

1 MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES

2
3 CERTIFICATE OF NEED (CON) REVIEW STANDARDS
4 FOR PSYCHIATRIC BEDS AND SERVICES
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. These standards are requirements for the approval under Part 222 of the Code that involve
13 (a) beginning operation of a new psychiatric service, (b) replacing licensed psychiatric beds or physically
14 relocating licensed psychiatric beds from one licensed site to another geographic location, or (c)
15 increasing licensed psychiatric beds within a psychiatric hospital or unit licensed under the Mental Health
16 Code, 1974 PA 258, or (d) acquiring a psychiatric service pursuant to Part 222 of the Code. A psychiatric
17 hospital or unit is a covered health facility. The Department shall use these standards in applying Section
18 22225(1) of the Code, being Section 333.22225(1) of the Michigan Compiled Laws and Section
19 22225(2)(c) of the Code, being Section 333.22225(2)(c) of the Michigan Compiled Laws.
20

21 (2) An increase in licensed hospital beds is a change in bed capacity for purposes of Part 222 of the
22 Code.
23

24 (3) The physical relocation of hospital beds from a licensed site to another geographic location is a
25 change in bed capacity for purposes of Part 222 of the Code.
26

27 **Section 2. Definitions**

28
29 Sec. 2. (1) For purposes of these standards:

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

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

35 (c) "Average occupancy rate" is calculated as follows:

36 (i) Calculate the number of patient days during the most recent, consecutive 12-month period, as of
37 the date of the application, for which verifiable data are available to the Department.

38 (ii) Calculate the total licensed bed days for the same 12-month period as in (i) above by multiplying
39 the total licensed beds by the number of days they were licensed.

40 (iii) Divide the number of patient days calculated in (i) above by the total licensed bed days calculated
41 in (ii) above, then multiply the result by 100.

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

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

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

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

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

52 (i) "Department" means the Michigan Department of Health and Human Services (MDHHS).

53 (j) "Department inventory of beds" means the current list maintained for each planning area on a
54 continuing basis by the Department which includes:
55 (i) licensed adult and child/adolescent psychiatric beds; and
56 (ii) adult and child/adolescent psychiatric beds approved by a valid CON, which are not yet licensed.
57 A separate inventory will be maintained for child/adolescent beds and adult beds.
58 (k) "Existing adult inpatient psychiatric beds" or "existing adult beds" means:
59 (i) all adult beds in psychiatric hospitals or units licensed by the Department pursuant to the Mental
60 Health Code;
61 (ii) all adult beds approved by a valid CON, which are not yet licensed;
62 (iii) proposed adult beds under appeal from a final Department decision, or pending a hearing from a
63 proposed decision; and
64 (iv) proposed adult beds that are part of a completed application (other than the application or
65 applications in the comparative group under review) which are pending final Department decision.
66 (l) "Existing child/adolescent inpatient psychiatric beds" or "existing child/adolescent beds" means:
67 (i) all child/adolescent beds in psychiatric hospitals or units licensed by the Department pursuant to
68 the Mental Health Code;
69 (ii) all child/adolescent beds approved by a valid CON, which are not yet licensed;
70 (iii) proposed child/adolescent beds under appeal from a final Department decision, or pending a
71 hearing from a proposed decision; and
72 (iv) proposed child/adolescent beds that are part of a completed application (other than the
73 application or applications in the comparative group under review) which are pending final Department
74 decision.
75 (m) "Flex bed" means an existing adult psychiatric bed converted to a child/adolescent psychiatric
76 bed in an existing child/adolescent psychiatric service to accommodate during peak periods and meet
77 patient demand.
78 (n) "Initiation of service" means the establishment of an inpatient psychiatric unit with a specified
79 number of beds at a site not currently providing psychiatric services.
80 (o) "Involuntary commitment status" means a hospital admission effected pursuant to the provisions
81 of MCL 330.1423 to 330.1429.
82 (p) "Licensed site" means the location of the facility authorized by license and listed on that
83 licensee's certificate of licensure.
84 (q) "Medicaid" means title XIX of the Social Security Act, chapter 531, 49 Stat. 620, 1396 to 1396g
85 and 1396i to 1396u.
86 (r) "Mental Health Code" means Act 258 of the Public Acts of 1974, as amended, being Sections
87 330.1001 to 330.2106 of the Michigan Compiled Laws.
88 (s) "Mental health professional" means an individual who is trained and experienced in the area of
89 mental illness or developmental disabilities and who is any 1 of the following:
90 (i) a physician who is licensed to practice medicine or osteopathic medicine and surgery in Michigan
91 and who has had substantial experience with mentally ill, mentally retarded, or developmentally disabled
92 clients for 1 year immediately preceding his or her involvement with a client under administrative rules
93 promulgated pursuant to the Mental Health Code;
94 (ii) a psychologist who is licensed in Michigan pursuant to the provisions of MCL 333.16101 to
95 333.18838;
96 (iii) a licensed master's social worker licensed in Michigan Pursuant to the provisions of MCL
97 333.16101 to 333.18838;
98 (iv) a registered nurse who is licensed in Michigan pursuant to the provisions of MCL 333.16101 to
99 333.18838;
100 (v) a licensed professional counsel or licensed in Michigan pursuant to the provisions of MCL
101 333.16101 to 333.18838;
102 (vi) a marriage and family therapist licensed in Michigan pursuant to the provisions of MCL
103 333.16101 to 333.18838;

104 (vii) a professional person, other than those defined in the administrative rules promulgated pursuant
105 to the Mental Health Code, who is designated by the Director of the Department or a director of a facility
106 operated by the Department in written policies and procedures. This mental health professional shall
107 have a degree in his or her profession and shall be recognized by his or her respective professional
108 association as being trained and experienced in the field of mental health. The term does not include
109 non-clinical staff, such as clerical, fiscal or administrative personnel.

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

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

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

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

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

122 (y) "Planning area" means the geographic boundaries of the groups of counties shown in Section 16.

123 (z) "Planning year" means a year in the future, at least 3 years but no more than 7 years, for which
124 inpatient psychiatric bed needs are developed. The planning year shall be a year for which official
125 population projections from the Department of Technology, Management and Budget or its designee are
126 available.

127 (aa) "Psychiatric hospital" means an inpatient program operated by the Department for the treatment
128 of individuals with serious mental illness or serious emotional disturbance or a psychiatric hospital or
129 psychiatric unit licensed under pursuant to MCL 330.1137.

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

131 (i) a physician who has completed a residency program in psychiatry approved by the Accreditation
132 Council for Graduate Medical Education or The American Osteopathic Association, or who has completed
133 12 months of psychiatric rotation and is enrolled in an approved residency program;

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

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

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

140 (dd) "Psychologist" means an individual licensed to engage in the practice of psychology, who devotes
141 a substantial portion of his or her time to the diagnosis and treatment of individuals with serious mental
142 illness, serious emotional disturbance, or developmental disability, pursuant to MCL 333.16101 to
143 333.18838.

144 (ee) "Public patient" means an individual approved for mental health services by a CMH or an
145 individual who is admitted as a patient under the Mental Health Code, Act No. 258 of the Public Acts of
146 1974, being Sections 330.1423, 330.1429, and 330.1438 of the Michigan Compiled Laws.

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

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

153 (hh) "Relocate existing licensed inpatient psychiatric beds" means a change in the location of existing
154 inpatient psychiatric beds from the existing licensed psychiatric hospital site to a different existing

155 licensed psychiatric hospital site within the same planning area. This definition does not apply to projects
156 involving replacement beds in a psychiatric hospital or unit governed by Section 6 of these standards.

157 (ii) "Replace beds" means a change in the location of the licensed psychiatric hospital or unit, or the
158 replacement of a portion of the licensed beds at the same licensed site. The beds will be in new physical
159 plant space being developed in new construction or in newly acquired space (purchase, lease, donation,
160 etc.) within the replacement zone.

161 (jj) "Replacement zone" means a proposed licensed site that is:

162 (i) in the same planning area as the existing licensed site; and

163 (ii) on the same site, on a contiguous site, or on a site within 15 miles of the existing licensed site.

164 (kk) "Social worker" means an individual registered in Michigan to engage in social work under the
165 provisions of MCL 333.18501.

166

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

168

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

170

171 Sec. 3. (1) The number of child/adolescent inpatient psychiatric beds needed in a planning area shall
172 be determined by the following formula:

173 (a) Tabulate the yearly number of child/adolescent patient days for the most recent five years of data
174 from the CON Annual Survey.

175 (b) Construct a linear regression model with year as the independent variable and yearly patient days
176 as the dependent variable. If the coefficient of determination (R^2) of the linear model is 0.5 or greater, use
177 the regression parameters to predict the statewide patient days in the planning year. If the coefficient of
178 determination of the linear model is less than 0.5, calculate the statewide patient days in the planning
179 year by taking the mean of the most recent three years of data.

