

3701-12-23.2

**Replacement of long-term care facilities and relocation of long-term care beds.**

- (A) In addition to review under other applicable provisions of the Administrative Code, the director shall not approve an application for a certificate of need to replace an existing long-term care facility or to relocate existing long-term care beds from one site to another unless the application meets all of the criteria prescribed by this rule. ~~To the extent that they are made applicable by the provisions of this rule, the criteria also shall apply to an application for relocation of long-term care beds for which a certificate of need has been granted but which have not been licensed ("approved beds").~~
- (B) Applications submitted for a certificate of need to replace an existing long-term care facility or to relocate existing long-term care beds from one site to another must meet the following criteria:
- (1) The applicant or the person proposed to own or operate the facility must have the legal authority to operate the long-term care beds that are subject to the certificate of need; or
  - (2) The applicant or the person proposed to own or operate the facility must have entered into a contract to obtain the legal authority to operate the beds that are subject to the certificate of need.
- ~~(B) The applicant or the person proposed to own or operate the replacement facility or the facility to which the beds will be relocated:~~
- ~~(1) Owns the operating rights to the facility being replaced or from which the beds are being relocated and is the licensed operator of that facility;~~
  - ~~(2) Has entered into a contract to acquire the right to operate the facility being replaced or has acquired or entered into a contract to acquire the beds being relocated; or~~
  - ~~(3) In the case of an application to relocate approved beds, is the holder of the certificate of need for the beds or is proposed in the application to enter into a contract to acquire the certificate.~~
- (C) The applicant provides documentation of a feasible plan to care for the residents served in the beds being replaced or relocated. The application shall state whether those residents will be offered admission to the ~~new~~ beds in the new location or replacement facility and the procedure for facilitating availability of the beds to the residents.
- (D) The applicant demonstrates that replacement of the facility is more cost-effective or otherwise more feasible for the applicant than renovation of the facility being

replaced. This information shall be provided in the form of a detailed study of the respective costs of renovation and replacement or relocation, taking into account the useful lives of the respective facilities, or documentation of the circumstances that make renovation otherwise less feasible.

- (E) The facility being replaced or from which beds are being relocated is a long term care facility, as defined in paragraph ~~(AA)~~(P) of rule 3701-12-01 of the Administrative Code, and an existing ~~health~~ long-term care facility, as defined in paragraph ~~(L)~~ (I) of rule 3701-12-01 of the Administrative Code. If the application proposes relocation of approved beds, the certificate of need for the beds shall not have been withdrawn, before the decision is made on the application proposing relocation.
- (F) The replacement of the existing facility or relocation of the existing or approved beds will not impair the access of the population served or proposed to be served by the existing facility or the existing or approved beds to quality long-term care, particularly in the case of medically underserved populations, including consideration of:
- (1) Geographic access; and
  - (2) Availability of medicaid-certified long-term care beds.
- (G) The applicant documents, and the director shall consider, the impact of the replacement or relocation project on costs and charges on both a per diem and an aggregate basis. This documentation shall include portrayal of all costs, including any costs of acquiring the existing facility or beds, and of how the costs will be recovered and a demonstration that the costs are reasonable when compared to the benefits of replacement or relocation.

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CERTIFIED ELECTRONICALLY

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Certification

08/23/2013

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Date

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