

Byron Mallott
Lieutenant Governor
State Capitol
Juneau, Alaska 99811
907.465.3520 465.5400 Fax
WWW.LTGOV.ALASKA.GOV



530 West 7th Ave, Suite 1700
Anchorage, Alaska 99501
907.269.7460 269.0263
LT.GOVERNOR@ALASKA.GOV

**OFFICE OF THE LIEUTENANT GOVERNOR
ALASKA**

MEMORANDUM

TO: Triptaa Surve
Department of Health & Social Services

FROM: Scott Meriwether, Office of the Lieutenant Governor 
465.4081

DATE: May 31, 2017

RE: Filed Permanent Regulations: Department of Health & Social Services

Department of Health and Social Services regulations re: licensure and related fees for facilities and local units (7 AAC 12.610; 7 AAC 12.615)

Attorney General File: JU2016200442
Regulation Filed: 5/30/2017
Effective Date: 6/29/2017
Print: 222, July 2017

cc with enclosures: Linda Miller, Department of Law
Judy Herndon, LexisNexis

ORDER ADOPTING CHANGES TO REGULATIONS
OF THE DEPARTMENT OF HEALTH & SOCIAL SERVICES

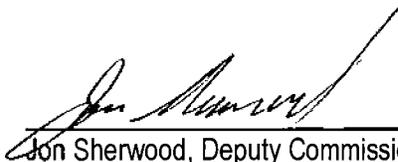
The attached 7 pages of regulations, dealing with Facilities and Local Units, Licensure, are adopted and certified to be a correct copy of the regulation changes that the Department of Health & Social Services adopts under the authority of AS 18.05.040; AS 18.20.080; AS 47.05.310; AS 47.32.010; AS 47.32.020; AS 47.32.030; AS 47.32.040; AS 47.32.050; AS 47.32.060; AS 47.32.130; and AS 47.32.140, and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

In considering public comments, the Department of Health & Social Services paid special attention to the cost to private persons of the regulatory action being taken.

The regulation changes adopted under this order take effect on the 30th day after they have been filed by the lieutenant governor, as provided in AS 44.62.180.

Date: 5-25-17



Jon Sherwood, Deputy Commissioner
Department of Health & Social Services

FILING CERTIFICATION

I, Byron Mallott, Lieutenant Governor for the State of Alaska, certify that¹ on May 30,
2017, at 105p.m., I filed the attached regulations according to the provisions of AS 44.62.040 -
44.62.120.



Byron Mallott, Lieutenant Governor

Effective: June 29, 2017

Register: 222, July 2017

7 AAC 12.610(a) is amended to read:

(a) Unless exempt under 7 AAC 12.611, before an individual or entity may operate a facility subject to AS 47.32 and this chapter, the individual or entity must obtain a license from the department under AS 47.32 and this section. The department may bring an action to enjoin the operation of a facility that has failed to obtain a license as required under AS 47.32 and this chapter. **In addition to meeting the applicable requirements of this section, an applicant for licensure of a**

(1) hospice agency must also meet the licensure requirements of 7 AAC

12.312;

(2) free-standing birth center must also meet the licensure requirements of

7 AAC 12.404;

(3) frontier extended stay clinic must also meet the licensure requirements of

7 AAC 12.457; or

(4) home health agency must also meet the licensure requirements of 7 AAC

12.500 - 7 AAC 12.590.

The introductory language of 7 AAC 12.610(d) is amended to read:

(d) **A biennial license issued under AS 47.32.050(b) becomes valid July 1 of an even-numbered year and expires June 30 of the next even-numbered year.** An application for renewal of a biennial license must be submitted, and will be reviewed, in accordance with AS 47.32.060. **A renewed biennial license becomes valid July 1 of the biennial licensing period after the previous license expired and expires June 30 of the next even-numbered**

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year. In addition to any noncompliance with the applicable provisions of AS 47.32 and this chapter, grounds for nonrenewal include

...

(Eff. 11/19/83, Register 88; am 6/28/84, Register 90; am 9/1/2000, Register 155; am 12/3/2006, Register 180; am 9/30/2007, Register 183; am 6/29/2017, Register 222)

Authority:	AS 18.05.040	AS 47.32.020	AS 47.32.060
	AS 18.20.080	AS 47.32.030	AS 47.32.130
	AS 47.05.310	AS 47.32.040	AS 47.32.140
	AS 47.32.010	AS 47.32.050	<u>AS 47.32.900</u>

7 AAC 12 is amended by adding a new section to read:

7 AAC 12.615. Facility fees. (a) An application under AS 47.32.040 from a facility for a license must be accompanied by the following fees to cover the provisional licensure period:

- (1) for a hospital: \$2,000, plus \$85 per bed;
- (2) for a nursing facility within the meaning given in AS 47.32.900: \$1,000, plus \$125 per bed;
- (3) for an ambulatory surgical center, including an ambulatory surgical facility: \$650;
- (4) for a free-standing birth center: \$250;
- (5) for a home health agency within the meaning given in AS 47.32.900, fees as follows:

(A) a fee based on total employee full-time equivalents (FTEs) to include any full-time equivalents at any subunit or branch, as follows:

