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Fast-Track Regulation Agency Background Document

Agency name	State Board of Health	
Virginia Administrative Code (VAC) Chapter citation(s)		
VAC Chapter title(s)	Regulations for the Licensure of Nursing Facilities	
Action title	Amend Regulation after Enactment of Chapters 712 and 772 of the 2022 Acts of Assembly	
Date this document prepared	November 16, 2022	

This information is required for executive branch review and the Virginia Registrar of Regulations, pursuant to the Virginia Administrative Process Act (APA), Executive Order 19 (2022) (EO 19), any instructions or procedures issued by the Office of Regulatory Management (ORM) or the Department of Planning and Budget (DPB) pursuant to EO 19, the Regulations for Filing and Publishing Agency Regulations (1 VAC 7-10), and the *Form and Style Requirements for the Virginia Register of Regulations and Virginia Administrative Code*.

Brief Summary

Provide a brief summary (preferably no more than 2 or 3 paragraphs) of this regulatory change (i.e., new regulation, amendments to an existing regulation, or repeal of an existing regulation). Alert the reader to all substantive matters. If applicable, generally describe the existing regulation.

Chapters 712 and 772 of the 2022 Acts of Assembly require the State Board of Health to amend its nursing home regulation to exempt from licensure temporary increase in the total number of beds in an existing nursing home to include "a temporary increase in the total number of beds resulting from the addition of beds at a temporary structure or satellite location operated by the…nursing home, provided that the ability remains to safely staff services across the existing…nursing home." These acts also amended the exemption to now also be triggered by an emergency order entered pursuant to Va. Code § 32.1-13 or 32.1-20 for the purpose of suppressing a nuisance dangerous to public health or a communicable, contagious, or infectious disease or other danger to the public life and health.

The duration of this exemption was amended to be either "a period of no more than the duration of the Commissioner's determination plus 30 days...when the Commissioner has determined that a natural or man-made disaster has caused the evacuation of a hospital or nursing home and that a public health

Town Hall Agency Background Document

emergency exists due to a shortage of hospital or nursing home beds" or "a period of no more than the duration of the emergency order entered pursuant to § 32.1-13 or 32.1-20 plus 30 days."

Acronyms and Definitions

Define all acronyms used in this form, and any technical terms that are not also defined in the "Definitions" section of the regulation.

"Board" means the State Board of Health.

"Commissioner" means the State Health Commissioner.

"COPN" means a Certificate of Public Need.

"VDH" means the Virginia Department of Health.

Statement of Final Agency Action

Provide a statement of the final action taken by the agency including: 1) the date the action was taken; 2) the name of the agency taking the action; and 3) the title of the regulation.

The Board approved the fast-track amendments for 12VAC5-371-10 *et seq.*, Regulations for the Licensure of Nursing Facilities on June 23, 2022.

Mandate and Impetus

Identify the mandate for this regulatory change and any other impetus that specifically prompted its initiation (e.g., new or modified mandate, petition for rulemaking, periodic review, or board decision). For purposes of executive branch review, "mandate" has the same meaning as defined in the ORM procedures, "a directive from the General Assembly, the federal government, or a court that requires that a regulation be promulgated, amended, or repealed in whole or part."

Consistent with Virginia Code § 2.2-4012.1, also explain why this rulemaking is expected to be noncontroversial and therefore appropriate for the fast-track rulemaking process.

Chapters 712 and 772 of the 2022 Acts of Assembly require the State Board of Health to amend its nursing home regulation to exempt from licensure a temporary increase in the total number of beds in an existing nursing home to include "a temporary increase in the total number of beds resulting from the addition of beds at a temporary structure or satellite location operated by the…nursing home, provided that the ability remains to safely staff services across the existing…nursing home." These acts also amended the exemption to now also be triggered by an emergency order entered pursuant to Va. Code § 32.1-13 or 32.1-20 for the purpose of suppressing a nuisance dangerous to public health or a communicable, contagious, or infectious disease or other danger to the public life and health. These acts also amended the duration of the exemption.

It is anticipated that this action will be noncontroversial and therefore appropriate for the fast-track process because the minimum information required when requesting temporary beds and the process described in the regulatory action is consistent with the minimum information that was requested of nursing homes and the process that was utilized during the COVID-19 pandemic pursuant to Executive Orders 52 (2020), 84 (2022), 11 (2022), and 16 (2022).

Legal Basis

Identify (1) the promulgating agency, and (2) the state and/or federal legal authority for the regulatory change, including the most relevant citations to the Code of Virginia and Acts of Assembly chapter number(s), if applicable. Your citation must include a specific provision, if any, authorizing the promulgating agency to regulate this specific subject or program, as well as a reference to the agency's overall regulatory authority.