180 (c) Divide the total patient days obtained in subsection (b) by the statewide planning year population
181 age 0-17. The result is the utilization rate for the population age 0-17 in the planning year.

182 (d) Multiply the utilization rate obtained in subsection (c) by the planning year population age 0-17 in
183 each planning area. The result is the unadjusted number of child/adolescent patient days for each
184 planning area in the planning year.

185 (e) Using the most recent data from the Department Inventory of Beds, calculate the average number
186 of licensed child/adolescent beds per facility for each planning area.

187 (f) For planning areas with an average number of beds per facility less than 20, divide the
188 unadjusted planning area patient days by 0.65. For planning areas with an average number of beds per
189 facility of 20 or more, divide the unadjusted planning area patient days by 0.70. The result is the
190 occupancy-adjusted number of child/adolescent patient days for each planning area in the planning year.

191 (g) For each planning area, divide the occupancy-adjusted number of child/adolescent patient days
192 from (f) by 365 (or 366 for leap years). Round the values up to the nearest whole number. The result is
193 child/adolescent bed need in the planning year.

194

195 (2) The number of adult inpatient psychiatric beds needed in a planning area shall be determined by
196 the following formula:

197 (a) Tabulate the yearly number of adult patient days for the most recent five years of data from the
198 CON Annual Survey.

199 (b) Construct a linear regression model with year as the independent variable and yearly patient days
200 as the dependent variable. If the coefficient of determination (R^2) of the linear model is 0.5 or greater, use
201 the regression parameters to predict the statewide patient days in the planning year. If the coefficient of
202 determination of the linear model is less than 0.5, calculate the statewide patient days in the planning
203 year by taking the mean of the most recent three years of data.

204 (c) Divide the total patient days obtained in subsection (b) by the statewide planning year population
205 age 18+. The result is the utilization rate for the population age 18+ in the planning year.

206 (d) Multiply the utilization rate obtained in subsection (c) by the planning year population age 18+ in
207 each planning area. The result is the unadjusted number of adult patient days for each planning area in
208 the planning year.

209 (e) Using the most recent data from the Department Inventory of Beds, calculate the average number
210 of licensed adult beds per facility for each planning area.

211 (f) For planning areas with an average number of beds per facility less than 20, divide the
212 unadjusted planning area patient days by 0.65. For planning areas with an average number of beds per
213 facility of 20 or more, divide the unadjusted planning area patient days by 0.70. The result is the
214 occupancy-adjusted number of adult patient days for each planning area in the planning year.

215 (g) For each planning area, divide the occupancy-adjusted number of adult patient days from (f) by
216 365 (or 366 for leap years). Round the values up to the nearest whole number. The result is adult bed
217 need in the planning year.

218

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

220

221 Sec. 4. (1) The bed need numbers determined pursuant to Section 3 shall apply to projects subject to
222 review under these standards, except where a specific CON review standard states otherwise.

223

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

225

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

227

228 (4) New bed need numbers shall supercede previous bed need numbers and shall be posted on the
229 State of Michigan CON web site as part of the Psychiatric Bed Inventory.

230

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

234

235 **Section 5. Requirements for approval to initiate service**

236

237 Sec. 5. An applicant proposing the initiation of an adult or child/adolescent psychiatric service shall
238 demonstrate or provide the following:

239

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

245

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

251

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

256

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

262
263 (5) An applicant shall not be required to be in compliance with subsection (1) if the applicant
264 demonstrates that the application meets both of the following:

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

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

271 **Section 6. Requirements for approval to replace beds**

272
273
274 Sec. 6. An applicant proposing to replace beds shall not be required to be in compliance with the
275 needed bed supply if the applicant demonstrates all of the following:

276
277 (1) The applicant shall specify whether the proposed project is to replace the existing licensed
278 psychiatric hospital or unit to a new site or to replace a portion of the licensed psychiatric beds at the
279 existing licensed site.

280
281 (2) The proposed licensed site is in the replacement zone.

282
283 (3) Not less than 50% of the beds proposed to be replaced shall be allocated for use by public
284 patients.

285
286 (4) Previously made commitments, if any, to the Department or CMH to serve public patients have
287 been fulfilled.

288
289 (5) Proof of current contract or documentation of contract renewal, if current contract is under
290 negotiation, with the CMH or its designee that serves the planning area in which the proposed beds or
291 service will be located.

292
293 (6) The applicant shall comply with the following requirements, as applicable:

294 (a) The existing psychiatric hospital or unit shall have an average occupancy rate of at least 60% for
295 adult beds and 40% for child/adolescent beds.

296 (b) If the average occupancy rate for the existing psychiatric hospital or unit is below 60% for adult
297 beds or 40% for child/adolescent beds, then the applicant psychiatric hospital or unit shall reduce the
298 appropriate number of licensed beds to achieve an average annual occupancy rate of at least 60% for
299 adult beds or 40% for child/adolescent beds. The applicant psychiatric hospital or unit shall not exceed
300 the number of beds calculated as follows:

301 (i) For adult beds, as of the date of the application, calculate the number of patient days during the
302 most recent, consecutive 36-month period where verifiable data is available to the Department, and divide
303 by .60.

304 (ii) Divide the result of subsection (i) above by 1095 (or 1096 if the 36-month period includes a leap
305 year) and round up to the next whole number or 10, whichever is larger. This is the maximum number of
306 beds that can be licensed at the existing licensed psychiatric hospital or unit site after replacement.

307 (iii) For child/adolescent beds, as of the date of the application, calculate the number of patient days
308 during the most recent, consecutive 36-month period where verifiable data is available to the Department,
309 and divide by .40.

310 (iv) Divide the result of subsection (iii) above by 1095 (or 1096 if the 36-month period includes a leap
311 year) and round up to the next whole number or 10, whichever is larger. This is the maximum number of
312 beds that can be licensed at the existing licensed psychiatric hospital or unit site after replacement.

313
314 **Section 7. Requirements for approval of an applicant proposing to relocate existing licensed**
315 **inpatient psychiatric beds**

316
317 Sec. 7. (1) The proposed project to relocate beds, under this section, shall constitute a change in bed
318 capacity under Section 1(3) of these standards.

319
320 (2) Any existing licensed inpatient psychiatric hospital or unit may relocate all or a portion of its beds
321 to another existing licensed inpatient psychiatric hospital or unit located within the same planning area.

322
323 (3) The inpatient psychiatric hospital or unit from which the beds are being relocated, and the
324 inpatient psychiatric hospital or unit receiving the beds, shall not require any ownership relationship.

325
326 (4) The relocated beds shall be licensed to the receiving inpatient psychiatric hospital or unit and will
327 be counted in the inventory for the applicable planning area.

328
329 (5) The relocation of beds under this section shall not be subject to a mileage limitation.

330
331 (6) The relocation of beds under this section shall not result in initiation of a new adult or
332 child/adolescent service except for an existing adult inpatient psychiatric service requesting to initiate a
333 child/adolescent inpatient psychiatric service in an overbedded child/adolescent planning area pursuant to
334 Section 8(11).

335
336 (7) The applicant shall comply with the following requirements, as applicable:

337 (a) The source psychiatric hospital or unit shall have an average occupancy rate of at least 60% for
338 adult beds and 40% for child/adolescent beds.

339 (b) If the source psychiatric hospital or unit does not have an average occupancy rate of at least 60%
340 for adult beds and 40% for child/adolescent beds, then the source psychiatric hospital or unit shall reduce
341 the appropriate number of licensed beds to achieve an average occupancy rate of at least 60% for adult
342 beds and 40% for child/adolescent beds upon completion of the relocation(s). The source psychiatric
343 hospital or unit shall not exceed the number of beds calculated as follows:

344 (i) For adult beds, as of the date of the application, calculate the number of patient days during the
345 most recent, consecutive 36-month period where verifiable data is available to the Department, and divide
346 by .60.

347 (ii) Divide the result of subsection (i) above by 1095 (or 1096 if the 36-month period includes a leap
348 year) and round up to the next whole number or 10, whichever is larger. This is the maximum number of
349 beds that can be licensed at the source psychiatric hospital or unit site after the relocation.

350 (iii) For child/adolescent beds, as of the date of the application, calculate the number of patient days
351 during the most recent, consecutive 36-month period where verifiable data is available to the Department,
352 and divide by .40.

353 (iv) Divide the result of subsection (iii) above by 1095 (or 1096 if the 36-month period includes a leap
354 year) and round up to the next whole number or 10, whichever is larger. This is the maximum number of
355 beds that can be licensed at the source psychiatric hospital or unit site after the relocation.

