



**COLORADO**  
Department of Public  
Health & Environment

Dedicated to protecting and improving the health and environment of the people of Colorado

To: Members of the State Board of Health

From: Kim Fear, Program Manager, Fiscal & Administrative Services Branch, HFEMSD

Through: D. Randy Kuykendall, Director, HFEMSD DRK

Date: February 20, 2019

Subject: Request for a Rulemaking Hearing concerning increasing licensure fees in the following chapters of 6 CCR 1011-1, Standards for Hospitals and Health Facilities in April 2019:

- Chapter 2 - General Licensure Standards
- Chapter 4 - General Hospitals
- Chapter 5 - Nursing Care Facilities
- Chapter 8 - Facilities for Persons with Intellectual and Developmental Disabilities
- Chapter 9 - Community Clinics and Community Clinics and Emergency Services
- Chapter 10 - Rehabilitation Hospitals
- Chapter 15 - Dialysis Treatment Clinics
- Chapter 18 - Psychiatric Hospitals
- Chapter 19 - Hospital Units
- Chapter 20 - Ambulatory Surgical Center and Ambulatory Surgical Center with a Convalescent Center
- Chapter 21 - Hospices

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From Fiscal Year 2016 to Fiscal Year 2019, the Division has experienced a 24.6% increase in expenditures funded by the Health Facilities General Licensure Cash Fund (General Licensure Fund), while fee revenue paid into that same fund has increased by 0.6%. As a result, the Division is seeking approval for an increase in the fees paid by those facilities whose fees are deposited into the General Licensure Fund. Fees are set per facility type throughout 6 CCR 1011-1, and the shortage of the funds is across all facilities types. For these reasons, the Department is proposing to increase all fees by 3.1769267%, effective July 1, 2019. This increase will not fully fund the expenditures of the General Licensure Fund, but is the maximum the Board may increase fees due to Sections 25-3-103(1)(c) and 25-3-105(1)(a)(I)(B), C.R.S.. As of June 4, 2012, the Board of Health may only increase the fees collected by the annual percentage change of the consumer price index for Denver-Aurora-Lakewood.

The proposed 3.1769257% fee increase will generate an estimated \$66,850 in additional revenue for the General Licensure Fund for Fiscal Year 2019-20. This amount will not be enough to offset the expected revenue shortfall in Fiscal Year 2020 and following years, so the Division anticipates requesting additional CPI-limited fee increases on a yearly basis going forward.

STATEMENT OF BASIS AND PURPOSE  
AND SPECIFIC STATUTORY AUTHORITY  
for Amendments to

**6 CCR 1011-1, Standards for Hospitals and Health Facilities:**

- Chapter 2 - General Licensure Standards
- Chapter 4 - General Hospitals
- Chapter 5 - Nursing Care Facilities
- Chapter 8 - Facilities for Persons with Intellectual and Developmental Disabilities
- Chapter 9 - Community Clinics and Community Clinics and Emergency Services
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- Chapter 21 - Hospices

**Basis and Purpose.**

HFEMSD's health facility licensing, oversight and enforcement activities are funded through the collection of fees approved by the Board of Health. The fees paid by facilities licensed by the Division, with the exception of Assisted Living Residences (ALRs) and Home Care Agencies, are deposited to the Health Facilities General Licensure Cash Fund (General Licensure Fund), which is then the source of appropriations to the Division for its licensure and oversight activities. In accordance with Section 25-3-105(1)(a)(I)(A), C.R.S, fees are to be set at a level sufficient to meet the direct and indirect costs of these activities.

The fees being paid into the General Licensure Fund were set by the Board at various times between 2007 and 2015, and are no longer sufficient to meet these direct and indirect costs. Revenues paid into the fund have remained basically level, increasing from \$2,050,119 in Fiscal Year 2015-16 to an estimated \$2,062,876 for Fiscal Year 2018-19, an increase of \$12,757, which is a 0.6% increase over the last four years, due to a small increase in the number of licensed facilities. In comparison, expenditures from the fund have increased from \$1,895,708 in Fiscal Year 2015-16 to an estimated \$2,362,090 in Fiscal Year 2018-19, an increase of \$466,382, which is a 24.6% increase over the same four-year period.

Expenditures are increasing for a number of predictable reasons, such as the general inflationary increases in personnel and travel costs over the past several years. The Division has been managing these expenditures through efforts like process efficiencies and the use of vacancy savings due to difficulties arising from health-care staffing shortages in general. The Division, however, is also experiencing overwhelming growth in the number of complaints that must be investigated. This growth cannot be attributed to growth in the number of licensed facilities, as shown in the following table:

General Licensure Cash Fund—Facility and Complaint Growth FY 2016 to FY 2018				
	Fiscal Year 2016	Fiscal Year 2018	Increase	Percentage Increase
Number of Facilities	892	912	20	2.2%

Number of Complaint Intakes	752	1,256	504	67.0%
Number of Complaint Allegations	2,384	4,007	1,6223	68.1%
Top 3 Complaint Allegation Categories:				
Nursing Services	807	1,278	471	58.4%
Quality of Care	324	594	270	83.3%
Patient Rights	261	442	181	69.3%

These complaint-driven expenditure increases cannot be offset by efforts previously used by the Division, and as a result the Division expects expenditures to exceed the revenues by approximately \$299,214 in Fiscal Year 2018-19. While spending down the existing fund balance to offset the difference is possible for the current fiscal year, after doing so the fund balance is expected to be less than \$5,000. The Division, therefore, is seeking a fee increase for all fees that pay into the fund to reduce the expected revenue shortfall.

Sections 25-3-103(1)(c) and 25-3-105(1)(a)(I)(B), C.R.S., limits fee increases for the fees paid into the General Licensure fund to no more than the annual increase in the Consumer Price Index (CPI) for Denver-Aurora-Lakewood. For the time period July 1, 2017 through June 30, 2018 (Fiscal Year 2017-18), that CPI increased by 3.1769267%. Therefore, consistent with statutory constraints, the Division is requesting that all fees paid into the General Licensure Fund be increased by that amount. This increase is expected to generate \$66,850, based on the numbers and types of facilities currently licensed. Even with this full increase allowed by statute, the revenues for the General Licensure Fund are expected to be approximately \$232,364 less than what is needed to fully fund the direct and indirect costs of licensing, oversight, and enforcement activities for the 912 facilities that pay into the fund. The Division anticipates requesting the CPI-based fee increases annually going forward.

The Department requests that the fee increases be effective July 1, 2019.

Specific Statutory Authority.

Statutes that require or authorize rulemaking:

Sections 25-3-103(1)(c) and 25-3-105(1)(a)(I)(B), C.R.S.

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Is this rulemaking due to a change in state statute?

\_\_\_\_\_ Yes, the bill number is \_\_\_\_\_. Rules are \_\_\_ authorized \_\_\_ required.  
 No

Does this rulemaking include proposed rule language that incorporate materials by reference?

\_\_\_\_\_ Yes                    \_\_\_ URL  
 No

Does this rulemaking include proposed rule language to create or modify fines or fees?

Yes  
 \_\_\_\_\_ No

Does the proposed rule language create (or increase) a state mandate on local government?

No.

- The proposed rule does not require a local government to perform or increase a specific activity for which the local government will not be reimbursed;
- The proposed rule requires a local government to perform or increase a specific activity because the local government has opted to perform an activity, or;
- The proposed rule reduces or eliminates a state mandate on local government.

