

LCB File No. R123-05

**PROPOSED REGULATION OF THE
STATE BOARD OF HEALTH**

GENERAL REQUIREMENTS FOR LICENSURE AND FEES

These amendments were brought before the public during workshops held on April 28, 2005 in Las Vegas and on April 29, 2005 in Reno. It is planned that these regulation amendments will go before the State Board of Health for adoption during the October 14, 2005 meeting.

EXPLANATION – Matter *in italics* is new; matter in brackets ~~[omitted material]~~ is material to be omitted.

The following sections **have not** been revised or modified:
NAC 449.012 through 449.0127, .449.013, 449.016, 449.0164,

Section 1. Chapter 449 of NAC is hereby amended by adding thereto the provisions set forth in section 2 of this regulation.

Section 2. *Chapter 449 of NAC is hereby amended by adding thereto a new section to read as follows:*

1. The fee for an application for resurvey of a residential facility for groups which has been assigned a grade by the bureau of “B” is \$300.00.

2. The fee for an application for resurvey of a residential facility for groups which has been assigned a grade by the bureau of “C” or “D” is \$500.00.

Section 3. NAC 449.0168 is hereby amended to read as follows:

NAC 449.0168 Fees for modification of certain licenses. (NRS 439.150, 449.0305, 449.037, 449.050)

1. Except as otherwise provided in subsection 2, a holder of a license to operate a medical facility, facility for the dependent, program of hospice care or referral agency who wishes or is required pursuant to NAC 449.190, 449.307, 449.7473 or 449.758 to modify his license to reflect:

- (a) A change in the name of the facility, program or agency;
- (b) A change of the administrator of the facility, program or agency;
- (c) A change in the number of beds in the facility;
- (d) A change in the type of facility licensed or the addition of another type of facility to be licensed;
- (e) A change in the category of residents who may reside at the facility; or
- (f) A change in the designation of a staging area for a mobile unit or, if the mobile unit is operated by an independent facility, a change in the address of the independent facility,
- (g) A change in the services offered by an agency to provide nursing in the home,***
must submit an application for a new license to the Health Division and pay to the Health Division a fee of \$250.

2. An applicant who applies for a license pursuant to paragraph (c) of subsection 1 because of an increase in the number of beds in the facility must pay to the Health Division:

- (a) A fee of \$250; and
- (b) A fee for each additional bed as follows:
 - (1) If the facility is an intermediate care facility for the mentally or persons with developmental disabilities \$184
 - (2) Except as otherwise provided in subparagraph (3), if the facility is a residential facility for groups \$184
 - (3) If the facility is a residential facility for groups and the fee for each bed in the facility is paid entirely with money from sources described in subsection 3 of NAC 449.016 \$100

(4) If the facility is a facility for the treatment of abuse of alcohol or drugs	\$184
(5) If the facility is a facility for hospice care	\$184
(6) If the facility is a home for individual residential care	\$184
(7) If the facility is a facility for modified medical detoxification	\$184
(8) If the facility is a hospital	\$80
(9) If the facility is a rural hospital	\$80
(10) If the facility is a skilled nursing facility	\$60
(11) If the facility is an intermediate care facility, other than an intermediate care facility for the mentally retarded or persons with developmental disabilities	\$90

3. If the address of the home office of a home health agency has not changed, a holder of a license to operate a subunit agency or branch office of the home health agency who wishes or is required pursuant to NAC 449.758 to modify his license to reflect a change in the address of the subunit agency or branch office of the home health agency must:

- (a) Submit an application for a new license to the Health Division; and
- (b) Pay to the Health Division a fee of \$250.

4. A fee paid pursuant to this section is nonrefundable.

5. As used in this section:

(a) “Administrator” means the person who is responsible for the daily management of a medical facility, facility for the dependent or program of hospice care.

(b) “Independent facility” has the meaning ascribed to it in NAC 449.9701.

(c) “Staging area” has the meaning ascribed to it in NAC 449.97018.