357 (8) A source hospital shall apply for multiple relocations on the same application date, and the
358 applications can be combined to meet the criteria of (7)(b) above. A separate application shall be
359 submitted for each proposed relocation.
360

361 **Section 8. Requirements for approval to increase beds**

362

363 Sec. 8. An applicant proposing an increase in the number of adult or child/adolescent beds shall
364 demonstrate or provide the following:
365

366 (1) An applicant proposing new beds in a psychiatric hospital or unit, except an applicant meeting the
367 requirements of subsection (3), (9), or (10) shall demonstrate that the number of beds proposed in the
368 CON application will not result in the number of existing adult or child/adolescent psychiatric beds, as
369 applicable, in the planning area exceeding the bed need. However, an applicant may request and be
370 approved for up to a maximum of 10 beds if, when the total number of existing adult beds or existing
371 child/adolescent beds is subtracted from the bed need for the planning area, the difference is equal to or
372 more than 1 or less than 10.
373

374 (2) An applicant proposing new beds in a psychiatric hospital or unit, except an applicant meeting the
375 requirements of subsection (3), (9), or (10) shall demonstrate that the average occupancy rate for the
376 applicant's facility, where the proposed beds are to be located, was at least 70% for adult or
377 child/adolescent beds, as applicable, during the most recent, consecutive 12-month period, as of the date
378 of the submission of the application, for which verifiable data are available to the Department. This
379 subsection shall not apply if adding beds from a special population group contained in the addendum to
380 these standards. For purposes of this section, average occupancy rate shall be calculated as follows:
381

382 (a) Divide the number of patient days of care provided by the total number of patient days, then
383 multiply the result by 100.
384

385 (3) An applicant may apply for the addition of new beds if all of the following subsections are met.
386 Further, an applicant proposing new beds at an existing licensed psychiatric hospital or unit site shall not
387 be required to be in compliance with the needed psychiatric hospital bed supply if the application meets
388 all other applicable CON review standards and agrees and assures to comply with all applicable project
389 delivery requirements.

390 (a) The number of existing adult or child/adolescent psychiatric beds in the planning area is equal to
391 or exceeds the bed need.

392 (b) The beds are being added at the existing licensed site.

393 (c) The average occupancy rate for the applicant's facility was at least 75% for facilities with 19 beds
394 or less and 80% for facilities with 20 beds or more, as applicable, during the most recent, consecutive 12-
395 month period, as of the date of the submission of the application, for which verifiable data are available to
396 the Department.

397 (i) For a facility with flex beds,

398 (A) calculate the average occupancy rate as follows:

399 (1) For adult beds:

400 (a) Adult bed days are the number of licensed adult beds multiplied by the number of days they were
401 licensed during the most recent consecutive 12-month period.

402 (b) Flex bed days are the number of licensed flex beds multiplied by the number of days the beds
403 were used to serve a child/ adolescent patient.

404 (c) Subtract the flex bed days from the adult bed days and divide the adult patient days of care by
405 this number, then multiply the result by 100.

406 (2) For child/adolescent beds:

407 (a) Child/adolescent bed days are the number of licensed child/adolescent beds multiplied by the
408 number of days they were licensed during the most recent 12-month period.

- 409 (b) Flex bed days are the number of licensed flex beds multiplied by the number of days the beds
410 were used to serve a child/ adolescent patient.
- 411 (c) Add the flex bed days to the child/adolescent bed days and divide the child/adolescent patient
412 days of care by this number, then multiply the result by 100.
- 413 (d) The number of beds to be added shall not exceed the results of the following formula:
- 414 (ii) Multiply the facility's average daily census for the most recent, consecutive 12-month period, as
415 of the date of the submission of the application, for which verifiable data are available to the Department
416 by 1.5 for adult beds and 1.7 for child/adolescent beds.
- 417 (iii) Subtract the number of currently licensed beds from the number calculated in (ii) above. This is
418 the maximum number of beds that may be approved pursuant to this subsection.
- 419
- 420 (4) Proof of current contract or documentation of contract renewal, if current contract is under
421 negotiation, with at least one CMH or its designee that serves the planning area in which the proposed
422 beds or service will be located.
- 423
- 424 (5) Previously made commitments, if any, to the Department or CMH to serve public patients have
425 been fulfilled.
- 426
- 427 (6) The number of beds proposed in the CON application to be allocated for use by public patients
428 shall not be less than 50% of the beds proposed in the CON application. Applications proposed in direct
429 response to a Department plan pursuant to subsection (9) shall allocate not less than 80% of the beds
430 proposed in the CON application.
- 431
- 432 (7) The minimum number of beds in a psychiatric unit shall be at least 10 beds. If a psychiatric unit
433 has or proposes to operate both adult and child/adolescent beds, then each unit shall have a minimum of
434 10 beds. The Department may approve an application for a unit of less than 10 beds, if the applicant
435 demonstrates, to the satisfaction of the Department, that travel time to existing units would significantly
436 impair access to care. This subsection shall not apply if adding beds from a special population group
437 contained in the addendum to these standards.
- 438
- 439 (8) Subsection (2) shall not apply if the Director of the Department has certified in writing that the
440 proposed project is a direct response to a Department plan for reducing the use of public institutions for
441 acute mental health care through the closure of a state-owned psychiatric hospital.
- 442
- 443 (9) An applicant shall not be required to be in compliance with subsection (1) if the applicant
444 demonstrates that the application meets both of the following:
- 445 (a) The Director of the Department determines that an exception to subsection (1) should be made
446 and certifies in writing that the proposed project is a direct response to a Department plan for reducing the
447 use of public institutions for acute mental health care through the closure of a state-owned psychiatric
448 hospital; and
- 449 (b) The proposed beds will be located in the area currently served by the public institution that will be
450 closed as determined by the Department.
- 451
- 452 (10) An applicant proposing to add new adult and/or child/adolescent psychiatric beds, as the
453 receiving licensed inpatient psychiatric hospital or unit under Section 7, shall demonstrate that it meets all
454 of the requirements of this subsection and shall not be required to be in compliance with the bed need if
455 the application meets all other applicable CON review standards and agrees and assures to comply with
456 all applicable project delivery requirements.
- 457 (a) The approval of the proposed new inpatient psychiatric beds shall not result in an increase in the
458 number of licensed inpatient psychiatric beds in the planning area.
- 459 (b) The applicant meets the requirements of subsections (4), (5), (6), and (7) above.

460 (c) The proposed project to add new adult and/or child adolescent psychiatric beds, under this
461 subsection, shall constitute a change in bed capacity under Section 1(2) of these standards.

462 (d) Applicants proposing to add new adult and/or child/adolescent psychiatric beds under this
463 subsection shall not be subject to comparative review.

464
465 (11) An applicant proposing to initiate a new child/adolescent psychiatric service, as the receiving
466 licensed inpatient psychiatric hospital or unit under Section 7(6), shall demonstrate that it meets all of the
467 requirements of this subsection and shall not be required to be in compliance with the bed need if the
468 application meets all other applicable CON review standards and agrees and assures to comply with all
469 applicable project delivery requirements.

470 (a) The approval of the proposed new inpatient psychiatric beds shall not result in an increase in the
471 number of licensed inpatient psychiatric beds in the planning area.

472 (b) The applicant meets the requirements of subsections (4), (5), and (6) above.

473 (c) The applicant is requesting a minimum of 10 child/adolescent psychiatric beds to a maximum of
474 20 beds.

475 (d) The applicant:

476 (i) is related through common ownership, in whole or in part, or through common control, with an
477 acute-care hospital that has an emergency department that provides 24-hour emergency care services
478 and where child/adolescent patients with a psychiatric and/or developmental disability diagnosis present
479 at an average of at least 100 visits per year for each of the three most recent years in which there is data
480 verifiable by the Department; and

481 (ii) has an agreement with the acute-care hospital to give primary consideration for admission of
482 child/adolescent patients from the acute-care hospital's emergency department in need of an inpatient
483 psychiatric hospital admission.

484 (iii) has a collaborative agreement with an existing child/adolescent psychiatric hospital or unit for
485 consultation and supportive services with a proposed term of not less than twelve months after
486 implementation.

487 (e) The proposed site for the new child/adolescent beds has not previously been approved for beds
488 under this sub-section.

489 (f) The proposed project to add new child adolescent psychiatric beds, under this subsection, shall
490 constitute a change in bed capacity under Section 1(2) of these standards.

491 (g) Applicants proposing to add new child/adolescent psychiatric beds under this subsection shall not
492 be subject to comparative review.

493

494 **Section 9. Requirements for approval for flex beds**

495

496 Sec. 9. An applicant proposing flex beds shall demonstrate the following as applicable to the
497 proposed project:

498

499 (1) The applicant has existing adult psychiatric beds and existing child/adolescent psychiatric beds.

500

501 (2) The number of flex beds proposed in the CON application shall not result in the existing adult
502 psychiatric unit to become non-compliant with the minimum size requirements within Section 5(4).

503

504 (3) The applicant shall meet all applicable sections of the standards.

505

506 (4) The facility shall be in compliance and meet all design standards of the most recent Minimum
507 Design Standards for Health Care Facilities in Michigan.