REGULATORY ANALYSIS  
for Amendments to

**6 CCR 1011-1, Standards for Hospitals and Health Facilities:**

- Chapter 2 - General Licensure Standards
- Chapter 4 - General Hospitals
- Chapter 5 - Nursing Care Facilities
- Chapter 8 - Facilities for Persons with Intellectual and Developmental Disabilities
- Chapter 9 - Community Clinics and Community Clinics and Emergency Services
- Chapter 10 - Rehabilitation Hospitals
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- Chapter 20 - Ambulatory Surgical Center and Ambulatory Surgical Center with a Convalescent Center
- Chapter 21 - Hospices

1. A description of the classes of persons affected by the proposed rule, including the classes that will bear the costs and the classes that will benefit from the proposed rule.

Group of persons/entities Affected by the Proposed Rule	Size of the Group	Relationship to the Proposed Rule Select category: C/S/B
Facilities paying Chapter 2 fees	29	C
Facilities paying Chapter 4 fees	92	C
Facilities paying Chapter 5 fees	231	C
Facilities paying Chapter 8 fees	151	C
Facilities paying Chapter 9 fees	84	C
Facilities paying Chapter 10 fees	5	C
Facilities paying Chapter 15 fees	81	C
Facilities paying Chapter 18 fees	12	C
Facilities paying Chapter 19 fees	2	C
Facilities paying Chapter 20 fees	129	C
Facilities paying Chapter 21 fees	96	C
Industry/advocacy organizations for the facility types covered above	6	S

While all are stakeholders, groups of persons/entities connect to the rule and the problem being solved by the rule in different ways. To better understand those different relationships, please use this relationship categorization key:

- C = individuals/entities that implement or apply the rule.
- S = individuals/entities that do not implement or apply the rule but are interested in others applying the rule.
- B = the individuals that are ultimately served, including the customers of our customers. These individuals may benefit, be harmed by or be at-risk because of the standard communicated in the rule or the manner in which the rule is implemented.

More than one category may be appropriate for some stakeholders.

- To the extent practicable, a description of the probable quantitative and qualitative impact of the proposed rule, economic or otherwise, upon affected classes of persons.

#### Economic outcomes

Summarize the financial costs and benefits, include a description of costs that must be incurred, costs that may be incurred, any Department measures taken to reduce or eliminate these costs, any financial benefits.

C: Fees are increased by 3.1769267% in the included chapters, causing an estimated total additional cost to licensed facilities of \$66,850. The actual additional cost for a specific facility varies depending on the amount of their current fee (e.g., a facility with a current fee amount of \$360 would see a fee increase of \$11.44 per year, while a facility with a current fee of \$6,000 would see a fee increase of \$190.62). The following table provides details on the specific fees by chapter, the amounts of the requested increases, and the increased fee totals. It is important to note that facilities pay only the fee(s) that apply to them (e.g., a new facility pays for an initial license, an existing facility pays for a renewal license).

Entity Type Type of fee	Current Fee	Increase	New Fee	Year of most recent fee change
<b>Chapter 2 - General Licensure Standards (29 Facilities)</b>				
Initial License	\$360	\$11.44	\$371.44	2007
Renewal License	\$360	\$11.44	\$371.44	2007
Conditional License	\$1,500	\$47.65	\$1,547.65	2010
Provisional License	\$1,000	\$31.77	\$1,031.77	2010
Change of Ownership	\$360	\$11.44	\$371.44	2007
Change in Licensed Capacity	\$360	\$11.44	\$371.44	2007
Change of Name	\$75	\$2.38	\$77.38	2011*
<b>Chapter 4 - General Hospitals (92 Facilities)</b>				
Initial License:				
1-25 beds	\$8,000	\$254.15	\$8,254.15	2008
26-50 beds	\$10,000	\$317.69	\$10,317.69	2008
51-100 beds	\$12,500	\$397.12	\$12,897.12	2008
101+ beds (base/per bed/fee cap)	\$9,800/\$50/ \$20,000	\$311.34/\$1.59/ \$635.39	\$10,111.34/\$51.59/ \$20,635.39	2008
Certified Long Term Hospital (base/per bed/fee cap)	\$5,700/\$50/ \$10,500	\$181.08/\$1.59/ \$333.58	\$5,881.08/\$51.59/ \$10,833.58	2008
Renewal License:				
Deemed 1-50 beds (base/per bed)	\$810/\$12	\$25.73/\$0.38	\$835.73/\$12.38	2014*
Non-deemed 1-50 beds (base/per bed)	\$900/\$12	\$28.59/\$0.38	\$928.59/\$12.38	2008
Deemed 51-150 beds	\$1,260/\$12	\$40.03/\$0.38	\$1,300.03/\$12.38	2014*

(base/per bed) Non-deemed 51-150 beds	\$1,400/\$12	\$44.48/\$0.38	\$1,444.48/\$12.38	2008
(base/per bed) Deemed 151+ beds (base/per bed/fee cap)	\$1,800/\$12/ \$8,000	\$57.18/\$0.38/ \$254.15	\$1,857.18/\$12.38/ \$8,254.15	2014*
Non-Deemed 151+beds (base/per bed/fee cap)	\$2,000/\$12/ \$8,000	\$63.54/\$0.38/ \$254.15	\$2,063.54/\$12.38/ \$8,254.15	2008
Change of Ownership	\$2,500	\$79.42	\$2,579.42	2009
Provisional License	\$2,500	\$79.42	\$2,579.42	2009
Off-campus location addition– Critical Access Hospital	\$500	\$15.88	\$515.88	2010
Off-campus location addition	\$1,000	\$31.77	\$1,031.77	2010
Off-campus location addition– deemed facility	\$450	\$14.30	\$464.30	2014*
Off-campus location renewal	\$500	\$15.88	\$515.88	2010
Off-campus location removal	\$360	\$11.44	\$371.44	2010
<b>Chapter 5 - Nursing Care Facilities (231 Facilities)</b>				
Initial License	\$6,000	\$190.62	\$6,190.62	2010
Renewal License Certified Facilities–Medicare or Medicaid (base/per bed)	\$1,600/\$8	\$50.83/\$0.25	\$1,650.83/\$8.25	2010
Non-certified Facilities (base/per bed)	\$3,480/\$8	\$110.56/\$0.25	\$3,590.56/\$8.25	2010
Change of Ownership	\$6,000	\$190.62	\$6,190.62	2010
Opening a Secure Unit	\$1,600	\$50.83	\$1,650.83	2010
<b>Chapter 8 - Facilities for Persons with Intellectual or Developmental Disabilities (151 Facilities)</b>				
Initial License Community Residential Home	\$2,500	\$79.42	\$2,579.42	2011
Intermediate Care Facility	\$6,000	\$190.62	\$6,190.62	2011
Renewal License Community Residential Home	\$750	\$23.83	\$773.83	2011
Intermediate Care Facility	\$1,600	\$50.83	\$1,650.83	2011
Change of Ownership Community Residential Home	\$2,500	\$79.42	\$2,579.42	2011
Intermediate Care Facility	\$6,000	\$190.62	\$6,190.62	2011
<b>Chapter 9 - Community Clinics and Community Clinics and Emergency Centers (84 Facilities)</b>				
Initial License Community Emergency Center	\$2,750	\$87.37	\$2,837.37	2014*
Clinic Operating Inpatient Beds	\$2,750	\$87.37	\$2,837.37	2014*
Clinic Operated Under Auspices of Department of Corrections	\$2,500	\$79.42	\$2,579.42	2013
Clinic Serving Un/Underinsured	\$1,200	\$38.12	\$1,238.12	2014*

