 (1) An applicant proposing to begin operation of a new nursing home/HLTCU or add beds to an  
1403 existing nursing home/HLTCU under this section shall demonstrate with credible documentation to the  
1404 satisfaction of the Department each of the following:

1405 (a) The beds will be operated as part of a specialized program exclusively for TBI/SCI patients. At  
1406 the time an application is submitted, the applicant shall demonstrate that it operates:

1407 (i) A continuum of outpatient treatment, rehabilitative care, and support services for TBI/SCI  
1408 patients; and

1409 (ii) A transitional living program or contracts with an organization that operates a transitional living  
1410 program and rehabilitative care for TBI/SCI patients.

1411 (b) The applicant shall submit evidence of accreditation of its existing outpatient and/or residential  
1412 programs by the Commission on Accreditation of Rehabilitation Facilities (CARF) or another nationally-  
1413 recognized accreditation organization for rehabilitative care and services.

1414 (c) Within 24-months of accepting its first patient, the applicant shall obtain CARF or another  
1415 nationally-recognized accreditation organization for the nursing home beds proposed under this  
1416 subsection.

1417 (d) A floor plan for the proposed physical plant space to house the nursing home beds allocated  
1418 under this subsection that provides for:

1419 (i) Individual units consisting of 20 beds or less per unit, not to be more than 40 beds per facility.

1420 (ii) Day/dining area within, or immediately adjacent to, the unit(s), which is solely for the use of  
1421 TBI/SCI patients.

1422 (iii) Direct access to a secure outdoor or indoor area at the facility appropriate for supervised  
1423 activity.

1424 (e) The applicant proposes programs to promote a culture within the facility that is appropriate for  
1425 TBI/SCI patients of various ages.

1426  
1427 (2) Beds approved under this subsection shall not be converted to general nursing home use  
1428 without a CON for nursing home and hospital long-term care unit beds under the CON review standards  
1429 for nursing home and hospital long-term care unit beds and shall not be offered to individuals other than  
1430 TBI/SCI patients.

1431  
1432 **Section 5. Requirements for approval for beds from the statewide pool for special population**  
1433 **groups allocated to behavioral patients**

1434  
1435 Sec. 5. The CON Commission determines there is a need for beds for applications designed to  
1436 determine the efficiency and effectiveness of specialized programs for the care and treatment of  
1437 behavioral patients as compared to serving these needs in general nursing home unit(s).

1438 (1) An applicant proposing to begin operation of a new nursing home/HLTCU or add beds to an  
1439 existing nursing home/HLTCU under this section shall demonstrate with credible documentation to the  
1440 satisfaction of the Department each of the following:

1441 (a) Individual units shall consist of 20 beds or less per unit.

1442 (b) The facility shall not be awarded more than 40 beds.

1443 (c) The proposed unit shall have direct access to a secure outdoor or indoor area for supervised  
1444 activity.

1445 (d) The unit shall have within the unit or immediately adjacent to it a day/dining area which is solely  
1446 for the use of the behavioral patients.

1447 (e) The physical environment of the unit shall be designed to minimize noise and light reflections to  
1448 promote visual and spatial orientation.

1449 (f) Staff will be specially trained in treatment of behavioral patients.

1451 (2) Beds approved under this subsection shall not be converted to general nursing home use  
1452 without a CON for nursing home and hospital long-term care unit beds under the CON Review Standards  
1453 for Nursing Home and Hospital Long-term Care Unit Beds.

1454  
1455 (3) All beds approved pursuant to this subsection shall be dually certified for Medicare and  
1456 Medicaid.

1457  
1458 **Section 6. Requirements for approval for beds from the statewide pool for special population**  
1459 **groups allocated to hospice patients**

1460  
1461 Sec. 6. The CON Commission determines there is a need for beds for patients requiring both  
1462 hospice and long-term nursing care services within the long-term care and nursing home populations.