508

509 (5) The applicant shall convert the beds back to adult inpatient psychiatric beds if the bed has not
510 been used as a flex bed serving a child/adolescent patient for a continuous 12-month period or if the CON
511 application is withdrawn.

512
513 **Section 10. Requirements for approval for acquisition of a psychiatric hospital or unit**
514

515 Sec. 10. An applicant proposing to acquire a psychiatric hospital or unit shall not be required to be in
516 compliance with the needed bed supply, for the planning area in which the psychiatric hospital or unit
517 subject to the proposed acquisition is located, if the applicant demonstrates that all of the following are
518 met:

519
520 (1) The acquisition will not result in a change in the number of licensed beds or beds designated for a
521 child/adolescent specialized psychiatric program.

522
523 (2) The licensed site does not change as a result of the acquisition.

524
525 (3) The applicant shall comply with the following requirements, as applicable:

526 (a) The existing psychiatric hospital or unit shall have an average occupancy rate of at least 60% for
527 adult beds and 40% for child/adolescent beds.

528 (b) If the average occupancy rate for the existing psychiatric hospital or unit is below 60% for adult
529 beds or 40% for child/adolescent beds, the applicant shall agree to all of the following:

530 (i) The psychiatric hospital or unit to be acquired will achieve an average occupancy rate of at least
531 60% average annual occupancy for adult beds or 40% annual average occupancy for child/adolescent
532 beds for the revised licensed bed complement during any consecutive 12-month period by the end of the
533 second year of operation after completion of the acquisition.

534 (A) Calculate average occupancy rate for adult beds as follows:

535 (1) Add the number of adult patient days of care to the number of child/adolescent patient days of
536 care provided in the flex beds; divide this number by the adult bed days, then multiply the result by 100.

537 (B) Calculate average occupancy rate for child/adolescent beds as follows:

538 (1) Subtract the number of child/adolescent patient days of care provided in the flex beds from the
539 number of child adolescent patient days of care; divide this number by the child/adolescent bed days,
540 then multiply the result by 100.

541 (C) Flex beds approved under Section 9 shall be counted as existing adult inpatient psychiatric beds.

542 (c) If the psychiatric hospital or unit to be acquired does not achieve an average annual occupancy
543 rate of at least 60% for adult beds or 40% for child/adolescent beds, as calculated above, during any
544 consecutive 12-month period by the end of the second year of operation after completion of the
545 acquisition, the applicant shall relinquish sufficient beds at the existing psychiatric hospital or unit to raise
546 its average occupancy to 60% for adult beds or 40% for child/adolescent beds. The revised number of
547 licensed beds at the psychiatric hospital or unit shall be calculated as follows. However, the psychiatric
548 hospital or unit shall not be reduced to less than 10 beds.

549 (i) For adult beds, as of the date of the application, calculate the number of patient days during the
550 most recent, consecutive 12-month period where verifiable data is available to the Department, and divide
551 by .60.

552 (ii) Divide the result of subsection (i) above by 365 (or 366 if the 12-month period includes a leap
553 year) and round up to the next whole number or 10, whichever is larger. This is the maximum number of
554 beds that can be licensed at the existing licensed psychiatric hospital or unit site after acquisition.

555 (iii) For child/adolescent beds, as of the date of the application, calculate the number of patient days
556 during the most recent, consecutive 12-month period where verifiable data is available to the Department,
557 and divide by .40.

558 (iv) Divide the result of subsection (iii) above by 365 (or 366 if the 12-month period includes a leap
559 year) and round up to the next whole number or 10, whichever is larger. This is the maximum number of
560 beds that can be licensed at the existing licensed psychiatric hospital or unit site after acquisition.

561
562 **Section 11. Additional requirements for applications included in comparative review**
563

564 Sec. 11. (1) Any application subject to comparative review under Section 22229 of the Code, being
 565 Section 333.22229 of the Michigan Compiled Laws, or under these standards, shall be grouped and
 566 reviewed comparatively with other applications in accordance with the CON rules.
 567

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

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

582 (b) A qualifying project will be awarded 3 points if the applicant currently provides a partial
 583 hospitalization psychiatric program, outpatient psychiatric services, or psychiatric aftercare services, or
 584 transportation assistance to patients who require these services. An applicant proposing a new facility
 585 will be awarded 3 points if it submits site plans or service contracts to demonstrate it will include any of
 586 these services as part of its proposed project.

587 (c) A qualifying project will have 4 points deducted if the Department has issued, within three years
 588 prior to the date on which the CON application was deemed submitted, a provisional license FOR any
 589 psychiatric hospital or unit owned or operated by the applicant in this state.

590 (d) A qualifying project will have points awarded based on the ranking of the applicant's Medicaid
 591 days as measured as a percentage of total days as set forth in the following table. For purposes of
 592 scoring, the applicant's Medicaid percentage will be the cumulative of all Title XIX and Healthy Michigan
 593 inpatient psychiatric days divided by the cumulative of all inpatient psychiatric days at all currently
 594 licensed Michigan hospitals under common ownership or control with the applicant. For purposes of
 595 evaluating this criterion, an applicant shall submit the most recent reviewed and accepted Medicaid cost
 596 report for each currently licensed hospital under common ownership or control in Michigan.
 597

MEDICAID DAYS	POINTS AWARDED
Applicant with highest percent of Medicaid days	10 points
All other applicants	Applicant's percent of Medicaid days divided by the highest applicant's percent of Medicaid days, then multiplied by 10
EXAMPLE BELOW	
The highest applicant has 58.3% Medicaid days	10 points
Applicant with 55.3% Medicaid days	$(.553 / .583) \times 10 = 9$ points
Applicant with 51.3% Medicaid days	$(.513 / .583) \times 10 = 9$ points

598
 599 Percentages of days shall be rounded to the nearest 1/1000 and points awarded shall be rounded to the
 600 nearest whole number, i.e. numbers ending in .5 or higher, round up, and numbers ending in .4 or lower,
 601 round down.
 602

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

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

620 (f) A qualifying project will be awarded points based on the applicant's total project costs per bed.
 621 For purposes of this criterion, total project costs shall be defined as the total costs for construction and
 622 renovation, site work, architectural/engineering and consulting fees, contingencies, fixed equipment,
 623 construction management and permits. Points shall be awarded in accordance with the table below:
 624

COST PER BED	POINTS AWARDED
Applicant with the lowest cost per bed	40-7 POINTS
All other applicants	LOWEST Applicant's-applicant's cost per bed divided by the lowest applicant's cost per bed, then multiplied by 7
Example below	
The lowest cost applicant is \$698,000 per bed	7 points
Applicant with \$710,000 per bed	$(\$698,000 / \$710,000) \times 7 = 7$ points
Applicant with \$975,000 per bed	$(\$698,000 / \$975,000) \times 7 = 5$ points

625
 626 Points shall not be awarded under this section for any project that proposes to add beds at a leased
 627 facility. Costs shall be rounded to the nearest whole dollar and points awarded shall be rounded to the
 628 nearest whole number, i.e. numbers ending in .5 or higher, round up, and numbers ending in .4 or lower,
 629 round down.

630 (g) A qualifying project will be awarded 1 point for each design feature in this subsection (maximum
 631 of 3 points) that applicant proposes to include in the proposed project to reduce stress, foster diminished
 632 aggression, and reduce patient risk:

633 (i) Design features as shown on the floor plan submitted with the CON application to allow the
 634 applicant to create one or more subunits within a larger unit for clinical or programmatic purposes,
 635 including door or wall systems permitted under the Minimum Design Standards for Healthcare Facilities in
 636 Michigan to subdivide inpatient psychiatric space on a temporary or flexible basis;

637 (ii) gardens or other outdoor areas to allow inpatients direct daily access to outdoor space and
 638 daylight; and

639 (iii) a floor plan designed to help reduce patient risk by optimizing observation of patients in the
 640 facility in communal areas, hallways, and patient rooms. For purposes of this criteria, applicants shall
 641 submit proposed floor plans that show unobstructed sight lines from nurse stations or the equivalent to all
 642 patient room corridors and all common areas utilized for patient care.

643 (h) A qualifying project will be awarded 3 points if the applicant has or proposes to develop, with
 644 credible documentation acceptable to the Department, a telehealth and/or telemedicine program to

645 facilitate inpatient admission of psychiatric patients or to assist in the diagnosis, treatment or provision of
 646 other inpatient support and services necessary and appropriate for the admission or retention of a
 647 psychiatric hospital inpatient with the following features:

648 (i) The existing or proposed telehealth and/or telemedicine program complies or will comply with
 649 Michigan Compiled Laws Section 333.16283 to 333.16288;

650 (ii) the proposed project includes infrastructure necessary or appropriate for the psychiatric
 651 telehealth and/or telemedicine services including high-speed internet connections, integration of the
 652 telehealth and/or telemedicine services with the electronic health record of the psychiatric inpatient, and
 653 physical plant design elements necessary or appropriate for compliance with applicable state and federal
 654 privacy laws; and

655 (iii) the applicant has or proposes a plan to facilitate workforce training and technical assistance to
 656 support operation of the telehealth and/or telemedicine program.