Other Clinic	\$2,400	\$76.25	\$2,476.25	2014*
Renewal License				
Community Emergency Center	\$1,350	\$42.89	\$1,392.89	2014*
Clinic Operating Inpatient Beds	\$1,350	\$42.89	\$1,392.89	2014*
Clinic Operated Under Auspices of Department of Corrections	\$1,300	\$41.30	\$1,341.30	2013
Clinic Serving Un/Underinsured	\$600	\$19.06	\$619.06	2014*
Other Clinic	\$1,200	\$38.12	\$1,238.12	2014*
Change of Ownership				
Community Emergency Center	\$3,100	\$98.48	\$3,198.48	2013
Clinic Operating Inpatient Beds	\$3,100	\$98.48	\$3,198.48	2013
Clinic Operated Under Auspices of Department of Corrections	\$2,500	\$79.42	\$2,579.42	2013
Clinic Serving Un/Underinsured	\$1,250	\$39.71	\$1,289.71	2013
Other Clinic	\$2,500	\$79.42	\$2,579.42	2013
<b>Chapter 10 - Rehabilitation Hospitals (5 Facilities)</b>				
Initial License (base/bed/cap)	\$5,700/\$50/ \$10,500	\$181.08/\$1.59/ \$333.58	\$5,881.08/\$51.59/ \$10,833.58	2008
Renewal License (base/bed/cap)	\$1,600/\$12/ \$8,000	\$50.83/\$0.38/ \$254.15	\$1,650.83/\$12.38/ \$8,254.15	2008
Change of Ownership	\$2,500	\$79.42	\$2,579.42	2008
Provisional License	\$2,500	\$79.42	\$2,579.42	2008
<b>Chapter 15 - Dialysis Treatment Clinics (81 Facilities)</b>				
Initial License	\$5,140	\$163.29	\$5,303.29	2010
Renewal License				
1-12 Stations	\$1,600	\$50.83	\$1,650.83	2014*
13-23 Stations	\$2,520	\$80.06	\$2,600.06	2014*
24+ Stations	\$3,435	\$109.13	\$3,544.13	2014*
Change of Ownership	\$5,140	\$163.29	\$5,303.29	2010
<b>Chapter 18 - Psychiatric Hospitals (12 Facilities)</b>				
Initial License (base/bed/cap)	\$5,700/\$50/ \$10,500	\$181.08/\$1.59/ \$333.58	\$5,881.08/\$51.59/ \$10,833.58	2008
Renewal License (base/bed/cap)	\$1,600/\$12/ \$8,000	\$50.83/\$0.38/ \$254.15	\$1,650.83/\$12.38/ \$8,254.15	2008
Change of Ownership	\$2,500	\$79.42	\$2,579.42	2008
Provisional License	\$2,500	\$79.42	\$2,579.42	2008
<b>Chapter 19 - Hospital Units (2 Facilities)</b>				
Initial License (base/per bed/fee cap)	\$5,300/\$50/ \$10,500	\$168.38/\$1.59/ \$333.58	\$5,468.38/\$51.59/ \$10,833.58	2008



Renewal License (base/per bed/fee cap)	\$1,600/\$12/ \$3,000	\$50.83/\$0.38/ \$95.31	\$1,650.83/\$12.38/ \$3,095.31	2008
Change of Ownership	\$2,500	\$79.42	\$2,579.42	2008
Provisional License	\$2,500	\$79.42	\$2,579.42	2008
<b>Chapter 20 - Ambulatory Surgical Center and Ambulatory Surgical Center with a Convalescent Center (142 Facilities)</b>				
Initial License Ambulatory Surgical Center (ASC)	\$6,600	\$209.68	\$6,809.68	2008
Ambulatory Surgical Center with Convalescent Center	\$6,960	\$221.11	\$7,181.11	2015
Add Convalescent Center to an existing license	\$360	\$11.44	\$371.44	2015
Renewal License Non-deemed ASC (base/per procedure room/fee cap)	\$1,440/\$200/ \$3,000	\$45.75/\$6.35/ \$95.31	\$1,485.75/\$206.35/ \$3,095.31	2008
Deemed ASC (base/per procedure room/ fee cap)	\$1,295/\$200/ \$3,000	\$42.18/\$6.35/ \$95.31	\$1,337.18/\$206.35/ \$3,095.31	2014
Additional fee for a Convalescent Center	\$360	\$11.44	\$371.44	2015
Renewal fee cap for ASC with Convalescent Center	\$3,360	\$106.74	\$3,466.74	2015
Change of Ownership ASC	\$4,100	\$130.25	\$4,230.25	2008
ASC with Convalescent Center	\$4,460	\$141.69	\$4,601.69	2015
Provisional ASC	\$2,500	\$79.42	\$2,579.42	2008
ASC with Convalescent Center	\$2,860	\$90.86	\$2,950.86	2015
<b>Chapter 21 - Hospices (96 Facilities)</b>				
Initial License	\$6,370	\$202.37	\$6,572.37	2010
Initial License if no other licensed hospice within 60 miles	\$4,150	\$131.84	\$4,281.84	2010
Renewal Base fee (if no other conditions are met)	\$3,900	\$123.90	\$4,023.90	2010
Not in Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, El Paso, Jefferson, Larimer, Pueblo or Weld counties and providing 75 percent of services outside those counties	\$2,400	\$76.25	\$2,476.25	2010
Fewer than 2,000 annual patient dates per most	\$1,500	\$47.65	\$1,547.65	2010

recent Medicare cost report				
Fewer than 1,000 annual patient dates per most recent Medicare cost report	\$750	\$23.83	\$773.83	2010
Hospices with the same ownership and governing body that provide both home and inpatient hospice care in the same geographic area	\$6,400	\$203.32	\$6,603.32	2010
Workstation (per workstation, paid for Initial License and Renewal License)	\$50	\$1.59	\$51.59	2010
Change of Ownership	\$6,370	\$202.37	\$6,572.37	2010
* Fee was decreased				

During the stakeholder process for this fee increase, the stakeholders did not present concerns about economic or non-economic impacts of the change. The benefit of the fee increase is to reduce the shortfall of revenues that support the Division's licensing, oversight and enforcement activities. Reducing or eliminating these costs would mean that the Division would not have the resources necessary to protect the health, safety and welfare of Coloradans being served in licensed health facilities.

Please describe any anticipated financial costs or benefits to these individuals/entities.

S: N/A

B: N/A

#### Non-economic outcomes

Summarize the anticipated favorable and non-favorable non-economic outcomes (short-term and long-term), and, if known, the likelihood of the outcomes for each affected class of persons by the relationship category.

This rule-making is limited to increasing fees by 3.1769627%, thus generating \$66,850 to support the Division's ability to protect the health, safety and welfare of Coloradans being served by facilities ranging from hospitals to group homes.

3. The probable costs to the agency and to any other agency of the implementation and enforcement of the proposed rule and any anticipated effect on state revenues.

- A. Anticipated CDPHE personal services, operating costs or other expenditures:

Licensing fees will continue to be collected and processed using existing procedures. Increasing the amount of the fees collected will not increase the resources needed to collect and process the fees, and thus this proposed fee increase will not have a cost impact on CDPHE.