SMALL BUSINESS IMPACT STATEMENT

Proposed Amendment of Nevada Administrative Code (NAC)

FEES

Background:

The purpose of the proposed revised regulations for fees is to establish fees for resurvey of residential facilities for groups receiving a grade of “C” or “D”. The language at NAC 449.0168(1)(g) is being added in order to charge home health agencies the standard \$250 fee that is charged to other facilities when making changes to licenses.

Interested individuals can obtain a copy of the information packet, including the Small Business Impact Questionnaire, sent to all licensed facilities, from Shirley Rains, Administrative Assistant IV, Bureau of Licensure and Certification, 1550 East College Parkway, Suite 158, Carson City, Nevada 89703

1. A description of the manner in which comment was solicited from affected small businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.

Pursuant to NRS 233B.0608 (2) (a), the BLC has requested input from operators of Residential Facilities for Groups and Home Health Agencies.

A Small Business Impact Questionnaire was sent to the facilities along with written correspondence detailing the proposed amendments, including a copy of the proposed regulation changes, on { date }. The questions on the questionnaire were:

- 2) Will a specific regulation have an adverse economic effect upon your business?
- 3) Will the regulation(s) have any beneficial effect upon your business?
- 4) Do you anticipate any indirect adverse effects upon your business?
- 5) Do you anticipate any indirect beneficial effects upon your business?

The specific responses to these questions may be found in the attached document titled: “Small Business Impact Questionnaire Summary – Fees”. Below is a table indicating the number of responses.

Total Number of Responses:	26	
Q2- # having Direct Adverse Effect:	12	Economic Effect
Q3- # having Direct Beneficial Effect:	7	General Effect
Q4- # having Indirect Adverse Effect:	8	General Effect
Q5- # having Indirect Beneficial Effect:	5	General Effect

2. The estimated economic effect of the proposed regulation on the small businesses which it is to regulate including without limitation both adverse and beneficial effects and both direct and indirect effects.

There will be an economic effect to those residential facilities that only achieve a grade of “C” or “D”, however, these poorly performing facilities will be responsible for paying the cost for workload required to conduct re-surveys which will eventually decrease the burden for those facilities that attain higher standards. In the past the entire workload was distributed evenly among all facilities.

There will only be a minimal economic effect to home health agencies concerning fees to be charged for changes to services offered on a license. This fee will only affect those agencies that make such a change and this fee is based on the cost associated with processing the application and issuing the new license and is in accordance with that which is charged to other facility types for similar changes.

3. A description of the methods that BLC considered to reduce the impact of the proposed regulation on small businesses and statement regarding whether the agency actually used those methods.

The BLC conducted a pilot test of the grading system to determine where grade delineations should be set in order to ensure that residential facilities with minimal to moderate deficiencies would not be impacted by fees for re-survey. Based on interpretation of the results from the pilot surveys, the grade delineations were set at levels that should render the following results, >50% of facilities should score an “A” grade, approximately 25% of the facilities should score a “B” grade and the remaining <25% should score “C” or “D” grades and would require a fee for re-survey.

Only Home Health Agencies making changes to the services indicated on their license will be required to pay the new fee.

4. The estimated cost to the agency for enforcement of the proposed regulation.

The estimated cost to the agency for enforcement of the proposed amendments to NAC is negligible.

5. Total amount BLC expects to collect from any fees and the manner in which the money will be used.

The revisions requiring fees to be collected for re-survey of residential facilities scoring a “C” or “D” will allow the BLC to collect approximately \$34,000. (based on 25% of 270 total facilities or 68 times \$500 = \$34,000)

The revisions requiring a fee to be collected whenever a Home Health Agency changes services listed on its license will allow the BLC to collect approximately \$750. (based on an estimate of 3 agencies making such changes per year, 3 times \$250 = \$750)

6. An explanation of why any duplicative or more stringent provisions than federal, state or local standards regulating the same activity are necessary.

No duplication or more stringent provision are either created or already in existence.