657 (i) A qualifying project will be awarded 3 points if the applicant already has, or the proposed project
 658 will have comprehensive psychiatric crisis services for the purpose of diverting patients to a lower acuity
 659 setting including any of the following: 24-hour patient/family crisis telephone lines, walk-in crisis services,
 660 or a crisis stabilization unit. An applicant shall submit site plans or contracts to demonstrate it currently
 661 has or will include any of these services as part of its proposed project.

662 (j) A qualifying project will be awarded points based on the geographic location of the project in
 663 accordance with the following table. For purposes of evaluation, this criteria will consider the proximity of
 664 the proposed project to existing beds of the same type as those proposed in the application, including
 665 both operating and CON-approved but not yet operational beds on the date of application.
 666

PROXIMITY TO EXISTING BEDS OF THE SAME TYPE	POINTS AWARDED
Less than 30 miles	0
Between 30 and 60 miles	1
Between 60 and 90 miles	2
Greater than 90 miles	3

667
 668 For purposes of scoring this criteria, the applicant shall submit data using the Michigan State University
 669 Geocoder located on the Department's website and the Department's Inventory of Beds at the time the
 670 application is deemed submitted.

671 (k) A qualifying project that proposes beds under the addendum for special population groups,
 672 Section 7 for high acuity psychiatric patients, will be awarded based on the percentage of beds located in
 673 private rooms proposed as part of the project, supported by the floor plans provided in the application, in
 674 accordance with the table below.
 675

PERCENTAGE OF HIGH ACUITY BEDS LOCATED IN PRIVATE ROOMS	POINTS AWARDED
Applicant with highest percentage of high acuity beds located in private rooms	7 points
All other applicants	Applicant's percent of beds located in private rooms divided by the highest applicant's percent of beds located in private rooms, then multiplied by 7
Example below	
The applicant with the highest percentage of beds in private rooms is 90.0%	7 points
Applicant with 80.0% of beds in private rooms	$(.800 / .900) \times 7 = 6$ points

Applicant with 70.5% beds in private rooms	$(.750 / .900) \times 7 = 5$ points
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Percentages of beds in private rooms shall be rounded to the nearest 1/1000 and points awarded shall be rounded to the nearest whole number, i.e. numbers ending in .5 or higher, round up, and numbers ending in .4 or lower, round down.

(4) 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.

691 **Section 12. Requirements for approval -- all applicants**
692

693 Sec. 12. (1) An applicant shall provide verification of Medicaid participation. An applicant that is a
694 new provider not currently enrolled in Medicaid shall certify that proof of Medicaid participation will be
695 provided to the Department within six (6) months from the offering of services if a CON is approved.
696

697 (2) The applicant certifies all outstanding debt obligations owed to the State of Michigan for Quality
698 Assurance Assessment Program (QAAP) or Civil Monetary Penalties (CMP) have been paid in full.
699

700 (3) The applicant certifies that the health facility for the proposed project has not been cited for a
701 state or federal code deficiency within the 12 months prior to the submission of the application. If a code
702 deficiency has been issued, then the applicant shall certify that a plan of correction for cited state or
703 federal code deficiencies at the health facility has been submitted and approved by the Bureau of Health
704 Systems within the Department or, as applicable, the Centers for Medicare and Medicaid Services. If
705 code deficiencies include any unresolved deficiencies still outstanding with the Department or the Centers
706 for Medicare and Medicaid Services that are the basis for the denial, suspension, or revocation of an
707 applicant's health facility license, poses an immediate jeopardy to the health and safety of patients, or
708 meets a federal conditional deficiency level, the proposed project cannot be approved without approval
709 from the Bureau of Health Systems.
710

711 **Section 13. Project delivery requirements - terms of approval for all applicants**
712

713 Sec. 13. An applicant shall agree that, if approved, the project shall be delivered in compliance with
714 the following terms of CON approval:
715

716 (1) Compliance with these standards.
717

718 (2) Compliance with the following applicable quality assurance standards:

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

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

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

730 (d) The inpatient psychiatric hospital or unit shall provide clinical, administrative, and support
731 services that will be at a level sufficient to accommodate patient needs and volume and will be provided
732 seven days a week to assure continuity of services and the capacity to deal with emergency admissions.
733

734 (3) Compliance with the following access to care requirements:

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

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

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

740 (ii) provide acute inpatient mental health services to any individual based on clinical indications of
741 need for the services; and

742 (iii) maintain information by payor and non-paying sources to indicate the volume of care from each
743 source provided annually. Compliance with selective contracting requirements shall not be construed as
744 a violation of this term.

745 (iv) Adopt and maintain a policy that includes a plan for providing inpatient psychiatric services to
746 existing or potential psychiatric inpatients whose length of stay at applicant's psychiatric hospital exceeds,
747 or may exceed, 45 consecutive inpatient days in accordance with applicable Medicare, Medicaid, CMH,
748 or other third-party payor medical necessity criteria for inpatient psychiatric admissions and an
749 appropriate care plan.

750
751 (4) Compliance with the following monitoring and reporting requirements:

752 (a) The average occupancy rate for all licensed beds at the psychiatric hospital or unit shall be at
753 least 60 percent (%) for adult beds and 40 percent (%) for child/adolescent beds for the second 12
754 months of operation, and annually thereafter.

755 (i) Calculate average occupancy rate for adult beds as follows:

756 (A) Add the number of adult patient days of care to the number of child/adolescent patient days of
757 care provided in the flex beds; divide this number by the adult bed days, then multiply the result by 100.

758 (ii) Calculate average occupancy rate for child/adolescent beds as follows:

759 (A) Subtract the number of child/adolescent patient days of care provided in the flex beds from the
760 number of child adolescent patient days of care; divide this number by the child/adolescent bed days,
761 then multiply the result by 100.

762 (b) Flex beds approved under section 9 shall be counted as existing adult inpatient psychiatric beds.

763
764 (c) After the second 12 months of operation, if the average occupancy rate is below 60% for adult
765 beds or 40% for child/adolescent beds, the number of beds shall be reduced to achieve a minimum of
766 60% average annual occupancy for adult beds or 40% annual average occupancy for child/adolescent
767 beds for the revised licensed bed complement. However, the psychiatric hospital or unit shall not be
768 reduced to less than 10 beds.

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

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

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

786
787 (5) Compliance with this Section shall be determined by the Department based on a report submitted
788 by the applicant and/or other information available to the Department.

789
790 (6) Nothing in this section prohibits the Department from taking compliance action under MCL
791 333.22247.

792

793 (7) The agreements and assurances required by this Section shall be in the form of a certification
794 agreed to by the applicant or its authorized agent.
795

796 **Section 14. Project delivery requirements - additional terms of approval for child/adolescent**
797 **service**
798

799 Sec. 14. (1) In addition to the provisions of Section 13, an applicant for a child/adolescent service
800 shall agree to operate the program in compliance with the following terms of CON approval, as
801 applicable:

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

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

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

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

813 (d) There shall be the following minimum staff employed either on a full time basis or access to on a
814 consulting basis as needed:

- 815 (i) a pediatrician;
- 816 (ii) a child neurologist;
- 817 (iii) a neuropsychologist;
- 818 (iv) a speech and language therapist;
- 819 (v) an audiologist; and
- 820 (vi) a dietician.

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

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

826 (g) The applicant shall demonstrate that the child/adolescent service is integrated within the
827 continuum of mental health services available in its planning area by establishing a formal agreement with
828 the CMH(s) serving the planning area in which the child/adolescent specialized psychiatric program is
829 located. The agreement shall address admission and discharge planning issues which include, at a
830 minimum, specific procedures for referrals for appropriate community services and for the exchange of
831 information with the CMH(s), the probate court(s), the home school district, the Michigan Department of
832 Human Services, the parent(s) or legal guardian(s) and/or the patient's attending physician.
833

834 (2) Compliance with this Section shall be determined by the Department based on a report submitted
835 by the program and/or other information available to the Department.
836

837 (3) The agreements and assurances required by this Section shall be in the form of a certification
838 agreed to by the applicant or its authorized agent.
839

840 **Section 15. Department inventory of beds**
841

842 Sec. 15. The Department shall maintain, and provide on request, a listing of the Department Inventory
843 of Beds for each adult and child/adolescent planning area.
844

846 **Section 16. Planning areas**

847

848 Sec. 16. The planning areas for inpatient psychiatric beds are the geographic boundaries of the
849 groups of counties as follows.