This regulation is promulgated under the authority of Va. Code §§ 32.1-12 and 32.1-127(B)(24). Va. Code § 32.1-12 grants the Board the legal authority "to make, adopt, promulgate, and enforce such regulations…as may be necessary to carry out the provisions of this title and other laws of the Commonwealth administered by it, the Commissioner, or the Department."

Va. Code § 32.1-127(B)(24) states that the Board shall promulgate regulations that "establish an exemption from the requirement to obtain a license to add temporary beds in an existing...nursing home, including beds located in a temporary structure or satellite location operated by the...nursing home, provided that the ability remains to safely staff services across the existing...nursing home, (i) for a period of no more than the duration of the Commissioner's determination plus 30 days when the Commissioner has determined that a natural or man-made disaster has caused the evacuation of a hospital or nursing home and that a public health emergency exists due to a shortage of...nursing home beds or (ii) for a period of no more than the duration of the Commissioner, pursuant to § 32.1-13 or 32.1-20 plus 30 days when the Board, pursuant to § 32.1-13, or the Commissioner, pursuant to § 32.1-20, has entered an emergency order for the purpose of suppressing a nuisance dangerous to public health or a communicable, contagious, or infectious disease or other danger to the public life and health [.]"

Purpose

Explain the need for the regulatory change, including a description of: (1) the rationale or justification, (2) the specific reasons the regulatory change is essential to protect the health, safety or welfare of citizens, and (3) the goals of the regulatory change and the problems it is intended to solve.

The rationale or justification of the regulatory change is that the General Assembly has mandated that the existing regulatory flexibilities for nursing home licensure for man-made or natural disasters be modified in light of the Commonwealth's experience during the COVID-19 pandemic and the impact of nursing home licensure statues and regulations on the ability of nursing homes to rapidly expand bed capacity.

The specific reason the regulatory change is essential to protect the health, safety, or welfare of citizens are that normal state controls on the nursing home bed inventory in the Commonwealth have proven to be too inflexible during certain public health emergencies where demand for beds outstrips both the current inventory and the mandated processes by which additional inventory can be authorized. These amended exemption regulations will allow nursing homes to temporarily increase their bed inventory in response to disasters and other public health emergencies, while still allowing the Commissioner sufficient oversight to ensure the beds are being operated and staffed safely.

The goals of the regulatory change is to create an expeditious process by which nursing homes can request temporary beds while ensuring that the Commissioner and VDH have sufficient information to take action on the request.

Substance

Briefly identify and explain the new substantive provisions, the substantive changes to existing sections, or both. A more detailed discussion is provided in the "Detail of Changes" section below.

<u>12VAC5-371-30. License.</u>

Clarifies what information appears on the face of the nursing home license and where the new exemption process is located in the regulations.

12VAC5-371-40. Licensing process.

Removes the existing disaster exemption language.

12VAC5-371-45. Exemption from licensure.

Creates a new process that is exempt from licensure to allow nursing homes to temporarily increase their bed inventory during disasters or other public health emergencies.

12VAC5-371-9998. FORMS.

Amended to include the new form specified in Section 45.

Issues

Identify the issues associated with the regulatory change, including: 1) the primary advantages and disadvantages to the public, such as individual private citizens or businesses, of implementing the new or amended provisions; 2) the primary advantages and disadvantages to the agency or the Commonwealth; and 3) other pertinent matters of interest to the regulated community, government officials, and the public. If there are no disadvantages to the public or the Commonwealth, include a specific statement to that effect.

The primary advantages to the public of implementing the amended provisions are the ability to rapidly and temporarily increase nursing home bed inventory during disasters or other public health emergencies while preserving life safety code protections and safe staffing. The primary advantages to the Commonwealth of implementing the amended provisions are a new exemption process that grants more discretion and flexibility to the Board and Commissioner in responding to public health emergencies for which additional bed inventory is needed without needing either a legislative amendment to the Code of Virginia or an executive order from the Governor. There are no primary disadvantages to the public or the Commonwealth. There Board is not aware of any other pertinent matters of interest to the regulated community, government officials, and the public.

Requirements More Restrictive than Federal

Identify and describe any requirement of the regulatory change which is more restrictive than applicable federal requirements. Include a specific citation for each applicable federal requirement, and a rationale for the need for the more restrictive requirements. If there are no applicable federal requirements, or no requirements that exceed applicable federal requirements, include a specific statement to that effect.