1463  
1464 (1) An applicant proposing to begin operation of a new nursing home/HLTCU or add beds to an  
1465 existing nursing home/HLTCU under this section shall demonstrate, with credible documentation to the  
1466 satisfaction of the Department, each of the following:

1467 (a) An applicant shall be a hospice certified by Medicare pursuant to the Code of Federal  
1468 Regulations, Title 42, Chapter IV, Subpart B (Medicare programs), Part 418 and shall have been a  
1469 Medicare certified hospice for at least 24 continuous months prior to the date an application is submitted  
1470 to the Department.

1471 (b) An applicant shall demonstrate that, during the most recent 12-month period prior to the date an  
1472 application is submitted to the Department for which verifiable data are available to the Department, at  
1473 least 64% of the total number of hospice days of care provided to all of the clients of the applicant hospice  
1474 were provided in a private residence.

1475 (c) An application shall propose 30 beds or less.

1476 (d) An applicant for beds from the special statewide pool of beds shall not be approved if any  
1477 application for beds in that same planning area has been approved from the special statewide pool of  
1478 beds allocated for hospice.

1479  
1480 (2) All beds approved pursuant to this subsection shall be dually certified for Medicare and  
1481 Medicaid.

1482  
1483 **Section 7. Requirements for approval for beds from the statewide pool for special population**  
1484 **groups allocated to ventilator-dependent patients**

1485  
1486 Sec. 7. The CON Commission determines there is a need for beds for ventilator-dependent patients  
1487 within the long-term care and nursing home populations

1488  
1489 (1) An applicant proposing to begin operation of a new nursing home/HLTCU or add beds to an  
1490 existing nursing home/HLTCU under this section shall demonstrate, with credible documentation to the  
1491 satisfaction of the Department, each of the following:

1492 (a) An applicant proposes a program for caring for ventilator-dependent patients in licensed nursing  
1493 home beds.

1494 (b) An application proposes no more than 40 beds that will be licensed as nursing home beds.

1495 (c) The proposed unit will serve only ventilator-dependent patients.

1496  
1497 (2) All beds approved pursuant to this subsection shall be dually certified for Medicare and  
1498 Medicaid.

1499  
1500 **Section 8. Acquisition of nursing home/HLTCU beds approved pursuant to this addendum**

1501  
1502 Sec. 8. (1) An applicant proposing to acquire nursing home/HLTCU beds from the statewide pool  
1503 for special population groups allocated to religious shall meet the following:

- 1504 (a) The applicant is a part of, closely affiliated with, controlled, sanctioned or supported by a  
1505 recognized religious organization, denomination or federation as evidenced by documentation of its  
1506 federal tax exempt status as a religious corporation, fund, or foundation under section 501(c)(3) of the  
1507 United States Internal Revenue Code.
- 1508 (b) The applicant's patient population includes a majority of members of the religious organization  
1509 or denomination represented by the sponsoring organization.
- 1510 (c) The applicant's existing services and/or operations are tailored to meet certain special needs of  
1511 a specific religion, denomination or order, including unique dietary requirements, or other unique religious  
1512 needs regarding ceremony, ritual, and organization which cannot be satisfactorily met in a secular setting.
- 1513 (d) All beds approved pursuant to this subsection shall be dually certified for Medicare and  
1514 Medicaid.
- 1515
- 1516 (2) An applicant proposing to acquire nursing home/HLTCU beds from the statewide pool for  
1517 special population groups allocated to TBI/SCI shall meet the following:
- 1518 (a) The beds will be operated as part of a specialized program exclusively for TBI/SCI patients. At  
1519 the time an application is submitted, the applicant shall demonstrate that it operates:
- 1520 (i) a continuum of outpatient treatment, rehabilitative care, and support services for TBI/SCI  
1521 patients; and
- 1522 (ii) a transitional living program or contracts with an organization that operates a transitional living  
1523 program and rehabilitative care for TBI/SCI patients.
- 1524 (b) The applicant shall submit evidence of accreditation of its existing outpatient and/or residential  
1525 programs by the Commission on Accreditation of Rehabilitation Facilities (CARF) or another nationally-  
1526 recognized accreditation organization for rehabilitative care and services.
- 1527 (c) Within 24-months of accepting its first patient, the applicant shall obtain CARF or another  
1528 nationally-recognized accreditation organization for the nursing home beds proposed under this  
1529 subsection.
- 1530 (d) A floor plan for the proposed physical plant space to house the nursing home beds allocated  
1531 under this subsection that provides for:
- 1532 (i) Individual units consisting of 20 beds or less per unit, not to be more than 40 beds per facility.
- 1533 (ii) Day/dining area within, or immediately adjacent to, the unit(s), which is solely for the use of  
1534 TBI/SCI patients.
- 1535 (iii) Direct access to a secure outdoor or indoor area at the facility appropriate for supervised  
1536 activity.
- 1537 (e) The applicant proposes programs to promote a culture within the facility that is appropriate for  
1538 TBI/SCI patients of various ages.
- 1539
- 1540 (3) An applicant proposing to acquire nursing home/HLTCU beds from the statewide pool for  
1541 special population groups allocated to Alzheimer's disease shall meet the following:
- 1542 (a) The beds are part of a specialized program for Alzheimer's disease which will admit and treat  
1543 only patients which require long-term nursing care and have been appropriately classified as a patient on  
1544 the Global Deterioration Scale (GDS) for age-associated cognitive decline and Alzheimer's disease as a  
1545 level 4 (when accompanied by continuous nursing needs), 5, or 6.
- 1546 (b) The specialized program will participate in the state registry for Alzheimer's disease.
- 1547 (c) The specialized program shall be attached or geographically adjacent to a licensed nursing  
1548 home and be no larger than 20 beds in size.
- 1549 (d) The proposed Alzheimer's unit shall have direct access to a secure outdoor or indoor area at  
1550 the health facility, appropriate for unsupervised activity.
- 1551 (e) The Alzheimer's unit shall have within the unit or immediately adjacent to it a day/dining area  
1552 which is solely for the use of the Alzheimer's unit patients.
- 1553 (f) The physical environment of the Alzheimer's unit shall be designed to minimize noise and light  
1554 reflections to promote visual and spatial orientation.
- 1555 (g) Staff will be specially trained in Alzheimer's disease treatment.

1556 (h) All beds approved pursuant to this subsection shall be dually certified for Medicare and  
1557 Medicaid.

1558  
1559 (4) An applicant proposing to acquire nursing home/HLTCU beds from the statewide pool for  
1560 special population groups allocated to behavioral patients shall meet the following:

1561 (a) Individual units shall consist of 20 beds or less per unit.

1562 (b) The facility shall not be awarded more than 40 beds.

1563 (c) The proposed unit shall have direct access to a secure outdoor or indoor area for supervised  
1564 activity.

1565 (d) The unit shall have within the unit or immediately adjacent to it a day/dining area which is solely  
1566 for the use of the behavioral patients.

1567 (e) The physical environment of the unit shall be designed to minimize noise and light reflections to  
1568 promote visual and spatial orientation.

1569 (f) Staff will be specially trained in treatment of behavioral patients.

1570 (g) All beds approved pursuant to this subsection shall be dually certified for Medicare and  
1571 Medicaid.

1572  
1573 (5) An applicant proposing to acquire nursing home/HLTCU beds from the statewide pool for  
1574 special population groups allocated to hospice shall meet the following:

1575 (a) An applicant shall be a hospice certified by Medicare pursuant to the code of Federal  
1576 Regulations, Title 42, Chapter IV, Subpart B (Medicare Programs), Part 418 and shall have been a  
1577 Medicare certified hospice for at least 24 continuous months prior to the date an application is submitted  
1578 to the Department.

1579 (b) An applicant shall demonstrate that, during the most recent 12-month period prior to the date an  
1580 application is submitted to the Department for which verifiable data are available to the Department, at  
1581 least 64% of the total number of hospice days of care provided to all of the clients of the applicant hospice  
1582 were provided in a private residence.

1583 (c) All beds approved pursuant to this subsection shall be dually certified for Medicare and  
1584 Medicaid.

1585  
1586 (6) An applicant proposing to acquire nursing home/HLTCU beds from the statewide pool for  
1587 special population groups allocated to ventilator-dependent patients shall meet the following:

1588 (a) An applicant proposes a program for caring for ventilator-dependent patients in licensed nursing  
1589 home beds.