850

851 **Planning Areas**

Counties

852 1 Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, Wayne

853

854 2 Clinton, Eaton, Hillsdale, Ingham, Jackson, Lenawee

855

856 3 Barry, Berrien, Branch, Calhoun, Cass, Kalamazoo, St. Joseph, Van
857 Buren

858

859 4 Allegan, Ionia, Kent, Lake, Mason, Montcalm, Muskegon, Newaygo,
860 Oceana, Ottawa

861

862 5 Genesee, Lapeer, Shiawassee

863

864 6 Arenac, Bay, Clare, Gladwin, Gratiot, Huron, Iosco, Isabella, Midland,
865 Mecosta, Ogemaw, Osceola, Oscoda, Saginaw, Sanilac, Tuscola

866

867 7 Alcona, Alpena, Antrim, Benzie, Charlevoix, Cheboygan, Crawford,
868 Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee,
869 Montmorency, Otsego, Presque Isle, Roscommon, Wexford

870

871 8 Alger, Baraga, Chippewa, Delta, Dickinson, Gogebic, Houghton, Iron,
872 Keweenaw, Luce, Mackinac, Marquette, Menominee, Ontonagon,
873 Schoolcraft

874

875

876 **Section 17. Effect on prior CON review standards; comparative reviews**

877

878 Sec. 17. (1) These CON review standards supercede and replace the CON Review Standards for
879 Psychiatric Beds and Services, approved by the CON Commission on March 21, 2019 and effective on
880 May 24, 2019.

881

882 (2) Projects involving replacement beds, relocation of beds, flex beds under Section 9, or an increase
883 in beds, approved pursuant to Section 6(3), are reviewed under these standards and shall not be subject
884 to comparative review.

885

886 (3) Projects involving initiation of services or an increase in beds, approved pursuant to Section 5(1),
887 are reviewed under these standards and shall be subject to comparative review.

888

889

890

891
892 **MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES**

893
894 **CON REVIEW STANDARDS**
895 **FOR PSYCHIATRIC BEDS AND SERVICES**
896 **--ADDENDUM FOR SPECIAL POPULATION GROUPS**
897

898 (By authority conferred on the CON commission by Section 22215 of Act No. 368 of the Public Acts of
899 1978, as amended, and sections 7 and 8 of Act No. 306 of the Public Acts of 1969, as amended, being
900 sections 333.22215, 24.207 and 24.208 of the Michigan Compiled Laws.)
901

902 **Section 1. Applicability; definitions**
903

904 Sec. 1. (1) This addendum supplements the CON review standards for psychiatric beds and services
905 and shall be used for determining the need for projects established to better meet the needs of special
906 population groups within the mental health populations.
907

908 (2) Except as provided in sections 2, 3, 4, 5, 6, 7 and 8 of this addendum, these standards
909 supplement, and do not supersede, the requirements and terms of approval required by the CON Review
910 Standards for Psychiatric Beds and Services.
911

912 (3) The definitions which apply to the CON Review Standards for Psychiatric Beds and Services shall
913 apply to these standards.
914

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

916 (a) "Developmental disability unit" means a unit designed for psychiatric patients (adult or
917 child/adolescent as applicable) who have been diagnosed with a severe, chronic disability as outlined in
918 Section 102, 42 USC 15002, of the Developmental Disabilities Assistance and Bill of Rights Act of 2000
919 (DD Act) and its update or future guideline changes.

920 (b) "Geriatric psychiatric unit" means a unit designed for psychiatric patients aged 65 and over.

921 (c) "High acuity psychiatric unit" means a distinct psychiatric unit for individuals who are currently
922 exhibiting three or more to a moderate degree or two or more to a severe degree of the following:
923 confusion, irritability, boisterousness, poor impulse control, uncooperativeness, hostility, verbal threats,
924 physical threats, or attacking objects. This term also includes patients who are unwilling or unable to stop
925 attempts at self-harm or suicide or patients who have a history of violence to self or others on an inpatient
926 psychiatric unit.

927 (d) "Medical psychiatric unit" means a unit designed for psychiatric patients (adult or child/adolescent
928 as applicable) who have also been diagnosed with a medical illness requiring hospitalization, e.g.,
929 patients who may be on dialysis, require wound care or need intravenous or tube feeding.
930

931 **Section 2. Requirements for approval -- applicants proposing to increase psychiatric beds --**
932 **special use exceptions**
933

934 Sec. 2. A project to increase psychiatric beds in a planning area which, if approved, would otherwise
935 cause the total number of psychiatric beds in that planning area to exceed the needed psychiatric bed
936 supply or cause an increase in an existing excess as determined under the applicable CON review
937 standards for psychiatric beds and services, may nevertheless be approved pursuant to this addendum.
938

939 **Section 3. Statewide pool for the needs of special population groups within the mental health**
940 **populations**
941

942 Sec. 3. (1) A statewide pool of additional psychiatric beds consists of 850 beds needed in the state is
943 established to better meet the needs of special population groups within the mental health populations.

944 The number of beds in the developmental disability, geriatric and medical psychiatric pools are based on
945 seven and a half percent of the statewide bed need for psychiatric inpatient beds rounded up to the next
946 ten with a minimum of 50 child/adolescent beds in each special pool, as applicable. The number of beds
947 in the high acuity pool is based on ten percent of the statewide bed need for psychiatric inpatient beds
948 rounded up to the next ten with a minimum of 50 child/adolescent beds. Beds in the pool shall be
949 distributed as follows and shall be reduced in accordance with subsection (2):

- 950 (a) Developmental disability beds will be allocated 160 adult beds and 50 child/adolescent beds.
- 951 (b) Geriatric psychiatric beds will be allocated 160 adult beds.
- 952 (c) Medical psychiatric beds will be allocated 160 adult beds and 50 child/adolescent beds.
- 953 (d) High acuity psychiatric beds will be allocated 220 adult beds and 50 child/adolescent beds.

954
955 (2) By setting aside these beds from the total statewide pool, the Commission's action applies only to
956 applicants seeking approval of psychiatric beds pursuant to sections 4, 5, 6 and 7. It does not preclude
957 the care of these patients in units of hospitals, psychiatric hospitals, or other health care settings in
958 compliance with applicable statutory or certification requirements.

959
960 (3) Increases in psychiatric beds approved under this addendum for special population groups shall
961 not cause planning areas currently showing an unmet bed need to have that need reduced or planning
962 areas showing a current surplus of beds to have that surplus increased.

963
964 (4) The Commission may adjust the number of beds available in the statewide pool for the needs of
965 special population groups within the mental health populations concurrent with the biennial recalculation
966 of the statewide psychiatric inpatient bed need. Modifying the number of beds available in the statewide
967 pool for the needs of special population groups within the mental health populations pursuant to this
968 section shall not require a public hearing or submittal of the standard to the Legislature and the Governor
969 in order to become effective.

970
971 (5) Beds approved under subsections 4, 5, 6, and 7 shall not be converted to or utilized as general
972 psychiatric beds.

973
974 **Section 4. Requirements for approval for beds from the statewide pool for special population**
975 **groups allocated to developmental disability patients**

976
977 Sec. 4. The CON commission determines there is a need for beds for applications designed to
978 determine the efficiency and effectiveness of specialized programs for the care and treatment of
979 developmental disability patients as compared to serving these needs in general psychiatric unit(s).

980
981 (1) An applicant proposing to begin operation of a new adult or child/adolescent psychiatric service or
982 add beds to an existing adult or child/adolescent psychiatric service under this section shall demonstrate
983 with credible documentation to the satisfaction of the Department each of the following:

- 984 (a) The applicant shall submit evidence of accreditation as follows:
 - 985 (i) Documentation of its existing developmental disability program by the National Association for the
 - 986 Dually Diagnosed (NADD) or another nationally-recognized accreditation organization for developmental
 - 987 disability care and services; or
 - 988 (ii) within 24-months of accepting its first patient, the applicant shall obtain NADD or another
 - 989 nationally-recognized accreditation organization for the developmental disability beds proposed under this
 - 990 subsection.

991 (b) The applicant proposes programs to promote a culture within the facility that is appropriate for
992 developmental disability patients.

993 (c) Staff will be specially trained in treatment of developmental disability patients.

994 (d) The proposed beds will serve only developmental disability patients.

995
996 (2) All beds approved pursuant to this subsection shall be certified for Medicaid.

997
998 **Section 5. Requirements for approval for beds from the statewide pool for special population**
999 **groups allocated to geriatric psychiatric patients**

1000
1001 Sec. 5. The CON commission determines there is a need for beds for applications designed to
1002 determine the efficiency and effectiveness of specialized programs for the care and treatment of geriatric
1003 psychiatric patients as compared to serving these needs in general psychiatric unit(s).

1004
1005 (1) An applicant proposing to begin operation of a new adult psychiatric service or add beds to an
1006 existing adult psychiatric service under this section shall demonstrate with credible documentation to the
1007 satisfaction of the Department each of the following:

1008 (a) The applicant shall submit evidence of accreditation as follows:

1009 (i) Documentation of its existing geriatric psychiatric program by the Commission on Accreditation of
1010 Rehabilitation Facilities (CARF) or another nationally-recognized accreditation organization for geriatric
1011 psychiatric care and services; or

1012 (ii) within 24-months of accepting its first patient, the applicant shall obtain CARF or another
1013 nationally-recognized accreditation organization for the geriatric psychiatric beds proposed under this
1014 subsection.

