

**NOTICE OF INTENT**

**Department of Health  
Bureau of Health Services Financing**

**Facility Need Review**  
**Exception Criteria for Bed Approvals**  
**(LAC 48:I.12533)**

The Department of Health, Bureau of Health Services Financing amends LAC 48:I.12533 as authorized by R.S. 36:254 and 40:2116. This proposed Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq.

The Department of Health, Bureau of Health Services Financing promulgated an Emergency Rule which amended the provisions governing facility need review approvals of licensed and Medicaid certified facility beds in order to prevent the expiration of approvals for nursing facilities, intermediate care facilities for persons with developmental disabilities, and adult residential care providers with inactivated licenses as a result of an executive order or proclamation of emergency or disaster issued in accordance with R.S. 29:724 or 29:766 (*Louisiana Register*, Volume 49, Number 6). This proposed Rule is being promulgated to continue the provisions of the June 9, 2023 Emergency Rule.

**Title 48**  
**PUBLIC HEALTH-GENERAL**  
**Part I. General Administration**  
**Subpart 5. Health Planning**

**Chapter 125. Facility Need Review**

**Subchapter F. Exception Criteria for Bed Approvals**

**§12533. Declared Disasters and Emergency Events**

A. The facility need review bed approvals for a licensed and Medicaid certified nursing facility, ICF/DD, or for a licensed adult residential care provider (ARCP) located in an area or areas which have been affected by an executive order or proclamation of emergency or disaster issued in accordance with R.S. 29:724 or R.S. 29:766 shall remain in effect and shall not be terminated, revoked or considered to have expired for a period not to exceed two years for a nursing facility or ARCP, and one year for an ICF/DD, following the original date of such executive order or proclamation, provided that the following conditions are met:

1. the nursing facility, ICF/DD, or ARCP shall submit written notification to the Health Standards Section within 60 days of the date of the executive order or proclamation of emergency or disaster that:

a. the nursing facility, ICF/DD, or ARCP has experienced an interruption in the provision of services as a result of events that are the subject of such executive order or proclamation of emergency or disaster issued in accordance with R.S. 29:724 or R.S. 29:766;

b. - c. ...

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2. A nursing facility, ICF/DD, or ARCP resumes operating as a nursing facility, ICF/DD, or ARCP in the same service area, within two years for a nursing facility or ARCP and within one year for an ICF/DD, of the original executive order or proclamation of emergency or disaster issued in accordance with R.S. 29:724 or R.S. 29:766; and

3. ...

B. For good cause shown, the department may, in its sole discretion, grant two extensions of six months each, for a total of twelve additional months, to a facility described in Subsection A of this Section, during which time the facility need review approvals shall remain in effect and not be terminated, revoked, or considered to have expired, provided that the following conditions are met:

1. A nursing facility, ICF/DD, or ARCP submits a written extension request to the department 30 days prior to the expiration of the original time period established in Subsection A or the expiration of the first extension granted under these provisions.

a. The written extension request shall include evidence of progress in re-opening, including construction and expenditures on the repairs to or replacement of the facility.

b. The written extension request shall include an estimated re-opening date for the facility.

2. The facility resumes operating as a nursing facility, ICF/DD, ARCP in the same service area, within the time period of the extension(s).

3. The facility continues to submit the required documentation and information to the department.

C. The provisions of this Section shall not apply to:

1. a nursing facility, ICF/DD, or ARCP which has voluntarily surrendered its facility need review bed approval; or

2. a nursing facility, ICF/DD, or ARCP which fails to resume operations as a nursing facility, ICF/DD, or ARCP in the same service area, within two years for a nursing facility or ARCP and within one year for an ICF/DD, or within the deadlines of any extensions granted thereto, of the original executive order or proclamation of emergency or disaster issued in accordance with R.S. 29:724 or R.S. 29:766.

D. Failure to comply with any of the provisions of this Section shall be deemed a voluntary surrender of the facility need review bed approvals.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and 40:2116.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Office of the Secretary, LR 21:812 (August 1995), amended by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 34:2621 (December 2008), amended LR 35:2439 (November 2009), LR 39:1469 (June 2013), amended by the Department of Health, Bureau of Health Services Financing, LR 49:

**Family Impact Statement**

In compliance with Act 1183 of the 1999 Regular Session of the Louisiana Legislature, the impact of this proposed Rule on the family has been considered. It is anticipated that this proposed Rule will have no impact on family functioning, stability and autonomy as described in R.S. 49:972.

**Poverty Impact Statement**

In compliance with Act 854 of the 2012 Regular Session of the Louisiana Legislature, the poverty impact of this proposed Rule has been considered. It is anticipated that this proposed Rule will have no impact on child, individual, or family poverty in relation to individual or community asset development as described in R.S. 49:973.

**Small Business Analysis**

In compliance with the Small Business Protection Act, the economic impact of this proposed Rule on small businesses has

been considered. It is anticipated that this proposed Rule will have no impact on small businesses.