1590 (b) An application proposes no more than 40 beds that will be licensed as nursing home beds.

1591 (c) The proposed unit will serve only ventilator-dependent patients.

1592 (d) All beds approved pursuant to this subsection shall be dually certified for Medicare and  
1593 Medicaid.

1594  
1595 **Section 9. Project delivery requirements -- terms of approval for all applicants seeking approval**  
1596 **under Section 3(1) of this addendum**

1597  
1598 Sec. 9. (1) An applicant shall agree that if approved, the services shall be delivered in compliance  
1599 with the terms of approval required by the CON Review Standards for Nursing Home and Hospital Long-  
1600 term Care Unit Beds.

1601  
1602 (2) An applicant for beds from the statewide pool for special population groups allocated to religious  
1603 shall agree that, if approved, the services provided by the specialized long-term care beds shall be  
1604 delivered in compliance with the following term of CON approval:

1605 (a) The applicant shall document, at the end of the third year following initiation of beds approved  
1606 an annual average occupancy rate of 95 percent or more. If this occupancy rate has not been met, the  
1607 applicant shall delicense a number of beds necessary to result in a 95 percent occupancy based upon its  
1608 average daily census for the third full year of operation.

- 1609  
1610 (3) An applicant for beds from the statewide pool for special population groups allocated to  
1611 Alzheimer's disease shall agree that if approved:  
1612  
1613 (a) The beds are part of a specialized program for Alzheimer's disease which will admit and treat  
1614 only patients which require long-term nursing care and have been appropriately classified as a patient on  
1615 the Global Deterioration Scale (GDS) for age-associated cognitive decline and Alzheimer's disease as a  
1616 level 4 (when accompanied by continuous nursing needs), 5, or 6.  
1617 (b) The specialized program will participate in the state registry for Alzheimer's disease.  
1618 (c) The specialized program shall be attached or geographically adjacent to a licensed nursing  
1619 home and be no larger than 20 beds in size.  
1620 (d) The proposed Alzheimer's unit shall have direct access to a secure outdoor or indoor area at  
1621 the health facility, appropriate for unsupervised activity.  
1622 (e) The Alzheimer's unit shall have within the unit or immediately adjacent to it a day/dining area  
1623 which is solely for the use of the Alzheimer's unit patients.  
1624 (f) The physical environment of the Alzheimer's unit shall be designed to minimize noise and light  
1625 reflections to promote visual and spatial orientation.  
1626 (g) Staff will be specially trained in Alzheimer's disease treatment.  
1627  
1628 (4) An applicant for beds from the statewide pool for special population groups allocated to hospice  
1629 shall agree that, if approved, all beds approved pursuant to that subsection shall be operated in  
1630 accordance with the following CON terms of approval.  
1631 (a) An applicant shall maintain Medicare certification of the hospice program and shall establish  
1632 and maintain the ability to provide, either directly or through contractual arrangements, hospice services  
1633 as outlined in the Code of Federal Regulations, Title 42, Chapter IV, Subpart B, Part 418, hospice care.  
1634 (b) The proposed project shall be designed to promote a home-like atmosphere that includes  
1635 accommodations for family members to have overnight stays and participate in family meals at the  
1636 applicant facility.  
1637 (c) An applicant shall not refuse to admit a patient solely on the basis that he/she is HIV positive,  
1638 has AIDS or has AIDS related complex.  
1639 (d) An applicant shall make accommodations to serve patients that are HIV positive, have AIDS or  
1640 have AIDS related complex in nursing home beds.  
1641 (e) An applicant shall make accommodations to serve children and adolescents as well as adults in  
1642 nursing home beds.  
1643 (f) Nursing home beds shall only be used to provide services to individuals suffering from a  
1644 disease or condition with a terminal prognosis in accordance with Section 21417 of the Code, being  
1645 Section 333.21417 of the Michigan Compiled Laws.  
1646 (g) An applicant shall agree that the nursing home beds shall not be used to serve individuals not  
1647 meeting the provisions of Section 21417 of the Code, being Section 333.21417 of the Michigan Compiled  
1648 Laws, unless a separate CON is requested and approved pursuant to applicable CON review standards.  
1649 (h) An applicant shall be licensed as a hospice program under Part 214 of the Code, being Section  
1650 333.21401 et seq. of the Michigan Compiled Laws.  
1651 (i) An applicant shall agree that at least 64% of the total number of hospice days of care provided  
1652 by the applicant hospice to all of its clients will be provided in a private residence.  
1653  
1654 (5) An applicant for beds from the statewide pool for special population groups allocated to  
1655 ventilator-dependent patients shall agree that, if approved, all beds approved pursuant to that subsection  
1656 shall be operated in accordance with the following CON terms of approval.  
1657 (a) An applicant shall staff the proposed ventilator-dependent unit with employees that have been  
1658 trained in the care and treatment of ventilator-dependent patients and includes at least the following:  
1659 (i) A medical director with specialized knowledge, training, and skills in the care of ventilator-  
1660 dependent patients.  
1661 (ii) A program director that is a registered nurse.