- (i) five or fewer full-time equivalents: \$1,000;
- (ii) six to 15 full-time equivalents: \$1,500;
- (iii) 16 to 50 full-time equivalents: \$2,000;
- (iv) 51 or more full-time equivalents: \$3,000;

(B) in addition to the applicable fee under (A) of this paragraph, \$500 for each separate subunit or branch that the home health agency includes in the home health agency's license;

(6) for a hospice agency, fees as follows:

(A) for a parent hospice agency and each agency that operates as a subunit under a parent hospital agency, fees as follows:

- (i) a volunteer hospice that primarily provides hospice services where a client lives or stays: \$100;
- (ii) a non-volunteer hospice that primarily provides hospice services where a client lives or stays: \$250;
- (iii) an inpatient hospice facility: \$250, plus \$75 per bed;

(B) in addition to the applicable fee under (A) of this paragraph, \$100 for each separate subunit that the parent hospice agency includes in the parent hospice agency's license;

(7) for a frontier extended stay clinic: \$250, plus \$100 for each bed used for extended stay patients.

(b) The department may extend, without charging a fee, a provisional license for one additional period not to exceed one year under AS 47.32.050(a).

(c) Before the department issues a facility a biennial license under AS 47.32.050(b), or before the department renews a biennial license under AS 47.32.060(a), the facility must pay the following fees:

- (1) for a hospital: \$4,000, plus \$170 per bed;
- (2) for a nursing facility within the meaning given in AS 47.32.900: \$2,000, plus \$250 per bed;
- (3) for an ambulatory surgical center, including an ambulatory surgical facility: \$1,300;
- (4) for a free-standing birth center: \$500;
- (5) for a home health agency within the meaning given in AS 47.32.900, fees as follows:

(A) a fee based on total employee full-time equivalents (FTEs) to include any full-time equivalents at any subunit or branch, as follows:

- (i) five or fewer full-time equivalents: \$2,000;
- (ii) six to 15 full-time equivalents: \$3,000;
- (iii) 16 to 50 full-time equivalents: \$4,000;
- (iv) 51 or more full-time equivalents: \$6,000;

(B) in addition to the applicable fee under (A) of this paragraph, \$1,000 for each separate subunit or branch that the home health agency includes in the home health agency's license;

(6) for a hospice agency, fees as follows:

(A) for a parent hospice agency and each agency that operates as a subunit under a parent hospital agency, fees as follows:

(i) for a volunteer hospice that primarily provides hospice services where a client lives or stays: \$200;

(ii) for a non-volunteer hospice that primarily provides hospice services where a client lives or stays: \$500;

(iii) for an inpatient hospice facility: \$500, plus \$150 per bed;

(B) in addition to the applicable fee under (A) of this paragraph, \$200 for each separate subunit that the parent hospice agency includes in the parent hospice agency's license;

(7) for a frontier extended stay clinic: \$500, plus \$200 for each bed used for extended stay patients.

(d) If an inspection reveals noncompliance with AS 47.32 or this chapter, a facility shall pay, not later than 30 days after the revisit, a revisit fee as follows for each additional onsite visit by the department that results from failure of the facility to achieve and maintain compliance within a reasonable time set by the department:

(1) for a hospital: \$500;

(2) for a nursing facility within the meaning given in AS 47.32.900: \$500;

(3) for an ambulatory surgical center, including an ambulatory surgical facility: \$250;

(4) for a free-standing birth center: \$150;

(5) for a home health agency within the meaning given in AS 47.32.900: \$150;

(6) for a hospice agency: \$100;

(7) for a frontier extended stay clinic: \$250.

(e) If a facility changes location, the department will make an onsite visit and inspection of the new location. The facility shall pay the applicable fee in (d) of this section that the department would charge for a revisit.

(f) A fee due under this section is nonrefundable.

(g) Violation of this section may result in an enforcement action under AS 47.32.140.

(h) If a facility applies for a license modification to expand capacity to serve additional patients, residents, or clients, and the application is not part of an application submitted timely under AS 47.32.060 and 7 AAC 12.610(d) for renewal of a biennial license, the facility shall pay the applicable bed fee required under (a) of this section for each additional bed, regardless of the amount of time left in the current biennial licensing period.

(i) If a home health agency within the meaning given in AS 47.32.900 applies for a license modification to add a subunit or branch, and the application is not part of an application submitted timely under AS 47.32.060 and 7 AAC 12.610(d) for renewal of a biennial license, the home health agency shall pay the appropriate fees in (a) of this section for each new subunit or branch and any fees associated with additional full-time equivalents, regardless of the amount of time left in the current biennial licensing period.

(j) If a facility applies for a license modification for a reason not otherwise set out in this section, and the application is not part of an application submitted timely under AS 47.32.060 and 7 AAC 12.610(d) for renewal of a biennial license, the facility shall pay a modification fee

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of \$250, regardless of the amount of time left in the current biennial licensing period.

(k) A facility that the state owns and operates is exempt from paying a fee set out in this section. (Eff. 6/29/2017, Register 222)

Authority:	AS 18.05.040	AS 47.32.030	AS 47.32.060
	AS 18.20.080	AS 47.32.040	AS 47.32.130
	AS 47.32.010	AS 47.32.050	AS 47.32.140
	AS 47.32.020		