#### **Provider Impact Statement**

In compliance with House Concurrent Resolution (HCR) 170 of the 2014 Regular Session of the Louisiana Legislature, the provider impact of this proposed Rule has been considered. It is anticipated that this proposed Rule will have no impact on the staffing level requirements or qualifications required to provide the same level of service, no direct or indirect cost to the provider to provide the same level of service, and will have no impact on the provider's ability to provide the same level of service as described in HCR 170.

#### **Public Comments**

Interested persons may submit written comments to Tasheka Dukes, RN, Health Standards Section, P.O. Box 3767, Baton Rouge, LA 70821. Ms. Dukes is responsible for responding to inquiries regarding this proposed Rule. The deadline for submitting written comments is at 4:30 p.m. on August 29, 2023.

#### **Public Hearing**

Interested persons may submit a written request to conduct a public hearing by U.S. mail to the Office of the Secretary ATTN: LDH Rulemaking Coordinator, Post Office Box 629, Baton Rouge, LA 70821-0629; however, such request must be received no later than 4:30 p.m. on August 9, 2023. If the criteria set

forth in R.S. 49:961(B)(1) are satisfied, LDH will conduct a public hearing at 9:30 a.m. on August 24, 2023 in Room 173 of the Bienville Building, which is located at 628 North Fourth Street, Baton Rouge, LA. To confirm whether or not a public hearing will be held, interested persons should first call Allen Enger at (225) 342-1342 after August 9, 2023. If a public hearing is to be held, all interested persons are invited to attend and present data, views, comments, or arguments, orally or in writing.

Stephen R. Russo, JD

Secretary

FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES

|                             |                        |             |   |
|-----------------------------|------------------------|-------------|---|
| Person Preparing Statement: | <u>Veronica Dent</u>   | Dept.:      | <u>Health</u>                               |
| Phone:                      | <u>342-3238</u>        | Office:     | <u>Bureau of Health Services Financing</u>  |
| Return Address:             | <u>P.O. Box 91030</u>  | Rule Title: | <u>Facility Need Review</u>                 |
|                             | <u>Baton Rouge, LA</u> |             | <u>Exception Criteria for Bed Approvals</u> |

Date Rule  
Takes Effect: June 9, 2023

SUMMARY  
(Use complete sentences)

In accordance with Section 961 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

It is anticipated that implementation of this proposed rule will have no programmatic fiscal impact to the state other than the cost of promulgation for FY 23-24. It is anticipated that \$756 will be expended in FY 23-24 for the state's administrative expense for promulgation of this proposed rule and the final rule.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

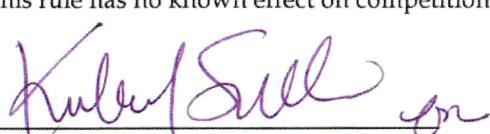
It is anticipated that the implementation of this proposed rule will not affect federal revenue collections as this measure has no impact on licensing fees.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NON-GOVERNMENTAL GROUPS (Summary)

This proposed rule continues the provisions of the June 9, 2023 Emergency Rule, which amended the provisions governing facility need review approvals of licensed and Medicaid certified facility beds in order to prevent the expiration of approvals for nursing facilities, intermediate care facilities for persons with developmental disabilities, and adult residential care providers with inactivated licenses as a result of an executive order or proclamation of emergency or disaster issued in accordance with R.S. 29:724 or 29:766. It is anticipated that implementation of this proposed rule will not result in costs to these providers for FY 23-24, FY 24-25, and FY 25-26, but will be beneficial by allowing those with inactivated licenses as a result of executive orders or proclamations of emergency or disaster to retain facility need approval for licensed and Medicaid certified beds.

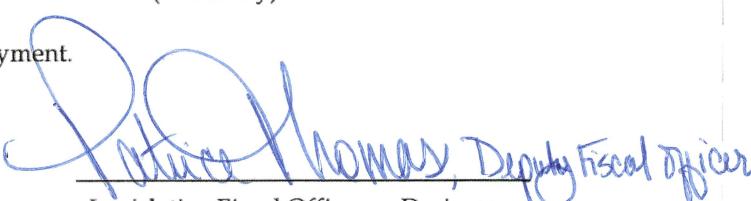
IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This rule has no known effect on competition and employment.

  
Signature of Agency Head or Designee

Tasheka Dukes, RN  
Deputy Assistant Secretary  
LDH Health Standards Section  
Typed Name & Title of Agency Head or Designee

7.5.23  
Date of Signature

  
Signature of Legislative Fiscal Officer or Designee

07/06/2023  
Date of Signature

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES**

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberation on the proposed rule.

A. Provide a brief summary of the content of the rule (if proposed for adoption, or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

This proposed rule continues the provisions of the June 9, 2023 Emergency Rule, which amended the provisions governing facility need review approvals of licensed and Medicaid certified facility beds in order to prevent the expiration of approvals for nursing facilities, intermediate care facilities for persons with developmental disabilities, and adult residential care providers with inactivated licenses as a result of an executive order or proclamation of emergency or disaster issued in accordance with R.S. 29:724 or 29:766.