Anticipate Other State Agency costs:

The cost of a Community Clinic license for the clinics operated under the auspices of the Department of Corrections will increase \$79.42 per clinic. There are currently 23 of these clinics, so the total cost impact of this increase for those clinics will be \$1,826.66

#### Anticipated CDPHE Revenues:

This fee increase is expected to generate approximately \$66,850, but this amount will not fully fund the revenue shortfall in the General Licensure Fund. The fees being paid into the General Licensure Fund were set by the Board at various times between 2007 and 2015, and are no longer sufficient to meet these direct and indirect costs. Revenues paid into the fund have remained basically level, increasing from \$2,050,119 in Fiscal Year 2015-16 to an estimated \$2,062,876 for Fiscal Year 2018-19, an increase of \$12,757, which is a 0.6% increase over the last four years, due to a small increase in the number of licensed facilities. In comparison, expenditures from the fund have increased from \$1,895,708 in Fiscal Year 2015-16 to an estimated \$2,362,090 in Fiscal Year 2018-19, an increase of \$466,382, which is a 24.6% increase over the same four-year period.

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\$232,364 less than what is needed to fully fund the direct and indirect costs of licensing, oversight, and enforcement activities for the 912 facilities that pay into the fund. The Division anticipates requesting the CPI-based fee increases annually going forward.

This rulemaking modifies fees:

Facility-specific fee increases are listed in the table in response to Question 2, above.

Anticipated Revenues for another state agency:

N/A

4. A comparison of the probable costs and benefits of the proposed rule to the probable costs and benefits of inaction.

Along with the costs and benefits discussed above, the proposed revisions:

- Comply with a statutory mandate to promulgate rules.  
 Comply with federal or state statutory mandates, federal or state regulations, and department funding obligations.  
 Maintain alignment with other states or national standards.  
 Implement a Regulatory Efficiency Review (rule review) result  
 Improve public and environmental health practice.  
 Implement stakeholder feedback.  
 Advance the following CDPHE Strategic Plan priorities:

Goal 1, Implement public health and environmental priorities  
 Goal 2, Increase Efficiency, Effectiveness and Elegance  
 Goal 3, Improve Employee Engagement  
 Goal 4, Promote health equity and environmental justice  
 Goal 5, Prepare and respond to emerging issues, and  
 Comply with statutory mandates and funding obligations

Strategies to support these goals:

- Substance Abuse (Goal 1)  
 Mental Health (Goal 1, 2, 3 and 4)  
 Obesity (Goal 1)  
 Immunization (Goal 1)  
 Air Quality (Goal 1)  
 Water Quality (Goal 1)  
 Data collection and dissemination (Goal 1, 2, 3, 4, 5)  
 Implement quality improvement/a quality improvement project (Goal 1, 2, 3, 5)  
 Employee Engagement (Goal 1, 2, 3)  
 Decisions incorporate health equity and environmental justice (Goal 1, 3, 4)  
 Detect, prepare and respond to emerging issues (Goal 1, 2, 3, 4, 5)  
 Advance CDPHE Division-level strategic priorities.

The costs and benefits of the proposed rule will not be incurred if inaction was chosen. Costs and benefits of inaction not previously discussed include:

The cost of inaction is the Division not exhausting every avenue to secure revenue to meet its expenditures. This in turn limits the Division's ability to fulfill its responsibilities related to licensing, oversight and enforcement for hospitals, nursing homes, facilities for persons with developmental disabilities, community clinics and community clinics with emergency centers, rehabilitation hospitals, dialysis treatment clinics, psychiatric hospitals, ambulatory surgical centers and ambulatory surgical centers with convalescent centers, hospices, and birth centers. The Division's inability to fully perform these functions negatively impacts the health, safety and welfare of all Coloradans receiving treatment by or residing in these facilities.

5. A determination of whether there are less costly methods or less intrusive methods for achieving the purpose of the proposed rule.

No other less costly method or less intrusive method was available as the fees are set in rule per statute.

6. Alternative Rules or Alternatives to Rulemaking Considered and Why Rejected.

The Division's options for considering alternatives to the requested fee increase are constrained by the statutory restriction limiting fee increases to annual CPI at Sections 25-3-103(1)(c) and 25-3-105(1)(a)(I)(B), C.R.S. The Division cannot request a larger fee increase without modification to statute. While the Division could raise fees at an amount lower than the CPI increase, this option was not selected because even the maximum increase allowed by statute does not generate enough revenue to offset the expected revenue shortfall.

7. To the extent practicable, a quantification of the data used in the analysis; the analysis must take into account both short-term and long-term consequences.

The Division used the federal Bureau of Labor Statistics Data, CPI-All Urban Consumers, Series CUURS48BSA0 (Denver-Lakewood-Aurora) to calculate the amount of fee increase allowed by Section 25-3-105(1)(a)(I)(B), C.R.S., and then applied that percentage increase to all fees that are paid into the General Licensure Fund. The increases were rounded to the nearest penny.

## STAKEHOLDER ENGAGEMENT for Amendments to

### **6 CCR 1011-1, Standards for Hospitals and Health Facilities:**

- Chapter 2 - General Licensure Standards
- Chapter 4 - General Hospitals
- Chapter 5 - Nursing Care Facilities
- Chapter 8 - Facilities for Persons with Intellectual and Developmental Disabilities
- Chapter 9 - Community Clinics and Community Clinics and Emergency Services
- Chapter 10 - Rehabilitation Hospitals
- Chapter 15 - Dialysis Treatment Centers
- Chapter 18 - Psychiatric Hospitals
- Chapter 19 - Hospital Units
- Chapter 20 - Ambulatory Surgical Center and Ambulatory Surgical Center with a Convalescent Center
- Chapter 21 - Hospices

State law requires agencies to establish a representative group of participants when considering to adopt or modify new and existing rules. This is commonly referred to as a stakeholder group.

#### Early Stakeholder Engagement:

The following individuals and/or entities were invited to provide input and included in the development of these proposed rules:

Since this fee increase involves multiple types of facilities, the Division used the 1294 Stakeholder Forum as the primary vehicle for stakeholder engagement. The 1294 Stakeholder Forum is created by Section 25-3-113, C.R.S. and meets quarterly. The 1294 Stakeholder Forum consists of representatives from various types of provider facilities licensed by the department, consumers, consumer advocates, ombudsmen and other interested parties, to discuss concerns and issues of interest regarding the development and implementation of rules and other matters that affect all health care facilities licensed by the Department. Section 25-3-113(4), C.R.S., specifically allows this 1294 Stakeholder Forum to be used as the representative group of stakeholders as required by Section 24-4-103(2), C.R.S.

Attendees of the 1294 Stakeholder Forum were notified as part of the Division's budget updates at the August 2, 2018 meeting that the Division was working on a fee increase based on CPI. Further discussion occurred at the meeting on November 1, 2018. In addition to the attendees at both meetings, the agendas for the meetings were sent out via a portal message to over 2,300 licensed facilities, and via e-mail to an additional 106 individuals, including ombudsmen, consumers, consumer advocacy organizations, and facility and provider advocacy organizations.

