

MEMORANDUM

To: Aging Services of Georgia members
From: Public Policy Committee (Ken Weber/Alice Eckhardt, co-chairs)
Walter Coffey, President; Tom Bauer, Legislative Counsel
Date: May 24, 2010
RE: NEW Annual Licensure Fees – **RESPONSE REQUESTED by May 28th**

The Healthcare Facility Regulation Division (HFRD) of the Department of Community Health (DCH) received the DCH Board's permission last week to take through the public rule-making process a proposed set of amendments to the Rules and Regulations for Enforcement of Licensing Requirements, Chapter 111-8-25. The notice is posted on the DCH website as well as the Aging Services of Georgia FOR MEMBERS site at: http://www.agingervicesga.org/for_members.html. The public hearing is scheduled for June 17, 2010. Comments may be made orally at the hearing and/or in writing (by June 18) during the public comment period.

These proposed new amendments, which include new fees, are in response to the anticipated signing of HB 994 which requires DCH to charge licensing activity fees to all healthcare programs regulated by HFRD. HB 994 is part of an effort by the General Assembly to raise additional revenues by updating the entire fee structure for through all types of activities (not just health facilities).

The proposed amendments contain a fee schedule for all healthcare programs, including adult day centers. (You may recall that laws were passed creating licensing programs for this facility type, but that licensure program was not implemented because of funding shortfalls. Passage of these rules should allow them to implement this licensure program.)

The department elected to begin the rule-making process now without convening an informal rules advisory group to review a proposed draft. As you know, Aging Services of Georgia regularly participates in the advisory groups for issues like these. DCH anticipated that there would be so many varying opinions on fee schedules among interested healthcare providers, that it would be best to utilize the public comment forum as the vehicle for receiving and considering these comments. They wanted to allow adequate time for the public comment and hearing process and to make adjustments to fee schedules if necessary to ensure timely enactment of final rules.

Reminder: The State's budget for the new fiscal year begins July 1, 2010 and that budget anticipates the collection of fee revenues throughout the year for deposit into the State's treasury.

Under the proposed rules, existing licensed providers would have until October 31, 2010 to pay their annual fees with no enforcement actions for non-payment taking place before January 31, 2011.

Proposed schedule of fees of interest to Aging Services of Georgia: (NOTE: See full list under Schedule of Fees (8):

Application Processing/Organizational Change Fee: \$300

Adult Day Centers: \$250 social, \$350 medical models

Home Health Agencies/Hospice: \$1000

Nursing Homes: 1 - 99 beds: \$500; more than 99 beds: \$750

PCHs: less than 25: \$350; 25-50: \$750; more than 50: \$1500

We are bringing this to your attention so you can respond directly from your organization. If we can build consensus, we will offer comments from Aging Services of Georgia. While we know some members will see this as a cost of doing business, we know others (especially small providers) may feel more of the financial impact of these new fees.

The Aging Services of Georgia Public Policy Committee would like to propose lower fees as a draft for members to review and make comments. Please review the following draft of fees for a letter of response from the association.

Please let us know no later than THIS FRIDAY, May 28th, what you think about these suggested fees.

Proposed fee proposed by Aging Services of Georgia:

Application/Ownership Change Fee \$300 (keep the same as proposed by DCH)

*Adult Day Services \$150 social/\$300 medical

Assisted Living/PCH \$150 (less than 25)/\$300 (25-50)/\$450 (over 50)

Home Health/Hospice \$500

NH \$300 (under 99)/\$600 (over 99)

We also recommend a 50% discount for eligible organizations currently accredited by a nationally recognized accreditation organization approved by the department (for example CARF accreditation for assisted living). This suggestion reflects our view that by law fees are to correlate to regulatory costs, and the use of such accreditation programs would substantially reduce the effort required of DCH.

*Adult Day Services: As you know, there is no current licensure for adult day providers, but it development and plans are to implement soon. Remember, the “respite care services programs” (mostly small church-sponsored programs) are exempt from licensure, so this would not apply to them.