B. Summarize the circumstances, which require this action. If the Action is required by federal regulation, attach a copy of the applicable regulation.

The Department of Health, Bureau of Health Services Financing promulgated an Emergency Rule which amended the provisions governing facility need review approvals of licensed and Medicaid certified facility beds in order to prevent the expiration of approvals for nursing facilities, intermediate care facilities for persons with developmental disabilities, and adult residential care providers with inactivated licenses as a result of an executive order or proclamation of emergency or disaster issued in accordance with R.S. 29:724 or 29:766 (*Louisiana Register*, Volume 49, Number 6). This proposed Rule is being promulgated to continue the provisions of the June 9, 2023 Emergency Rule.

C. Compliance with Act 11 of the 1986 First Extraordinary Session

(1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

No. It is anticipated that implementation of this proposed rule will have no programmatic fiscal impact to the state other than the cost of promulgation for FY 23-24. In FY 23-24, \$756 is included for the state's administrative expense for promulgation of this proposed rule and the final rule.

(2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

(a) \_\_\_\_\_ Yes. If yes, attach documentation.

(b) \_\_\_\_\_ NO. If no, provide justification as to why this rule change should be published at this time

**FISCAL AND ECONOMIC IMPACT STATEMENT  
WORKSHEET**

**I. A. COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED**

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

| <b>COSTS</b>            | <b>FY 24</b> | <b>FY 25</b> | <b>FY 26</b> |
|-------------------------|--------------|--------------|--------------|
| Personal Services       |              |              |              |
| Operating Expenses      | \$756        | \$0          | \$0          |
| Professional Services   |              |              |              |
| Other Charges           |              |              |              |
| Equipment               |              |              |              |
| Major Repairs & Constr. |              |              |              |
| <b>TOTAL</b>            | <b>\$756</b> | <b>\$0</b>   | <b>\$0</b>   |
| <b>POSITIONS (#)</b>    |              |              |              |

2. Provide a narrative explanation of the costs or savings shown in "A. 1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

In FY 23-24, \$756 will be spent for the state's administrative expense for promulgation of this proposed and final rule.

3. Sources of funding for implementing the proposed rule or rule change.

| <b>SOURCE</b>         | <b>FY 24</b> | <b>FY 25</b> | <b>FY 26</b> |
|-----------------------|--------------|--------------|--------------|
| State General Fund    | \$756        | \$0          | \$0          |
| Agency Self-Generated |              |              |              |
| Dedicated             |              |              |              |
| Federal Funds         |              |              |              |
| Other (Specify)       |              |              |              |
| <b>TOTAL</b>          | <b>\$756</b> | <b>\$0</b>   | <b>\$0</b>   |

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

Yes, sufficient funds are available to implement this rule.

**B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED.**

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

This proposed rule has no known impact on local governmental units.

2. Indicate the sources of funding of the local governmental unit, which will be affected by these costs or savings.

There is no known impact on the sources of local governmental funding.

**FISCAL AND ECONOMIC IMPACT STATEMENT  
WORKSHEET**

**II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS**

A. What increase (decrease) in revenues can be anticipated from the proposed action?

| REVENUE INCREASE/DECREASE | FY 24 | FY 25 | FY 26 |
|---------------------------|-------|-------|-------|
| State General Fund        |       |       |       |
| Agency Self-Generated     |       |       |       |
| Dedicated Funds*          |       |       |       |
| Federal Funds             |       |       |       |
| Local Funds               |       |       |       |
| <b>TOTAL</b>              |       |       |       |

\*Specify the particular fund being impacted.

B. Provide a narrative explanation of each increase or decrease in revenues shown in "A." Describe all data, assumptions, and methods used in calculating these increases or decreases.

**FISCAL AND ECONOMIC IMPACT STATEMENT  
WORKSHEET**

**III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NONGOVERNMENTAL GROUPS**

A. What persons, small businesses, or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.), they may have to incur as a result of the proposed action.

This proposed rule continues the provisions of the June 9, 2023 Emergency Rule, which amended the provisions governing facility need review approvals of licensed and Medicaid certified facility beds in order to prevent the expiration of approvals for nursing facilities, intermediate care facilities for persons with developmental disabilities, and adult residential care providers with inactivated licenses as a result of an executive order or proclamation of emergency or disaster issued in accordance with R.S. 29:724 or 29:766.

B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule or rule change to these groups.

It is anticipated that implementation of this proposed rule will not result in costs to these providers for FY 23-24, FY 24-25, and FY 25-26, but will be beneficial by allowing those with inactivated licenses as a result of executive orders or proclamations of emergency or disaster to retain facility need approval for licensed and Medicaid certified beds.

**IV. EFFECTS ON COMPETITION AND EMPLOYMENT**

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

This rule has no known effect on competition and employment.