There are no applicable federal requirements.

Agencies, Localities, and Other Entities Particularly Affected

Consistent with § 2.2-4007.04 of the Code of Virginia, identify any other state agencies, localities, or other entities particularly affected by the regulatory change. Other entities could include local partners such as tribal governments, school boards, community services boards, and similar regional organizations. "Particularly affected" are those that are likely to bear any identified disproportionate material impact which

Town Hall Agency Background Document

would not be experienced by other agencies, localities, or entities. "Locality" can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulation or regulatory change are most likely to occur. If no agency, locality, or entity is particularly affected, include a specific statement to that effect.

Other State Agencies Particularly Affected

The two licensed nursing facilities operated by the Department of Veterans Services will be particularly affected.

Localities Particularly Affected

The licensed nursing facility operated by Count of Bedford will be particularly affected.

Other Entities Particularly Affected

The 286 licensed nursing facilities (including those operated by the County of Bedford and the Department of Veterans Services) and applicants for nursing facility licensure will be particularly affected.

Economic Impact

Consistent with § 2.2-4007.04 of the Code of Virginia, identify all specific economic impacts (costs and/or benefits), anticipated to result from the regulatory change. When describing a particular economic impact, specify which new requirement or change in requirement creates the anticipated economic impact. Keep in mind that this is the proposed change versus the status quo.

Impact on State Agencies

 For your agency: projected costs, savings, fees or revenues resulting from the regulatory change, including: a) fund source / fund detail; b) delineation of one-time versus on-going expenditures; and c) whether any costs or revenue loss can be absorbed within existing resources 	There are no projected costs, savings, fees or revenues resulting from the regulatory change.
<i>For other state agencies</i> : projected costs, savings, fees or revenues resulting from the regulatory change, including a delineation of one-time versus on-going expenditures.	There are no projected costs, savings, fees or revenues resulting from the regulatory change.
<i>For all agencies:</i> Benefits the regulatory change is designed to produce.	The benefits of this regulatory change is creation of an expeditious process by which nursing homes can request temporary beds during disasters or emergencies.

Impact on Localities

If this analysis has been reported on the ORM Economic Impact form, indicate the tables (1a or 2) on which it was reported. Information provided on that form need not be repeated here.

Projected costs, savings, fees or revenues resulting	There are no projected costs, savings, fees or
from the regulatory change.	revenues resulting from the regulatory change.

Benefits the regulatory change is designed to produce.	The benefits of this regulatory change is creation
	of an expeditious process by which nursing homes
	can request temporary beds during disasters or
	emergencies.

Impact on Other Entities

If this analysis has been reported on the ORM Economic Impact form, indicate the tables (1a, 3, or 4) on which it was reported. Information provided on that form need not be repeated here.

Description of the individuals, businesses, or other entities likely to be affected by the regulatory change. If no other entities will be affected, include a specific statement to that effect.	Existing nursing homes.
Agency's best estimate of the number of such entities that will be affected. Include an estimate of the number of small businesses affected. Small business means a business entity, including its affiliates, that: a) is independently owned and operated and; b) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.	The 286 licensed nursing facilities (including those operated by the Department of Veterans Services and the County of Bedford) will be required to comply with the regulatory change. VDH does not have sufficient information to determine which nursing facilities have fewer than 500 full-time employees.
All projected costs for affected individuals, businesses, or other entities resulting from the regulatory change. Be specific and include all costs including, but not limited to: a) projected reporting, recordkeeping, and other administrative costs required for compliance by small businesses; b) specify any costs related to the development of real estate for commercial or residential purposes that are a consequence of the regulatory change; c) fees; d) purchases of equipment or services; and e) time required to comply with the requirements.	There are no projected costs, savings, fees or revenues resulting from the regulatory change.
Benefits the regulatory change is designed to produce.	The benefits of this regulatory change is creation of an expeditious process by which hospitals and nursing homes can request temporary beds during disasters or emergencies.

Alternatives to Regulation

Describe any viable alternatives to the regulatory change that were considered, and the rationale used by the agency to select the least burdensome or intrusive alternative that meets the essential purpose of the regulatory change. Also, include discussion of less intrusive or less costly alternatives for small businesses, as defined in § 2.2-4007.1 of the Code of Virginia, of achieving the purpose of the regulatory change.

There are no viable alternatives to the regulatory change as the Board has no other method other than the promulgation or amendment of regulations to create the mandated regulatory exemption from nursing home licensure.