#### Stakeholder Group Notification

The stakeholder group was provided notice of the rulemaking hearing and provided a copy of the proposed rules or the internet location where the rules may be viewed. Notice was provided prior to the date the notice of rulemaking was published in the Colorado Register (typically, the 10<sup>th</sup> of the month following the Request for Rulemaking).

- Not applicable. This is a Request for Rulemaking Packet. Notification will occur if the Board of Health sets this matter for rulemaking.
- Yes.

Summarize Major Factual and Policy Issues Encountered and the Stakeholder Feedback Received. If there is a lack of consensus regarding the proposed rule, please also identify the Department's efforts to address stakeholder feedback or why the Department was unable to accommodate the request.

No major factual or policy issues were encountered.

Please identify the determinants of health or other health equity and environmental justice considerations, values or outcomes related to this rulemaking. Overall, after considering the benefits, risks and costs, the proposed rule:

This is solely a fee increase to maintain existing activities regarding health facility licensing, oversight and enforcement activities. There are no anticipated impacts on determinants of health or other health equity and environmental justice considerations, values or outcomes.

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

Health Facilities and Emergency Medical Services Division

STANDARDS FOR HOSPITALS AND HEALTH FACILITIES CHAPTER 2 – GENERAL LICENSURE STANDARDS

6 CCR 1011-1 Chap 02

Adopted by the Board of Health on \_\_\_\_\_, 2019. Effective \_\_\_\_\_, 2019

2 \*\*\*\*

3 **Part 2 Licensure Process**

4 \*\*\*\*

5 **2.13 License Fees**

6 Unless explicitly set forth elsewhere in 6 CCR 1011-1 or statute, the following non-refundable fees shall  
7 apply and be submitted to the Department with the corresponding application or notification. More than  
8 one fee may apply depending upon the circumstances.

Initial license	<del>\$360</del> , <del>\$371.44</del>
Renewal license	<del>\$360</del> , <del>\$371.44</del>
Conditional license	<del>\$1,500</del> , <del>\$1,547.65</del>
First provisional license	<del>\$1,000</del> , <del>\$1,031.77</del>
Second provisional license	<del>\$1,000</del> , <del>\$1,031.77</del>
Change of ownership	<del>\$360</del> , <del>\$371.44</del>
Change in licensed capacity	<del>\$360</del> , <del>\$371.44</del>
Change of name	<del>\$75</del> , <del>\$77.38</del>
Renewal application late fee	Equal to the applicable renewal license fee including bed fees or operating/procedure room fees.

9

10 \*\*\*\*



## DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

## Health Facilities and Emergency Medical Services Division

## STANDARDS FOR HOSPITALS AND HEALTH FACILITIES: CHAPTER 04 - GENERAL HOSPITALS

## 6 CCR 1011-1 Chap 04

Adopted by the Board of Health on \_\_\_\_\_, 2019. Effective \_\_\_\_\_, 2019

2 \*\*\*\*

3 **Part 3. DEPARTMENT OVERSIGHT**

4 **3.100 APPLICATION FEES**

5 **3.101 SUBMITTAL OF FEES. Fees shall be submitted to the Department as specified below.**

6 (1) Initial License (when such initial licensure is not a change of ownership). A license applicant shall  
7 submit a nonrefundable fee with an application for licensure as follows:

8 (a) See table below.

Number of Beds	Fee
1 - 25 beds	<del>\$8,000</del> <u>\$8,254.15</u>
26 - 50 beds	<del>\$10,000</del> <u>\$10,317.69</u>
51 - 100 beds	<del>\$12,500</del> <u>\$12,897.12</u>
101 + beds	Base: <del>\$9,800</del> <u>\$10,111.34</u>
	Per bed: <del>\$50</del> <u>\$51.59</u>
	Cap: <del>\$20,000</del> <u>\$20,635.39</u>

9 (b) Notwithstanding the provisions of Section 3.101 (1)(a), the initial fee for facilities to be  
10 licensed as general hospitals but certified as long term hospitals pursuant to 42 CFR 482  
11 et seq. shall submit: a base fee of ~~\$5,700~~ \$5,881.08 and a per bed fee of ~~\$50~~ \$51.59. The  
12 initial licensure fee for long term hospitals shall not exceed ~~\$40,500~~ \$10,833.58.

13 (2) Renewal License

14 (a) A license applicant shall submit an application for licensure with a nonrefundable fee as  
15 shown in the following table. The total renewal fee shall not exceed ~~\$8,000~~ \$8,254.15.

16 (b) For licenses that expire on or after September 1, 2014, a license applicant that is  
17 accredited by an accrediting organization recognized by the Centers for Medicare and  
18 Medicaid Services as having deeming authority may be eligible for a 10 percent discount  
19 off the base renewal license fee. In order to be eligible for this discount, the license  
20 applicant shall authorize its accrediting organization to submit directly to the Department  
21 copies of all surveys and plan(s) of correction for the previous license year, along with the  
22 most recent letter of accreditation showing the license applicant has full accreditation  
23 status.

Number of Beds	Fee	Fee with Deeming Discount
1 - 50 beds	Base: <del>\$900</del> <u>\$928.59</u> Per bed: <del>\$12</del> <u>\$12.38</u>	Base: <del>\$840</del> <u>\$835.73</u> Per bed: <del>\$12</del> <u>\$12.38</u>

51 - 150 beds	Base: <del>\$1,400</del> <u>\$1,444.48</u> Per bed: <del>\$12</del> <u>\$12.38</u>	Base: <del>\$1,260</del> <u>\$1300.03</u> Per bed: <del>\$12</del> <u>\$12.38</u>
151+ beds	Base: <del>\$2,000</del> <u>\$2,063.54</u> Per bed: <del>\$12</del> <u>\$12.38</u>	Base: <del>\$1,800</del> <u>\$1,857.18</u> Per bed: <del>\$12</del> <u>\$12.38</u>

- 24 (3) Change of Ownership. A license applicant shall submit a nonrefundable fee of ~~\$2,500~~\$2,579.42  
25 with an application for licensure.
- 26 (4) Provisional License. The license applicant may be issued a provisional license upon submittal of  
27 a nonrefundable fee of ~~\$2,500~~\$2,579.42. If a provisional license is issued, the provisional license  
28 fee shall be in addition to the initial license fee.
- 29 (5) Conditional License. A facility that is issued a conditional license by the Department shall submit  
30 a nonrefundable fee ranging from 10 to 25 percent of its applicable renewal fee. The Department  
31 shall assess the fee based on the anticipated costs of monitoring compliance with the conditional  
32 license. If the conditional license is issued concurrent with the initial or renewal license, the  
33 conditional license fee shall be in addition to the initial or renewal license fee.
- 34 (6) Other Regulatory Functions. If a facility requests an onsite inspection for a regulatory oversight  
35 function other than those listed in Sections 3.101 (1) through (3), the Department may conduct  
36 such onsite inspection upon notification to the facility of the fee in advance and payment thereof.  
37 The fee shall be calculated solely on the basis of the cost of conducting such survey. A detailed  
38 justification of the basis of the fee shall be provided to the facility upon request.
- 39 (7) Off-Campus Locations
- 40 (a) Addition, Annual Renewal and Termination of Off- Campus Locations. A licensee shall  
41 submit a nonrefundable fee, as set forth below, for the requested license action.
- 42 (i) ~~\$1,000~~\$1,031.77 for the addition of each location to the list of off-campus  
43 locations under the license, except that critical access hospitals shall submit a  
44 nonrefundable fee of ~~\$500~~\$515.88.
- 45 (ii) ~~\$500~~\$515.88 for the annual renewal of each off-campus location listed under the  
46 license.
- 47 (iii) ~~\$450~~\$464.30 for the annual renewal of licenses that expire on or after September  
48 1, 2014, for each off-campus location that is accredited by an accrediting  
49 organization recognized by the Centers for Medicare and Medicaid Services as  
50 having deeming authority. In order to be eligible for this discount, the license  
51 applicant shall authorize its accrediting organization to submit directly to the  
52 Department copies of all surveys and plan(s) of correction for the previous  
53 license year, along with the most recent letter of accreditation showing the  
54 license applicant has full accreditation status.
- 55 (iv) ~~\$360~~\$371.44 for the removal of each location from the list of off-campus  
56 locations under the license.