1662 (b) An applicant shall make provisions, either directly or through contractual arrangements, for at  
1663 least the following services:

- 1664 (i) respiratory therapy.
- 1665 (ii) occupational and physical therapy.
- 1666 (iii) psychological services.
- 1667 (iv) family and patient teaching activities.

1668 (c) An applicant shall establish and maintain written policies and procedures for each of the  
1669 following:

- 1670 (i) Patient admission criteria that describe minimum and maximum characteristics for patients  
1671 appropriate for admission to the ventilator-dependent unit. At a minimum, the criteria shall address the  
1672 amount of mechanical ventilatory dependency, the required medical stability, and the need for ancillary  
1673 services.
- 1674 (ii) The transfer of patients requiring care at other health care facilities.
- 1675 (iii) Upon admission and periodically thereafter, a comprehensive needs assessment, a treatment  
1676 plan, and a discharge plan that at a minimum addresses the care needs of a patient following discharge.
- 1677 (iv) Patient rights and responsibilities in accordance with Sections 20201 and 20202 of the Code,  
1678 being Sections 333.20201 and 333.20202 of the Michigan Compiled Laws.
- 1679 (v) The type of ventilatory equipment to be used on the unit and provisions for back-up equipment.

1680 (d) An applicant shall establish and maintain an organized infection control program that has written  
1681 policies for each of the following:

- 1682 (i) use of intravenous infusion apparatus, including skin preparation, monitoring skin site, and  
1683 frequency of tube changes.
- 1684 (ii) placement and care of urinary catheters.
- 1685 (iii) care and use of thermometers.
- 1686 (iv) care and use of tracheostomy devices.
- 1687 (v) employee personal hygiene.
- 1688 (vi) aseptic technique.
- 1689 (vii) care and use of respiratory therapy and related equipment.
- 1690 (viii) isolation techniques and procedures.

1691 (e) An applicant shall establish a multi-disciplinary infection control committee that meets on at  
1692 least a monthly basis and includes the director of nursing, the ventilator-dependent unit program director,  
1693 and representatives from administration, dietary, housekeeping, maintenance, and respiratory therapy.  
1694 This subsection does not require a separate committee, if an applicant organization has a standing  
1695 infection control committee and that committee's charge is amended to include a specific focus on the  
1696 ventilator-dependent unit.

1697 (f) The proposed ventilator-dependent unit shall have barrier-free access to an outdoor area in the  
1698 immediate vicinity of the unit.

1699 (g) An applicant shall agree that the beds will not be used to service individuals that are not  
1700 ventilator-dependent unless a separate CON is requested and approved by the Department pursuant to  
1701 applicable CON review standards.

1702 (h) An applicant shall provide data to the Department that evaluates the cost efficiencies that result  
1703 from providing services to ventilator-dependent patients in a hospital.