Regulatory Flexibility Analysis

Consistent with § 2.2-4007.1 B of the Code of Virginia, describe the agency's analysis of alternative regulatory methods, consistent with health, safety, environmental, and economic welfare, that will accomplish the objectives of applicable law while minimizing the adverse impact on small business. Alternative regulatory methods include, at a minimum: 1) establishing less stringent compliance or reporting requirements; 2) establishing less stringent schedules or deadlines for compliance or reporting requirements; 3) consolidation or simplification of compliance or reporting requirements; 4) establishing performance standards for small businesses to replace design or operational standards required in the proposed regulation; and 5) the exemption of small businesses from all or any part of the requirements contained in the regulatory change.

There are no alternative regulatory methods that will accomplish the objectives of applicable law. The Board is required by the General Assembly to regulate the nursing homes under a licensure program. The Board has no other method other than the promulgation or amendment of regulations to create the mandated regulatory exemption from nursing home licensure. The Board has put forth thoughtful consideration about the burdens of the new regulatory requirements and has limited these amendments to those necessary to protect the health, safety, and welfare of the public.

Public Participation

Indicate how the public should contact the agency to submit comments on this regulation, and whether a public hearing will be held, by completing the text below.

Consistent with § 2.2-4011 of the Code of Virginia, if an objection to the use of the fast-track process is received within the 30-day public comment period from 10 or more persons, any member of the applicable standing committee of either house of the General Assembly or of the Joint Commission on Administrative Rules, the agency shall: 1) file notice of the objections with the Registrar of Regulations for publication in the Virginia Register and 2) proceed with the normal promulgation process with the initial publication of the fast-track regulation serving as the Notice of Intended Regulatory Action.

If you are objecting to the use of the fast-track process as the means of promulgating this regulation, please clearly indicate your objection in your comment. Please also indicate the nature of, and reason for, your objection to using this process.

The Board is providing an opportunity for comments on this regulatory proposal, including but not limited to (i) the costs and benefits of the regulatory proposal and any alternative approaches, (ii) the potential impacts of the regulation, and (iii) the agency's regulatory flexibility analysis stated in this background document.

Anyone wishing to submit written comments for the public comment file may do so through the Public Comment Forums feature of the Virginia Regulatory Town Hall web site at: <u>https://townhall.virginia.gov</u>. Comments may also be submitted by mail, email or fax to Rebekah E. Allen, Senior Policy Analyst, Virginia Department of Health, Office of Licensure and Certification, 9960 Mayland Drive, Suite 401, Henrico, VA 23233; email: regulatorycomment@vdh.virginia.gov; fax: (804) 527-4502. In order to be considered, comments must be received by 11:59 pm on the last day of the public comment period.

Detail of Changes

List all regulatory changes and the consequences of the changes. Explain the new requirements and what they mean rather than merely quoting the text of the regulation. For example, describe the intent of the

language and the expected impact. Describe the difference between existing requirement(s) and/or agency practice(s) and what is being proposed in this regulatory change. Use all tables that apply, but delete inapplicable tables.

Current chapter- section number	New chapter- section number, if applicable	Current requirements in VAC	Change, intent, rationale, and likely impact of new requirements
371-30	N/A	12VAC5-371-30. License.	CHANGE: The Board is proposing the following change:
		C. Each license and renewal thereof shall be issued for one year. A nursing facility shall operate within the terms of its license, which include the: 1. Name of the nursing facility; 2. Name of the operator; 3. Physical location of the nursing facility; 4. Maximum number of beds allowed; and 5. Date the license expires. * * * F. The number of resident beds allowed in a nursing facility shall be determined by the department. Requests to increase beds must be made in writing and must include an approved Certificate of Public Need, except as provided in 12VAC5-371-40 G.	12VAC5-371-30. License. * * * * C. Each license and renewal thereof shall be issued for one year. A-nursing facility shall operate within the terms of its license, which include the Each license issued by the commissioner shall specify: 1. Name of the nursing facility; 2. Name of the operator; 3. Physical location of the nursing facility; 4. Maximum number of beds allowed, excluding temporary beds added pursuant to 12VAC5- 371-45; and 5. Date the license expires. * * * F. The number of resident beds allowed in a nursing facility shall be determined by the department. Requests to increase beds must be made in writing and must include an approved Certificate of Public Need, except as provided in 12VAC5-371-40-G 12VAC5-371-45. * * *
		Statutory Authority §§ 32.1-12 and 32.1-127 of the Code of Virginia.	§§ 32.1-12 and 32.1-127 of the Code of Virginia.
		and be an engineer.	INTENT: The intent for the new requirements is conform the regulatory text about nursing home licenses to that found in 12VAC5-410 for hospitals.
			RATIONALE: The rationale for the new requirements is the current language is unclear that the items listed in subsection