57 \*\*\*\*

**DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT****Health Facilities and Emergency Medical Services Division****CHAPTER 5 - NURSING CARE FACILITIES****6 CCR 1011-1 Chap 05****Adopted by the Board of Health on \_\_\_\_\_, 2019. Effective \_\_\_\_\_, 2019**

2 \*\*\*\*

3 **SECTION 32 LICENSING FEES**4 32.1 All license fees are non-refundable. The total fee shall be submitted with the appropriate license  
5 application.6 32.2 Initial license - ~~\$6,000~~\$6,190.62 per facility.

7 32.3 Renewal license - The annual renewal fee shall be as follows.

8 Medicare and/or Medicaid certified facility: ~~\$1,600~~\$1,650.83 base fee plus ~~\$8~~8.25 per bed.9 Non-certified facility: ~~\$3,480~~\$3,590.56 base fee plus ~~\$8~~8.25 per bed.10 32.4 Change of ownership - Change of ownership shall be determined in accordance with the criteria  
11 set forth in 6 CCR 1011-1, Chapter 2, Part 2.7. The fee shall be ~~\$6,000~~\$6,190.62 per facility.12 32.5 Opening a secure unit - A facility that wishes to open a secure unit shall submit a fee of  
13 ~~\$1,600~~\$1,650.83 in addition to any other applicable license fees.

\*\*\*\*

**DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT****Health Facilities and Emergency Medical Services Division****STANDARDS FOR HOSPITALS AND HEALTH FACILITIES: CHAPTER 08 - FACILITIES FOR PERSONS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES****6 CCR 1011-1 Chap 08****Adopted by the Board of Health on \_\_\_\_\_, 2019. Effective \_\_\_\_\_, 2019**

2 \*\*\*\*

3 **Section 3 – Licensing Requirements**

4 \*\*\*\*

## 5 3.4 License Fees

6 All license fees are non-refundable. More than one fee may apply depending upon the  
7 circumstances. The total fee shall be submitted with the appropriate license application.

8 (A) Initial License9 Community Residential Home: ~~\$2,500~~\$2,579.42.10 Intermediate Care Facility for Individuals with Intellectual Disabilities: ~~\$6,000~~\$6,190.62.11 (B) License Renewal12 Effective July 1, ~~2014~~2019, the renewal fee shall be:13 Community Residential Home: ~~\$750~~\$773.83.14 Intermediate Care Facility for Individuals with Intellectual Disabilities: ~~\$1,600~~\$1,650.83.15 (C) Change of ownership

16 Change of ownership shall be determined in accordance with the criteria set forth in 6  
17 CCR 1011-1, Chapter II, Part 2. The change of ownership fee shall be:

18 Community Residential Home: ~~\$2,500~~\$2,579.42.19 Intermediate Care Facility for Individuals with Intellectual Disabilities: ~~\$6,000~~\$6,190.62.

20 \*\*\*\*

2 **DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT**3 **Health Facilities and Emergency Medical Services Division**4 **STANDARDS FOR HOSPITALS AND HEALTH FACILITIES: CHAPTER 09 - COMMUNITY CLINICS**  
5 **AND COMMUNITY CLINICS AND EMERGENCY CENTERS**6 **6 CCR 1011-1 Chap 09**7 *[Editor's Notes follow the text of the rules at the end of this CCR Document.]***Adopted by the Board of Health on \_\_\_\_\_, 2019. Effective \_\_\_\_\_, 2019**

8 \*\*\*\*

9 **SUBCHAPTER IX.A - GENERAL REQUIREMENTS**

10 \*\*\*\*

11 **Part 3. DEPARTMENT OVERSIGHT**

## 12 3.100 APPLICATION FEES.

- 13 (1) For new license applications received or renewal licenses that expire on or after  
14 [September 1, 2014](#)~~July 1, 2019~~, a non-refundable fee shall be submitted with the license  
15 application as follows:

License Category	Initial license	Renewal license	Change of ownership
Community emergency center	<del>\$2,750</del> <a href="#">\$2,837.37</a>	<del>\$1,350</del> <a href="#">\$1,392.89</a>	<del>\$3,100</del> <a href="#">\$3,198.48</a>
Clinic operating inpatient beds	<del>\$2,750</del> <a href="#">\$2,837.37</a>	<del>\$1,350</del> <a href="#">\$1,392.89</a>	<del>\$3,100</del> <a href="#">\$3,198.48</a>
Clinic operated under the auspices of the Department of Corrections	<del>\$2,500</del> <a href="#">\$2,579.42</a>	<del>\$1,300</del> <a href="#">\$1,341.30</a>	<del>\$2,500</del> <a href="#">\$2,579.42</a>
Optional licensure pursuant to Section 2.101 (3)(a)(iv).			
Clinic serving the uninsured or underinsured:	<del>\$1,200</del> <a href="#">\$1,238.12</a>	<del>\$600</del> <a href="#">\$619.06</a>	<del>\$1,250</del> <a href="#">\$1,289.71</a>
Other clinic:	<del>\$2,400</del> <a href="#">\$2,476.25</a>	<del>\$1,200</del> <a href="#">\$1,238.12</a>	<del>\$2,500</del> <a href="#">\$2,579.42</a>

16 \*\*\*\*

17

**DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT****Health Facilities and Emergency Medical Services Division****STANDARDS FOR HOSPITALS AND HEALTH FACILITIES: CHAPTER 10 - REHABILITATION  
HOSPITALS****6 CCR 1011-1 Chap 10****Adopted by the Board of Health on \_\_\_\_\_, 2019. Effective \_\_\_\_\_, 2019**

2 \*\*\*

3 **Part 3. DEPARTMENT OVERSIGHT**4 **3.101 APPLICATION FEES. Fees shall be submitted to the Department as specified below.**

5 (1) Initial License (when such initial licensure is not a change of ownership). A license applicant shall  
6 submit a nonrefundable fee with an application for licensure as follows: base fee of  
7 ~~\$5,700~~\$5,881.08 and a per bed fee of ~~\$50~~\$51.59. The initial licensure fee shall not exceed  
8 ~~\$10,500~~\$10,833.58.

9 (2) Renewal License.

10 (a) A license applicant shall submit an application for licensure with a nonrefundable fee as  
11 follows: Base fee of ~~\$1,600~~\$1,650.83 and a per bed fee of ~~\$12~~\$12.38. The total renewal  
12 fee shall not exceed ~~\$8,000~~\$8,254.15.