1015 (b) The applicant proposes programs to promote a culture within the facility that is appropriate for
1016 geriatric psychiatric patients.

1017 (c) Staff will be specially trained in treatment of geriatric psychiatric patients.

1018 (d) The proposed beds will serve only geriatric psychiatric patients.

1019
1020 (2) All beds approved pursuant to this subsection shall be dually certified for Medicare and Medicaid.

1021
1022 **Section 6. Requirements for approval for beds from the statewide pool for special population**
1023 **groups allocated to medical psychiatric patients**

1024
1025 Sec. 6. The CON commission determines there is a need for beds for applications designed to
1026 determine the efficiency and effectiveness of specialized programs for the care and treatment of medical
1027 psychiatric patients as compared to serving these needs in general psychiatric unit(s).

1028
1029 (1) An applicant proposing to begin operation of a new adult or child/adolescent psychiatric service or
1030 add beds to an existing adult or child/adolescent psychiatric service under this section shall demonstrate
1031 with credible documentation to the satisfaction of the Department each of the following:

1032 (a) The beds will be operated as part of a specialized program exclusively for adult or
1033 child/adolescent medical psychiatric patients, as applicable, within one of the following settings:

1034 (i) a licensed hospital licensed under part 215 of the code, or

1035 (ii) an adult or child/adolescent psychiatric service or unit with a written collaborative agreement with
1036 a licensed hospital licensed under part 215 of the code that is provided as part of the application and
1037 includes all of the following:

1038 (A) Procedures for joint credentialing criteria and recommendations for physicians approved to treat
1039 medical psychiatric patients.

1040 (B) Provisions for regularly held joint psychiatric and medical conferences to include review of all
1041 medical psychiatric cases.

1042 (C) A mechanism to provide for appropriate transfers between facilities and an agreed upon plan for
1043 prompt care.

1044 (D) Consultation on facilities, equipment, staffing, ancillary services, and policies and procedures for
1045 the provision of medical psychiatric treatment.

1046 (b) The applicant shall submit evidence of accreditation as follows:

1047 (i) Documentation of its existing medical psychiatric program by CARF or another nationally-
1048 recognized accreditation organization for medical psychiatric care and services; or

- 1049 (ii) within 24-months of accepting its first patient, the applicant shall obtain CARF or another
1050 nationally-recognized accreditation organization for the medical psychiatric beds proposed under this
1051 subsection.
- 1052 (c) The applicant proposes programs to promote a culture within the facility that is appropriate for
1053 medical psychiatric patients.
- 1054 (d) Staff, including contracted staff, will be specially trained in treatment of medical psychiatric
1055 patients.
- 1056 (e) The proposed beds will serve only medical psychiatric patients.
- 1057
- 1058 (2) All beds approved pursuant to this subsection shall be certified for Medicaid.
- 1059

1060 **Section 7. Requirements for approval for beds from the statewide pool for special population**
1061 **groups allocated to high acuity psychiatric patients**
1062

1063 Sec 7. The CON commission determines there is a need for beds for applications designed to
1064 determine the efficiency and effectiveness of specialized programs for the care and treatment of high
1065 acuity psychiatric patients as compared to serving these needs in a general psychiatric unit(s).
1066

1067 (1) An applicant proposing to begin operations of a new adult or child/adolescent psychiatric services
1068 or add beds to an existing adult or child/adolescent psychiatric service under this section shall
1069 demonstrate with credible documentation to the satisfaction of the Department each of the following:

1070 (a) The beds shall be operated as part of a specialized program exclusively for adult or
1071 child/adolescent patients classified as high acuity.

1072 (b) The applicant shall submit evidence with credible documentation acceptable to the Department of
1073 the following:

1074 (i) The proposed unit shall consist of a majority of private rooms and shall include environmental
1075 safety measures that meet standards from the Joint Commission and the Centers for Medicare and
1076 Medicaid Services throughout the entire unit.

1077 (ii) The proposed unit shall have a physical environment designed to minimize noise and light
1078 reflections to promote visual and spatial orientation.

1079 (iii) The proposed unit's staff shall be specially trained in the treatment of high acuity patients with
1080 non-violent intervention modalities such as non-abusive psychological and physical intervention, crisis
1081 intervention institute training or similar programs.

1082 (iv) The proposed unit shall demonstrate a plan for the safe management of agitated or aggressive
1083 patients.

1084 (c) The proposed beds will serve only high acuity psychiatric patients.

1085

1086 (2) All beds approved pursuant to this subsection shall be certified for Medicaid.

1087

1088 **Section 8. Acquisition of psychiatric beds approved pursuant to this addendum**
1089

1090 Sec. 8. (1) An applicant proposing to acquire psychiatric beds from the statewide pool for special
1091 population groups allocated to developmental disability shall meet the following:

1092 (a) The applicant shall submit evidence of accreditation of the existing developmental disability
1093 program by the National Association for the Dually Diagnosed (NADD) or another nationally-recognized
1094 accreditation organization for developmental disability care and services.

1095 (b) Within 24-months of accepting its first patient, the applicant shall obtain NADD or another
1096 nationally-recognized accreditation organization for the developmental disability beds proposed under this
1097 subsection.

1098 (c) The applicant proposes programs to promote a culture within the facility that is appropriate for
1099 developmental disability patients.

1100 (d) Staff will be specially trained in treatment of developmental disability patients.

1101 (e) The proposed beds will serve only developmental disability patients.

1102 (f) All beds approved pursuant to this subsection shall be certified for Medicaid.

- 1103
1104 (2) An applicant proposing to acquire psychiatric beds from the statewide pool for special population
1105 groups allocated to geriatric psychiatric shall meet the following:
1106 (a) The applicant shall submit evidence of accreditation of the existing geriatric psychiatric program
1107 by CARF or another nationally-recognized accreditation organization for geriatric psychiatric care and
1108 services.
1109 (b) Within 24-months of accepting its first patient, the applicant shall obtain CARF or another
1110 nationally-recognized accreditation organization for the geriatric psychiatric beds proposed under this
1111 subsection.
1112 (c) The applicant proposes programs to promote a culture within the facility that is appropriate for
1113 geriatric psychiatric patients.
1114 (d) Staff will be specially trained in treatment of geriatric psychiatric patients.
1115 (e) The proposed beds will serve only geriatric psychiatric patients.
1116 (f) All beds approved pursuant to this subsection shall be dually certified for Medicare and Medicaid.
1117
1118 (3) An applicant proposing to acquire psychiatric beds from the statewide pool for special population
1119 groups allocated to medical psychiatric shall meet the following:
1120 (a) The applicant shall submit evidence of accreditation of the existing medical psychiatric program
1121 by CARF or another nationally-recognized accreditation organization for medical psychiatric care and
1122 services.
1123 (b) Within 24-months of accepting its first patient, the applicant shall obtain CARF or another
1124 nationally-recognized accreditation organization for the medical psychiatric beds proposed under this
1125 subsection.
1126 (c) The applicant proposes programs to promote a culture within the facility that is appropriate for
1127 medical psychiatric patients.
1128 (d) Staff will be specially trained in treatment of medical psychiatric patients.
1129 (e) The proposed beds will serve only medical psychiatric patients.
1130 (f) All beds approved pursuant to this subsection shall be certified for Medicaid.
1131
1132 (4) An applicant proposing to acquire psychiatric beds from the statewide pool for special populations
1133 allocated to high acuity psychiatry shall meet the following:
1134 (a) The proposed unit shall consist of a majority of private rooms and shall include environmental
1135 safety measures that meet standards from the Joint Commission and the Centers for Medicare and
1136 Medicaid Services throughout the entire unit.
1137 (b) The proposed unit shall have a physical environment designed to minimize noise and light
1138 reflections to promote spatial orientation.
1139 (c) The proposed unit's staff shall be specially trained in the treatment of high acuity patients with
1140 non-violent intervention modalities such as non-abusive psychological and physical intervention, crisis
1141 intervention institute training or similar programs.
1142 (d) The proposed unit shall demonstrate a plan for the safe management of agitated or aggressive
1143 patients.
1144 (e) The proposed beds will serve only high acuity psychiatric patients.
1145 (f) All beds approved pursuant to this subsection shall be certified for Medicaid.
1146

1147 **Section 9. Project delivery requirements -- terms of approval for all applicants seeking approval**
1148 **under section 3(1) of this addendum**
1149

1150 Sec. 9. (1) An applicant shall agree that if approved, the services shall be delivered in compliance
1151 with the terms of approval required by the CON Review Standards for Psychiatric Beds and Services.
1152

1153 (2) An applicant for beds from the statewide pool for special population groups allocated to
1154 developmental disability patients shall agree that, if approved, all beds approved pursuant to that
1155 subsection shall be operated in accordance with the following terms of CON approval:

1156 (a) The applicant shall document, at the end of the third year following initiation of beds approved an
1157 annual average occupancy rate of 80 percent or more. If this occupancy rate has not been met, the
1158 applicant shall reduce beds to a number of beds necessary to result in an 80 percent average annual
1159 occupancy for the third full year of operation and annually thereafter. The number of beds reduced shall
1160 revert to the total statewide pool established for developmental disability beds.