1704

1705 (6) An applicant for beds from the statewide pool for special population groups allocated to TBI/SCI  
1706 patients shall agree that if approved:

- 1707 (a) An applicant shall staff the proposed unit for TBI/SCI patients with employees that have been  
1708 trained in the care and treatment of such individuals and includes at least the following:

- 1709 (i) A medical director with specialized knowledge, training, and skills in the care of TBI/SCI  
1710 patients.
- 1711 (ii) A program director that is a registered nurse.
- 1712 (iii) Other professional disciplines required for a multi-disciplinary team approach to care.

1713 (b) An applicant shall establish and maintain written policies and procedures for each of the  
1714 following:

1715 (i) Patient admission criteria that describe minimum and maximum characteristics for patients  
1716 appropriate for admission to the unit for TBI/SCI patients. At a minimum, the criteria shall address the  
1717 required medical stability and the need for ancillary services, including dialysis services.

1718 (ii) The transfer of patients requiring care at other health care facilities, including a transfer  
1719 agreement with one or more acute-care hospitals in the region to provide emergency medical treatment to  
1720 any patient who requires such care.

1721 (iii) Upon admission and periodically thereafter, a comprehensive needs assessment, a treatment  
1722 plan, and a discharge plan that at a minimum addresses the care needs of a patient following discharge,  
1723 including support services to be provided by transitional living programs or other outpatient programs or  
1724 services offered as part of a continuum of care to TBI patients by the applicant.

1725 (iv) Utilization review, which shall consider the rehabilitation necessity for the service, quality of  
1726 patient care, rates of utilization and other considerations generally accepted as appropriate for review.

1727 (v) Quality assurance and assessment program to assure that services furnished to TBI/SCI  
1728 patients meet professional recognized standards of health care for providers of such services and that  
1729 such services were reasonable and medically appropriate to the clinical condition of the TBI patient  
1730 receiving such services.

1731  
1732 (7) An applicant for beds from the statewide pool for special population groups allocated to  
1733 behavioral patients shall agree that if approved:

1734 (a) An applicant shall staff the proposed unit for behavioral patients with employees that have been  
1735 trained in the care and treatment of such individuals and includes at least the following:

1736 (i) A medical director with specialized knowledge, training, and skills in the care of behavioral  
1737 patients.

1738 (ii) A program director that is a registered nurse.

1739 (iii) Other professional disciplines required for a multi-disciplinary team approach to care.

1740 (b) An applicant shall establish and maintain written policies and procedures for each of the  
1741 following:

1742 (i) Patient admission criteria that describe minimum and maximum characteristics for patients  
1743 appropriate for admission to the unit for behavioral patients.

1744 (ii) The transfer of patients requiring care at other health care facilities, including a transfer  
1745 agreement with one or more acute-care hospitals in the region to provide emergency medical treatment to  
1746 any patient who requires such care.

1747 (iii) Utilization review, which shall consider the rehabilitation necessity for the service, quality of  
1748 patient care, rates of utilization and other considerations generally accepted as appropriate for review.

1749 (iv) quality assurance and assessment program to assure that services furnished to behavioral  
1750 patients meet professional recognized standards of health care for providers of such services and that  
1751 such services were reasonable and medically appropriate to the clinical condition of the behavioral patient  
1752 receiving such services.

1753 (v) Orientation and annual education/competencies for all staff, which shall include care guidelines,  
1754 specialized communication, and patient safety.

1755 |  
1756 **Section 10. Comparative reviews, effect on prior CON review standards**

1757  
1758 Sec. 10. (1) Projects proposed under Section 4 shall be considered a distinct category and shall be  
1759 subject to comparative review on a statewide basis.

1760  
1761 (2) Projects proposed under Section 5 shall be considered a distinct category and shall be subject  
1762 to comparative review on a statewide basis.

1763  
1764 (3) Projects proposed under Section 6 shall be considered a distinct category and shall be subject  
1765 to comparative review on a statewide basis.

1766

1767 (4) Projects proposed under Section 7 shall be considered a distinct category and shall be subject  
1768 to comparative review on a statewide basis.

1769  
1770 (5) These CON review standards supercede and replace the CON Review Standards for Nursing  
1771 Home and Long-term Care Unit Beds--Addendum for Special Population Groups approved by the  
1772 Commission on April 30, 2008 and effective on June 20, 2008.  
1773