

Rule Summary and Fiscal Analysis

Part A - General Questions

Rule Number: 3701-16-03

Rule Type: New

Rule Title/Tagline: Residential care facility licensure application and renewal procedures; revocation.

Agency Name: Department of Health

Division:

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I. Rule Summary

1. Is this a five year rule review? No
 - A. What is the rule's five year review date?
2. Is this rule the result of recent legislation? No
3. What statute is this rule being promulgated under? 119.03
4. What statute(s) grant rule writing authority? 3721.04
5. What statute(s) does the rule implement or amplify? 3721.01, 3721.011, 3721.03, 3721.05, 3721.07
6. What are the reasons for proposing the rule?

The five-year review of OAC rules 3701-17-50 to 3701-17-68 is due November 14, 2017. ODH is proposing to replace existing rules 3701-17-50 to 3701-17-68 with new rules 3701-16-01 to 3701-16-18.
7. Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.

The rule sets forth the licensure application and renewal procedures for RCFs; the difference between initial applications and renewal applications; the criteria for license denial and license revocation; what must be included in a written notice of closure; the conditions for issuance of licenses; and the circumstances in which a license can be revoked.

8. **Does the rule incorporate material by reference?** Yes
9. **If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.71 to 121.76, please explain the basis for the exemption and how an individual can find the referenced material.**
The rule cites the Ohio Revised and Administrative Codes. The O.R.C. and O.A.C. are generally available in libraries and on the internet to individuals. The material is exempt from inclusion in this filing pursuant to R.C. 121.76(A)(1) and 121.76(A)(3).
10. **If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.**

Not Applicable

II. Fiscal Analysis

11. **As a result of this proposed rule, please estimate the increase / decrease in revenues or expenditures affecting this agency, or the state generally, in the current biennium or future years. If the proposed rule is likely to have a different fiscal effect in future years, please describe the expected difference and operation.**

This will have no impact on revenues or expenditures.

\$0.00

Not Applicable

12. **What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?**

License application/renewal fee of \$320.00 for every 50 beds or part thereof.

Potential late fee of \$100/week for non-payment of renewal fee in a timely manner.

Completion and submission of an application to operate a RCF and notice of changes to the information contained in the application.

Completion and submission of a renewal application.

Provision of additional information if requested.

Notification of closure of a home to ODH, residents/sponsors, and regional ombudsman.

13. **Does the rule increase local government costs? (If yes, you must complete an RSFA Part B).** No
14. **Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C).** No

III. Common Sense Initiative (CSI) Questions

15. **Was this rule filed with the Common Sense Initiative Office?** Yes
16. **Does this rule have an adverse impact on business?** Yes

- A. **Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business?** Yes

This rule requires a residential care facility to be licensed if it provides either:

Accommodations for seventeen or more unrelated individuals and supervision and personal care services for three or more of those individuals who are dependent on the services of others by reason of age or physical or mental impairment; or

Accommodations for three or more unrelated individuals, supervision and personal care services for at least three of those individuals who are dependent on the services of others by reason of age or physical or mental impairment, and, to at least one of those individuals, any of the skilled nursing care authorized by section 3721.011 of the Revised Code.

This licensure requirement protects Ohioans, who by age or infirmity require the services of a residential care facility.

- B. **Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms?** Yes

This rule sets forth grounds pursuant to RC sections 3721.03 and 3721.06 for denial of an initial application for licensure and revocation of a current license.

C. Does this rule require specific expenditures or the report of information as a condition of compliance? Yes

This rule requires an applicant for a license to operate a residential care facility to provide the Department of Health with information regarding the financial solvency of the licensee, the ownership of the licensee, any other facilities owned by the licensee, if the licensee is not the building owner, the name of the building owner, the name of any management agency contracted to run the RCF, and the statutory agent of the licensee. Also required are copies of the floor plan, the fire marshal's report on the licensed area, and the heating inspection report. This information is to be updated within ten days of change.

This information required to be reported to the Department of Health ensures that the health and safety of Ohioans, who by age or infirmity require the services of a residential care facility by ensuring the financial solvency and background of the potential licensee, and ensures the building in which the facility is to be located is has been inspected for fire safety requirements and has properly functioning utilities.