

## MDCH Recommendations for CON Standards Scheduled for 2012 Review

<b>Psychiatric Beds and Services Standards</b> (Please refer to the attached MDCH staff analysis for additional details)		
Should the covered service continue to be regulated?	Yes	Psychiatric beds are not a defined covered clinical service. Therefore, deregulation is not an option pursuant to MCL 333.22215(1)(a).
All Identified Issues	Recommended for Review	Other/Comments
Average Daily Census (ADC)	Yes	Add a clarifying step to the calculation under Section 7(3) (d); specifically subtraction of current licensed bed(s) from the ADC to produce the number of high occupancy beds to be added. This will ensure less confusion for future applicant(s) and the Department.
Update Bed Need (Section 4)	Yes	The CON Commission establishes a planning year for which inpatient psychiatric bed needs are developed and the base year for child/adolescent beds based on the most recent data available to the Department as well as the effective date of the new bed numbers. (The planning year shall be a year for which official population projections from the Department of Management and Budget are available. At this time, these projection data are not available.)
Clarify language as it relates to relocation and replacement of beds to facilities within planning areas	Yes	Add language for relocation of beds consistent with other CON Review Standards for beds.
Technical changes made by the Department	Yes	Modify the standards only for consistency with other CON Standards including the Project Delivery requirements.

### MDCH Staff Analysis of the Psychiatric Beds and Services Standards

Pursuant to MCL 333.22215 (1) (m), the Certificate of Need (CON) Commission is to "...review, and if necessary, revise each set of CON standards at least every 3 years." In accordance with the established review schedule on the Commission Work Plan, the Psychiatric Beds and Services Standards are scheduled for review in calendar year 2012.

#### Public Hearing Testimony

The Department held a Public Hearing to receive testimony regarding the Standards on October 12, 2011, with written testimony being received for an additional seven (7) days after the hearing. Testimony was received from three organizations and is summarized as follows:

1. *Patrick O'Donovan, Beaumont Health System*
  - Supports the continued regulation of psychiatric beds and services.
  - Recommends no changes at this time.
2. *Dennis McCafferty, Economic Alliance for Michigan*
  - Supports the continued regulation of psychiatric beds and services.
  - Supports department-only technical changes, and will wait to see if what, if any, issues are raised in the public hearing.
3. *Karen Kippen, Henry Ford Health System*
  - Supports the continued regulation of psychiatric beds and services.
  - Supports the creation of a SAC to review, update, and clarify:
    - Appropriate time period for calculation of average daily occupancy (adult and child; 24-month period does not allow flexibility for changes in staff and patient populations)
    - Impact of current average occupancy rate percentages on patient access and service in a changing market
    - Replacement and relocation within planning areas

### **MDCH Staff Recommendations**

- The Department recommends adding a clarifying step to the calculation under Section 7(3) (d); specifically subtraction of current licensed bed(s) from the ADC to produce the number of high occupancy beds to be added.
- The Department recommends updating the bed need numbers for 2012. The CON Commission establishes a planning year for which inpatient psychiatric bed needs are developed and the base year for child/adolescent beds based on the most recent data available to the Department as well as the effective date of the new bed numbers. (The planning year shall be a year for which official population projections from the Department of Management and Budget are available. At this time, these projection data are not available.)
- The Department recommends adding language as it relates to relocation of beds to facilities within planning areas to be consistent with other CON Review Standards for beds.
- The Department recommends technical changes to streamline the format similar to other CON review standards including the Project Delivery requirements.
- The Department would present proposed draft standards to the Commission at a future meeting.