13 (b) For licenses that expire on or after September 1, 2014, a license applicant that is  
14 accredited by an accrediting organization recognized by the Centers for Medicare and  
15 Medicaid Services as having deeming authority may be eligible for a \$160 discount off  
16 the base renewal license fee. In order to be eligible for this discount, the license applicant  
17 shall authorize its accrediting organization to submit directly to the Department copies of  
18 all surveys and plan(s) of correction for the previous license year, along with the most  
19 recent letter of accreditation showing the license applicant has full accreditation status.

20 (3) Change of Ownership. A license applicant shall submit a nonrefundable fee of ~~\$2,500~~\$2,579.42  
21 with an application for licensure.

22 (4) Provisional License. The license applicant may be issued a provisional license upon submittal of  
23 a nonrefundable fee of ~~\$2,500~~\$2,579.42. If a provisional license is issued, the provisional license  
24 fee shall be in addition to the initial license fee.

25 \*\*\*\*

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

Health Facilities and Emergency Medical Services Division

STANDARDS FOR HOSPITALS AND HEALTH FACILITIES: CHAPTER 15 - DIALYSIS TREATMENT CLINICS

6 CCR 1011-1 Chap 15

Adopted by the Board of Health on \_\_\_\_\_, 2019. Effective \_\_\_\_\_, 2019

2 \*\*\*\*

3 Section 3. FEES

4 3.1 License fees. All license fees are non-refundable and shall be submitted with the appropriate  
5 license application.

6 (A) Initial license fee - ~~\$5,140~~\$5,303.29 per facility.

7 (B) Renewal license fee - For licenses that expire on or after ~~September 1, 2014~~July 1, 2019,  
8 the fee shall be based upon the maximum number of a facility's operational procedure  
9 stations as set forth below.

10

1 - 12 stations	<del>\$1,600</del> <u>\$1,650.83</u> per facility
13 - 23 stations	<del>\$2,520</del> <u>\$2,600.06</u> per facility
24 or more stations	<del>\$3,435</del> <u>\$3,544.13</u> per facility

11 (C) Change of ownership - change of ownership shall be determined in accordance with the  
12 criteria set forth in Chapter II, part 2. The fee shall be ~~\$5,140~~\$5,303.29 per facility.

13 \*\*\*\*

**DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT****Health Facilities and Emergency Medical Services Division****STANDARDS FOR HOSPITALS AND HEALTH FACILITIES: CHAPTER 18 - PSYCHIATRIC HOSPITALS****6 CCR 1011-1 Chap 18****Adopted by the Board of Health on \_\_\_\_\_, 2019. Effective \_\_\_\_\_, 2019**

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**Part 3. DEPARTMENT OVERSIGHT****3.101 APPLICATION FEES.**

Nonrefundable fees shall be submitted to the department with an application for licensure as follows:

(1) Initial License: (when such initial licensure is not a change of ownership). A license applicant shall submit a nonrefundable fee with an application for licensure as follows: base fee of ~~\$5,700~~\$5,881.08 and a per bed fee of ~~\$50~~\$51.59. The initial licensure fee shall not exceed ~~\$10,500~~\$10,833.58.

(2) Renewal License.

(a) A license applicant shall submit an application for licensure with a nonrefundable fee as follows: Base fee of ~~\$1,600~~\$1,650.83 and a per bed fee of ~~\$12~~\$12.38. The total renewal fee shall not exceed ~~\$8,000~~\$8,254.15.

(b) For licenses that expire on or after September 1, 2014, a license applicant that is accredited by an accrediting organization recognized by the Centers for Medicare and Medicaid Services as having deeming authority may be eligible for a \$160 discount off the base renewal license fee. In order to be eligible for this discount, the license applicant shall authorize its accrediting organization to submit directly to the Department copies of all surveys and plan(s) of correction for the previous license year, along with the most recent letter of accreditation showing the license applicant has full accreditation status.

(3) Change of Ownership. A license applicant shall submit a nonrefundable fee of ~~\$2,500~~\$2,579.42 with an application for licensure.

(4) Provisional License. The license applicant may be issued a provisional license upon submittal of a nonrefundable fee of ~~\$2,500~~\$2,579.42. If a provisional license is issued, the provisional license fee shall be in addition to the initial license fee.

\*\*\*\*



**DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT****Health Facilities and Emergency Medical Services Division****STANDARDS FOR HOSPITALS AND HEALTH FACILITIES: CHAPTER 19 - HOSPITAL UNITS****6 CCR 1011-1 Chap 19****Adopted by the Board of Health on \_\_\_\_\_, 2019. Effective \_\_\_\_\_, 2019**

2 \*\*\*\*

3 **Part 3. DEPARTMENT OVERSIGHT**4 **3.101 APPLICATION FEES.**

5 Nonrefundable fees shall be submitted to the Department as specified below.

6 (1) Initial License (when such initial licensure is not a change of ownership). A license applicant shall  
7 submit a fee with an application for licensure as follows: base fee of ~~\$5,300~~\$5,468.38 and a per  
8 bed fee of ~~\$50~~\$51.59. The initial licensure fee shall not exceed ~~\$10,500~~\$10,833.58.

9 (2) Renewal License. A license applicant shall submit a fee with an application for licensure as  
10 follows: base fee of ~~\$1,600~~\$1,650.83 and a per bed fee of ~~\$12~~\$12.38. The renewal fee shall not  
11 exceed ~~\$3,000~~\$3,095.31.

12 (3) Change of Ownership. A license applicant shall submit a fee of ~~\$2,500~~\$2,579.42 with an  
13 application for licensure.

14 (4) Provisional License. The license applicant may be issued a provisional license upon submittal of  
15 a fee of ~~\$2,500~~\$2,579.42. If a provisional license is issued, the provisional license fee shall be in  
16 addition to the initial license fee.

17 \*\*\*\*

**DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT**

**Health Facilities and Emergency Medical Services Division**

**CHAPTER 20 - AMBULATORY SURGICAL CENTER AND AMBULATORY SURGICAL CENTER WITH A CONVALESCENT CENTER**

**6 CCR 1011-1 Chap 20**

Adopted by the Board of Health on \_\_\_\_\_, 2019. Effective \_\_\_\_\_, 2019

2 \*\*\*\*

3 **SECTION 24 - LICENSE FEES**

4 24.1 As part of the licensing process described at 6 CCR 1011-1, Chapter 2, sections 2.4 through 2.7,  
5 an applicant for an ambulatory surgical center license shall submit, in the form and manner  
6 specified by the Department, a license application with the corresponding nonrefundable fee as  
7 set forth below:

8 (A) Initial license: A license applicant shall submit with an application for licensure a  
9 nonrefundable fee of ~~\$6,600~~\$6,809.68.

10 (B) Renewal license: A license applicant shall submit an application for licensure with a  
11 nonrefundable fee as shown in the table below. The total renewal fee shall not exceed  
12 ~~\$3,000~~\$3,095.31.

13 (1) A license applicant that is accredited by an accrediting organization recognized  
14 by the Centers for Medicare and Medicaid Services as having deeming authority  
15 may be eligible for a 10 percent discount off the base renewal license fee. In  
16 order to be eligible for this discount, the license applicant shall authorize its  
17 accrediting organization to submit directly to the Department copies of all surveys  
18 and plan(s) of correction for the previous license year, along with the most recent  
19 letter of accreditation showing the license applicant has full accreditation status.

