# ARKANSAS REGISTER



### **Proposed Rule Cover Sheet**

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Name of Department Arkansas Department of Health
Agency or Division Name Health Services Permit Agency
Other Subdivision or Department, If Applicable Health Services Permit Agency
Previous Agency Name, If Applicable
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Contact Phone (501) 661-2197
Name of Rule HSC Rule 500M Assisted Living Methodology
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## ARKANSAS REGISTER



### **Transmittal Sheet**

Use only for **FINAL** and **EMERGENCY RULES** 

Secretary of State

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For Office Use Only:  Effective Date	_ Code Number	
Name of Agency Health Services Perm	nit Agency	
Department Arkansas Department of I	Health	
Contact Traci Harris	E-mail traci.harris@arkansas.gov Phone	501-661-2197
Statutory Authority for Promulgating Rul	es Arkansas Code Annotated 20-8-1	03
Rule Title: HSC Rule 500M A	Assisted Living Methodology	
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Electronic Copy of Rule e-mailed from: (Require	ed under ACA 25-15-218)	
Traci Harris traci.ham	ris@arkansas.gov	June 20, 2024
Contact Person	E-mail Address	Date
CERTIFICATI	ON OF AUTHORIZED OFFICER	
	fy That The Attached Rules Were Adopted	
	kansas Administrative Act. (ACA 25-15-201 et. seq.)	
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	Mundiluh	
	Signature	
(501) 661-2509	tracy.steele@arkansas.gov	
Phone Number  Director	E-mail Address	
	Title	
June 20, 2024		
	Date	

#### **HSC REGULATION 500M. Assisted Living Methodology (03/07)**

#### **SECTION I - DEFINITION**

- A. **ASSISTED LIVING FACILITY** means any building or buildings, section or distinct part of a building, whether operated for profit or not, which undertakes through its ownership or management to provide assisted living services for a period exceeding twenty-four (24) hours to more than three (3) adult residents of the facility who are not relatives of the owner or administrator. Assisted living facility includes those facilities, which provide assisted living services either directly or through contractual arrangements or which facilitate contracting in the name of residents.
- B. ABANDONMENT means the act of an owner/operator to discontinue the operation of a long-term care facility without the sale of that facility to a responsible purchaser, or without ensuring the placement of all facility residents in appropriate long-term care facilities prior to discontinuing operations of the facility.

#### **SECTION II- SERVICE AREA**

The term "Service Area" as used herein means the county in which the beds or facility is located or is to be located.

#### **SECTION III- NEED**

#### POPULATION BASED NEED

This methodology projects the need for Assisted Living beds at 30 beds per 1000 persons who are 65 years old and older. Need will consider the number of proposed and existing ALF beds and the number of proposed and existing RCF beds in a county. Need will be projected five years forward using the most recent census data available from the UALR Institute for Economic Advancement.

An exception to the population based formula exists when occupied beds in all facilities in a county are 75% occupied by residents who are documented to be under the age of 65 years old. In this instance, beds in those facilities will not be counted in the county bed need.

#### **SECTION IV- SIZE**

#### Maximum Size

A maximum of 75 beds will be awarded to any one applicant per service area, per cycle under the population based methodology

#### SECTION V- UNFAVORABLE REVIEW

A. Existing long-term care facilities will have an unfavorable review if the following quality of care standards are not met:

- 1. No Nursing Home will be awarded a permit of approval for Assisted Living if the existing facility has had:
  - a. Two Class A violations as found in Ark. Code Ann. § 20-10-205 according to the Office of Long Term Care in any inspection within the last 12 months preceding the date the application is filed with the Health Services Permit Agency; or,
  - b. Two Class B violations as found in Ark. Code Ann. § 20-10-205 according to the Office of Long Term Care in any inspection within the last 12 months preceding the date the application is filed with the Health Services Permit Agency; or,
  - c. A Class A and a Class B violation as found in Ark. Code Ann. § 20-10-205 according to the Office of Long Term Care in any inspection within the last 12 months preceding the date the application is filed with the Health Services Permit Agency; or,
  - d. An H level or higher deficiency, according to the Office of Long Term Care in any inspection within the last 12 months preceding the date the application is filed with the Health Services Permit Agency; or,
  - e. The facility's Medicaid or Medicare provider agreements terminated within twelve (12) months preceding the date the application is filed with the Health Services Permit Agency.
- 2. No Assisted Living or Residential Care Facility will be awarded a permit of approval for Assisted Living if the existing facility has had:
  - a. Two Class A violations as found in Ark. Code Ann. § 20-10-205 according to the Office of Long Term Care in any inspection within

the last 12 months preceding the date the application is filed with the Health Services Permit Agency; or,

- b. Two Class B violations as found in Ark. Code Ann. § 20-10-205 according to the Office of Long Term Care in any inspection within the last 12 months preceding the date the application is filed with the Health Services Permit Agency; or,
- c. A Class A and a Class B violation as found in Ark. Code Ann. § 20-10-205 according to the Office of Long Term Care in any inspection within the last 12 months preceding the date the application is filed with the Health Services Permit Agency.
- B. An application will be denied if the owner/operator applying for a Permit of Approval has abandoned one or more long-term care facilities in Arkansas or in another state.
- C. The Agency may consider an out-of-state applicant's compliance or enforcement history in determining whether to grant a Permit of Approval
- D. No application for beds will be approved that:
  - 1. will cause a facility to exceed 100 beds. Any deviation will require special consideration by the Commission.

#### **SECTION VI - REVIEW CRITERIA**

The Agency and the Commission will utilize the following criteria in the review process.

- A. Whether the proposed project is needed or projected as necessary to meet the needs of the population. Criteria includes review of a detailed business plan that includes a narrative description with supporting data and analysis that illustrates the need for an Assisted Living Facility in the proposed service area. Data and analysis must also include the following:
  - Population characteristics of the market or service area by age, gender, income, morbidity, functional impairments. There must also be a narrative description of the relationship between this demographic data and the population expected to enter the proposed Assisted Living Facility.
  - Market and Payor mix for intended facility.

- Proximity to other facilities including, Nursing Homes, Hospitals, or clinics.
- Current local conditions that favor the occupancy or sustainability of the proposed facility.
- Local support for the project
- Transportation access to the facility
- Resident access to other local health, recreational, or other services.
- Special needs of this community.
- · Special features of this facility.
- B. Whether the project can be adequately staffed and operated when completed. Criteria include projected sources of staffing.
- C. Whether the proposed project is economically feasible.
- D. Whether the project will foster cost containment.