

HSC Regulation 200M Residential Care Facility (RCF) Methodology (10/05)

I. Residential Care. Definition.

All references to "Residential Care" and "Residential Care facilities" refer to facilities that meet the definition contained in Act 1238 of 1993, which states:

"(14) 'Residential care facility' means a building or structure which is used or maintained to provide, for pay on a twenty-four hour basis, a place of residence and board for three (3) or more individuals whose functional capabilities may have been impaired but do not require hospital or nursing home care on a daily basis
But could require other assistance in activities of daily living."

Residential Care facilities also include:

Any other facility, which meets the statutory definition regardless of licensure category or the existence of a licensure category.

II. Service Area will be the county.

III. Bed need will be determined by a Population Based methodology and a Utilization Based methodology.

A. Population Based

- 1.a. Numerical Formula. At 90% optimum occupancy the following number of RCF beds are projected by Age group:

Age Group	Beds per 1000
Under 65	.5545
65-74	2.3014
75-84	5.1090
85+	17.4996

Bed need will be projected five years forward each July 1st, e.g., in 2003 bed need will be projected for the year 2008.

- 1.b. 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.

2. Review Priorities. Applicants will be approved in the following ranked order:

- a. Applicants with high occupancy will have a priority for an increase of 10% or 10 beds whichever is greater. (For definition of "high" see "B. Utilization Based" below.)
- b. Applicants replacing "older" facilities will have a priority for a 20% increase.
- c. Applicants wanting to expand will have a priority for an increase of 5% or five beds whichever is greater.

The above priorities may not be combined i.e., an older facility with "high" occupancy will be eligible for either a 10% or a ten bed increase or a 20% increase but not both.

No additional beds will be approved for a county showing a need under the Population Based Methodology where:

- (1) there is a valid POA for the first RCF in the county which has yet to be licensed; or
- (2) if the county has had its first and only RCF licensed within the last calendar year. After the initial RCF has been licensed for six months, the Commission will review the situation and determine if additional beds will be approved for the county.

3. The Commission may exceed "need", when a need exists and is less than ten (10) beds in order to approve one applicant for up to a ten (10) bed facility.

B. Utilization Based.

This methodology would apply in those service areas where a Population Based Need is not projected. Beds may be approved if:

1. a facility has had a "high" occupancy for the previous calendar year. "High" occupancy shall be at least an average of 85% for facilities of ten beds or less, 90% for facilities of 20 beds or less and 95% for facilities over 20 beds. Proof of occupancy will be based upon resident occupancy. Proof of occupancy is derived from the DHS, OLTC occupancy reported at the last two (2) site visits and is averaged with the occupancy reported on the site visit conducted by the HSPA. Occupancy is defined as including any individual for whom the facility has agreed to provide room or board, or services or assistance, regardless of whether they are physically present at the time the occupancy is counted.

Eligible applicants may be approved for a ten bed increase.

C. Unfavorable Review

- a. No Residential Care Facility will be awarded a permit of approval if the existing facility has had more than two (2) Class A or Class B violations pursuant to ACA § 20-10-205 in any inspection within the last 12 months preceding the date the application is placed under review or from the date the application is placed under review until the final decision of the Health Services Permit Commission.

IV. Act 1230 of 2001

- A. Act 1230 of 2001 created the Assisted Living Program and allows Residential Care Facilities that were licensed or holding a Permit of Approval as of the effective date of the Act and subsequent purchasers to be licensed as assisted living facilities subject to the provisions of the Act and without a Permit of Approval.

V. Moratorium

- A. Beginning July 1, 2005, applications for construction of new residential care facilities will not be accepted, including applications for replacement facilities, additional beds or to expand existing bed capacity.
- B. However, applications for replacement of facilities of 16 beds or fewer will be accepted if the number of beds required for replacement is less than or equal to the number of beds for which the residential care facility was licensed before the application for replacement.