1161 (b) An applicant shall staff the proposed unit for developmental disability patients with employees
1162 that have been trained in the care and treatment of such individuals.

1163 (c) An applicant shall maintain NADD certification or another nationally-recognized accreditation
1164 organization for developmental disability care and services.

1165 (d) An applicant shall establish and maintain written policies and procedures for each of the
1166 following:

1167 (i) Patient admission criteria that describe minimum and maximum characteristics for patients
1168 appropriate for admission to the developmental disability unit.

1169 (ii) The transfer of patients requiring care at other health care facilities.

1170 (iii) Upon admission and periodically thereafter, a comprehensive needs assessment, a treatment
1171 plan, and a discharge plan that at a minimum addresses the care needs of a patient following discharge.

1172 (e) If the specialized program is being added to an existing adult or child/adolescent psychiatric
1173 service, then the existing licensed adult or child/adolescent psychiatric service, as applicable, shall
1174 maintain the volume requirements outlined in Section 13 of the CON Review Standards for Psychiatric
1175 Beds and Services.

1176 (f) The developmental disability unit shall have a day/dining area within, or immediately adjacent to,
1177 the unit(s), which is solely for the use of developmental disability patients.

1178 (g) The developmental disability unit shall have direct access to a secure outdoor or indoor area at
1179 the facility appropriate for supervised activity.

1180 (h) The applicant shall maintain programs to promote a culture within the facility that is appropriate
1181 for developmental disability patients.

1182
1183 (3) An applicant for beds from the statewide pool for special population groups allocated to geriatric
1184 psychiatric patients shall agree that if approved, all beds approved pursuant to that subsection shall be
1185 operated in accordance with the following terms of CON approval:

1186 (a) The applicant shall document, at the end of the third year following initiation of beds approved an
1187 annual average occupancy rate of 80 percent or more. If this occupancy rate has not been met, the
1188 applicant shall reduce beds to a number of beds necessary to result in an 80 percent average annual
1189 occupancy for the third full year of operation and annually thereafter. The number of beds reduced shall
1190 revert to the total statewide pool established for geriatric psychiatric beds.

1191 (b) An applicant shall staff the proposed unit for geriatric psychiatric patients with employees that
1192 have been trained in the care and treatment of such individuals.

1193 (c) An applicant shall maintain CARF certification or another nationally-recognized accreditation
1194 organization for geriatric psychiatric care and services.

1195 (d) An applicant shall establish and maintain written policies and procedures for each of the
1196 following:

1197 (i) Patient admission criteria that describe minimum and maximum characteristics for patients
1198 appropriate for admission to the geriatric psychiatric unit.

1199 (ii) The transfer of patients requiring care at other health care facilities.

1200 (iii) Upon admission and periodically thereafter, a comprehensive needs assessment, a treatment
1201 plan, and a discharge plan that at a minimum addresses the care needs of a patient following discharge.

1202 (e) If the specialized program is being added to an existing adult licensed psychiatric service, then
1203 the existing licensed psychiatric service shall maintain the volume requirements outlined in Section 13 of
1204 the CON Review Standards for Psychiatric Beds and Services.

1205 (f) The geriatric psychiatric unit shall have a day/dining area within, or immediately adjacent to, the
1206 unit(s), which is solely for the use of geriatric psychiatric patients.

1207 (g) The geriatric psychiatric unit shall have direct access to a secure outdoor or indoor area at the
1208 facility appropriate for supervised activity.

1209 (h) The applicant shall maintain programs to promote a culture within the facility that is appropriate
1210 for geriatric psychiatric patients.

1211

1212 (4) An applicant for beds from the statewide pool for special population groups allocated to medical
1213 psychiatric patients shall agree that, if approved, all beds approved pursuant to that subsection shall be
1214 operated in accordance with the following CON terms of approval.

1215 (a) The applicant shall document, at the end of the third year following initiation of beds approved an
1216 annual average occupancy rate of 80 percent or more. If this occupancy rate has not been met, the
1217 applicant shall reduce beds to a number of beds necessary to result in an 80 percent average annual
1218 occupancy for the third full year of operation and annually thereafter. The number of beds reduced shall
1219 revert to the total statewide pool established for medical psychiatric beds.

1220 (b) An applicant shall staff the proposed unit for medical psychiatric patients with employees that
1221 have been trained in the care and treatment of such individuals.

1222 (c) An applicant shall maintain CARF certification or another nationally-recognized accreditation
1223 organization for medical psychiatric care and services.

1224 (d) An applicant shall establish and maintain written policies and procedures for each of the
1225 following:

1226 (i) Patient admission criteria that describe minimum and maximum characteristics for patients
1227 appropriate for admission to the medical psychiatric unit.

1228 (ii) The transfer of patients requiring care at other health care facilities.

1229 (iii) Upon admission and periodically thereafter, a comprehensive needs assessment, a treatment
1230 plan, and a discharge plan that at a minimum addresses the care needs of a patient following discharge.

1231 (e) If the specialized program is being added to an existing licensed adult or child/adolescent
1232 psychiatric service, then the existing adult or child/adolescent psychiatric service, as applicable, shall
1233 maintain the volume requirements outlined in Section 13 of the CON Review Standards for Psychiatric
1234 Beds and Services.

1235 (f) The medical psychiatric unit shall have a day/dining area within, or immediately adjacent to, the
1236 unit(s), which is solely for the use of medical psychiatric patients.

1237 (g) The medical psychiatric unit shall have direct access to a secure outdoor or indoor area at the
1238 facility appropriate for supervised activity.

1239 (h) The applicant shall maintain programs to promote a culture within the facility that is appropriate
1240 for medical psychiatric patients.

1241

1242 (5) An applicant for beds from the statewide pool for special population groups allocated to high
1243 acuity psychiatric patients shall agree that, if approved, all beds approved pursuant to that subsection
1244 shall be operated in accordance with the following terms of CON approval:

1245 (a) The applicant shall document, at the end of the third year following initiation of beds approved,
1246 and thereafter, an annual average occupancy rate of 80 percent or more. If this occupancy rate has not
1247 been met, the applicant shall reduce beds to a number of beds necessary to result in an 80 percent
1248 average annual occupancy for the third full year of operation and annually thereafter. The number of beds
1249 reduced shall revert to the total statewide pool established for high acuity psychiatric patients.

1250 (b) The high acuity unit shall consist of a majority of private rooms and shall include environmental
1251 safety measures that meet standards from the Joint commission and the Centers for Medicare and
1252 Medicaid Services throughout the entire unit.

1253 (c) The high acuity unit shall have a physical environment designed to minimize noise and light
1254 reflections to promote visual and spatial orientation.

1255 (d) The proposed unit's staff shall be specially trained in the treatment of high acuity patients with
1256 non-violent intervention modalities such as non-abusive psychological and physical intervention, crisis
1257 intervention institute training or similar programs.

1258 (e) The proposed unit shall demonstrate a plan for the safe management of agitated or aggressive
1259 patients.

1260 (f) The high acuity unit shall establish and maintain written policies and procedures for each of the
1261 following:

1262 (i) Patient admission criteria that describe minimum and maximum characteristics for patients
1263 appropriate for admission to the unit for high acuity patients.

1264 (ii) Quality assurance and assessment program to assure that services furnished to high acuity
1265 patients meet professionally recognized standards of health care for providers of such services and that
1266 such services were reasonable and medically appropriate to the clinical condition of the high acuity
1267 patient receiving such services.

1268 (iii) Orientation and annual education/competencies for all staff, which shall include care guidelines,
1269 specialized communication and patient safety.

1270 (g) If the specialized program is being added to an existing licensed adult or child/adolescent
1271 psychiatric service, then the existing adult or child/adolescent psychiatric service, as applicable, shall
1272 maintain the volume requirements outlined in Section 13 of the CON review standards for psychiatric
1273 beds and services.
1274

1275 **Section 10. Comparative reviews, effect on prior CON review standards**

1276
1277 Sec. 10. (1) Projects proposed under Section 4 shall be considered a distinct category and shall be
1278 subject to comparative review on a statewide basis.

1279
1280 (2) Projects proposed under Section 5 shall be considered a distinct category and shall be subject to
1281 comparative review on a statewide basis.

1282
1283 (3) Projects proposed under Section 6 shall be considered a distinct category and shall be subject to
1284 comparative review on a statewide basis.

1285
1286 (4) Projects proposed under Section 7 shall be considered a distinct category and shall be subject to
1287 comparative review on a statewide basis.
1288