BASE FEE	BASE FEE WITH DEEMING DISCOUNT	PROCEDURE ROOM FEE
<del>\$1,440</del> <u>\$1,485.75</u>	<del>\$1,295</del> <u>\$1,337.18</u>	<del>\$200</del> <u>\$206.35</u> PER ROOM

20 (C) Change of Ownership: The new owner shall submit with an application for licensure a  
21 nonrefundable fee of ~~\$4,100~~\$4,230.25.

22 (D) Provisional License: The license applicant may be issued a provisional license upon  
23 submittal of a nonrefundable fee of ~~\$2,500~~\$2,579.42. If a provisional license is issued,  
24 the provisional license fee shall be in addition to the initial or renewal license fee.

25 \*\*\*\*\*

26 **SECTION 25 - AMBULATORY SURGICAL CENTER WITH A CONVALESCENT CENTER**

27 \*\*\*\*

28 25.7 License Fees: For new license applications received or renewal licenses that expire on or after  
 29 March 1, 2015, an applicant for an ambulatory surgical center with a convalescent center license  
 30 shall comply with the licensing process described at 6 CCR 1011-1, Chapter 2, sections 2.4  
 31 through 2.7 and submit, in the form and manner specified by the Department, a license  
 32 application with the corresponding nonrefundable fee as set forth below:

33 (A) Initial license:

34 (1) An applicant for an initial ambulatory surgical center with convalescent center  
 35 license shall submit with an application for licensure a nonrefundable fee of  
 36 ~~\$6,960~~\$7,181.11.

37 (2) A current ambulatory surgical center licensee that applies to add a convalescent  
 38 center to the license prior to the expiration of the surgical center license shall  
 39 submit an application for initial licensure of the convalescent center along with a  
 40 nonrefundable fee of ~~\$360~~\$371.44. Upon expiration of the existing surgical  
 41 center license term, the licensee shall follow the procedure set forth below for a  
 42 renewal license.

43 (B) Renewal license: A license applicant shall submit an application for licensure with a  
 44 nonrefundable fee as shown in the table below. The total renewal fee shall not exceed  
 45 ~~\$3,360~~\$3,466.74.

46 (1) A license applicant that is accredited by an accrediting organization recognized  
 47 by the Centers for Medicare and Medicaid Services as having deeming authority  
 48 may be eligible for a 10 percent discount off the base ambulatory surgical center  
 49 renewal fee. In order to be eligible for this discount, the license applicant shall  
 50 authorize its accrediting organization to submit directly to the Department copies  
 51 of all surveys and plan(s) of correction for the previous license year, along with  
 52 the most recent letter of accreditation showing the license applicant has full  
 53 accreditation status.

ASC BASE FEE	ASC BASE FEE WITH DEEMING DISCOUNT	CONVALESCENT CENTER FEE	PROCEDURE ROOM FEE
<del>\$1,440</del> <u>\$1,485.75</u>	<del>\$1,295</del> <u>\$1,337.18</u>	<del>\$360</del> <u>\$371.44</u>	<del>\$200</del> <u>\$206.35</u> PER ROOM

54 (C) Change of Ownership: The new owner shall submit with an application for licensure a  
 55 nonrefundable fee of ~~\$4,460~~\$4,601.69.

56 (D) Provisional License: The license applicant may be issued a provisional license upon  
 57 submittal of a nonrefundable fee of ~~\$2,860~~\$2,950.86. If a provisional license is issued,  
 58 the provisional license fee shall be in addition to the initial or renewal license fee.

59 \*\*\*\*

**DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT****Health Facilities and Emergency Medical Services Division****STANDARDS FOR HOSPITALS AND HEALTH FACILITIES: CHAPTER 21 - HOSPICES****6 CCR 1011-1 Chap 21****Adopted by the Board of Health on \_\_\_\_\_, 2019. Effective \_\_\_\_\_, 2019**

2 \*\*\*\*

3 **SECTION 14 LICENSE FEES**4 14.1 All license fees are non-refundable and the applicable fee total shall be submitted with the  
5 appropriate license application.6 14.2 Initial License - ~~\$6,370~~\$6,572.37 per hospice.7 (A) If there are no licensed hospices within a 60-mile radius of the hospice applying for an  
8 initial license, the initial license fee shall be ~~\$4,150~~\$4,281.84 per hospice.

9 14.3 Annual Renewal License

10 (A) For licenses expiring on or after ~~September 1, 2014~~July 1 2019, the base renewal fee  
11 shall be ~~\$3,900~~\$4,023.90 per hospice. The total renewal fee shall reflect all applicable  
12 adjustments as set forth below.13 (1) For a hospice that is physically located in a county other than Adams, Arapahoe,  
14 Boulder, Broomfield, Denver, Douglas, El Paso, Jefferson, Larimer, Pueblo or  
15 Weld; and that provides at least 75 percent of its services in counties other than  
16 those named in this paragraph, the fee shall be ~~\$2,400~~\$2,476.25 per hospice.17 (2) For hospices with less than 2000 annual patient days, as reported on the most  
18 recent Medicare cost report, the fee shall be ~~\$1,500~~\$1,547.65 per hospice.19 (3) For hospices with less than 1000 annual patient days, as reported on the most  
20 recent Medicare cost report, the fee shall be ~~\$750~~\$773.83 per hospice.21 (4) A discount of \$300 per hospice shall apply if the same business entity owns  
22 separately licensed hospices at more than one Colorado location.23 (5) A discount of \$425 shall apply if the hospice is deemed by an accrediting  
24 organization recognized by the Centers for Medicare and Medicaid Services and  
25 remains in good standing with that organization. To be considered for this  
26 discount, the hospice shall authorize its accrediting organization to submit  
27 directly to the department copies of all the hospice's surveys and plan(s) of  
28 correction for the previous license year, along with the most recent letter of  
29 accreditation showing the hospice has full accreditation status.

30 (6) Upon request, the department may waive the fee for a hospice that demonstrates  
31 it is a not for profit organization that charges no fees and is staffed entirely by  
32 uncompensated volunteers.

33 (7) Hospices with the same ownership and governing body that provide both home  
34 and inpatient hospice care in the same geographic area shall be licensed as one  
35 entity. The fee shall be ~~\$6,400~~\$6,603.32 and no other discounts shall apply  
36 except as set forth in (7)(a).

37 (a) A discount of \$640 shall apply if the hospice is deemed by an accrediting  
38 organization recognized by the Centers for Medicare and Medicaid  
39 Services and remains in good standing with that organization. To be  
40 considered for this discount, the hospice shall authorize its accrediting  
41 organization to submit directly to the department copies of all the  
42 hospice's surveys and plan(s) of correction for the previous license year,  
43 along with the most recent letter of accreditation showing the hospice  
44 has full accreditation status.

#### 45 14.4 Workstation Fees

46 (A) A workstation is an offsite location maintained solely for the convenience of hospice staff  
47 to access policies and procedures, obtain forms or use various electronic communication  
48 tools. A workstation shall not contain patient records or be used for patient admissions  
49 and shall not display any public signage.

50 (B) In addition to any other licensure fees, a hospice that operates one or more satellite  
51 workstations shall pay an annual fee of ~~\$50~~\$51.59 per workstation. The fee shall be  
52 submitted with the initial and/or renewal license application.

53 14.5 Change of Ownership - change of ownership shall be determined in accordance with the criteria  
54 set forth in Chapter II, Part 2. The fee shall be ~~\$6,370~~\$6,572.37 per hospice.

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