Table 1: Changes to Existing VAC Chapter(s)

371-40	N/A	12VAC5-371-40. Licensing process. * * * G. Nursing facilities shall be exempt, for a period of no more than 30 days, from the requirement to obtain a license to add temporary beds when the commissioner has determined that a natural or man-made disaster has caused the evacuation of a hospital or nursing home and that a public health emergency exists due to a shortage of hospital or nursing home beds. H. The licensee shall submit I. It is the licensee's responsibility to Statutory Authority §§ 32.1-12 and 32.1-127 of the Code of Virginia.	C are what actually appear on the face of a nursing home license. LIKELY IMPACT: The likely impact of the new requirements is improved clarity about what the face of a nursing home license will and will not contain. CHANGE: The Board is proposing the following change: 12VAC5-371-40. Licensing process. * * * G. Nursing facilities shall be exempt, for a period of no more than 30 days, from the requirement to obtain a license to add temporary beds when the commissioner has determined that a natural or man- made disaster has caused the evacuation of a hospital or nursing home and that a public health emergency exists due to a shortage of hospital or nursing home beds. H. G. The licensee shall submit i. H. It is the licensee's responsibility to Statutory Authority §§ 32.1-12 and 32.1-127 of the Code of Virginia. INTENT: The intent for this change is to remove the prior disaster exemption language RATIONALE: The rationale for this change is that the new regulatory requirements for exemption from licensure during disasters or public health emergencies should be in a separate regulatory section due to their length and that it is not a licensing process but rather an exception to it. LIKELY IMPACT: The likely impact of the new requirements is improved organization with the regulatory chapter, resulting in improved accessibility of the material.
IN/A	371-45	This is a new section	following change:

	<u>12VAC5-371-45. Exemption from</u> licensure.
	A. A nursing home shall be exempt
	from the requirement to obtain a
	Certificate of Public Need or a license to
	add temporary beds, including beds
	located in a temporary structure or
	satellite location operated by a nursing
	home:
	1. If the commissioner has
	determined that a natural disaster
	or man-made disaster has
	caused the evacuation of a
	hospital or nursing home and that
	a public health emergency exists
	due to a shortage of nursing
	home beds-; and
	2. If the board has entered an
	emergency order pursuant to §
	32.1-13 of the Code of Virginia or
	if the commissioner has entered
	an emergency order pursuant to
	§§ 32.1-13 and 32.1-20 of the
	Code of Virginia for the purpose
	of suppressing:
	<u>a. A nuisance dangerous to</u>
	public health;
	<u>b. A communicable,</u>
	contagious, or infectious
	<u>disease; or</u>
	c. Other danger to the public
	life and health.
	B. A nursing home may request
	temporary beds by filing a Request for
	Temporary Beds, OLC-1009-F (eff.
	06/22), with the OLC that includes:
	<u>1. The nursing home's name;</u>
	<u>2. The nursing home's license</u>
	<u>number;</u>
	3. The nursing home
	administrator's or his designee's
	<u>name;</u>
	4. The nursing home
	administrator's or his designee's
	name telephone number;
	5. The nursing home
	administrator's or his designee's
	name email address;
	<u></u>

<u>6. The number and type of</u>
temporary beds the nursing home
anticipates adding;
7. The planned use of the
temporary beds;
<u>8. The plans for staffing the</u>
temporary beds;
9. The efforts undertaken or to be
undertaken to reduce or eliminate
the number of temporary beds
needed;
10. The address of the building,
temporary structure, or satellite
location where the nursing home
intends to locate the temporary
beds;
11. The specific locations within
the building, temporary structure,
or satellite location where the
nursing home intends to locate
the temporary beds;
<u>12. Whether the locations</u>
identified in subdivision B 11 of
this section meet life safety code
requirements for the type of
residents expected to occupy
those temporary beds;
<u>13. If life safety code</u>
requirements are not currently
met for the locations identified in
subdivision B 11 of this section,
what action the nursing home will
take to meet life safety code
requirements; and
<u>14. Any other information that the</u>
board or commissioner may
request.
<u>C. The nursing home shall provide</u>
additional information as may be
requested or required by the
commissioner to evaluate the temporary
bed request.
D. The commissioner shall notify the
nursing home in writing of the
commissioner's decision on the
temporary bed request. If granted, the
commissioner may attach conditions to
the approval that, in the sole judgment of the commissioner, protects the public's or
residents' health, safety, or welfare.

E. The nursing home may not add
temporary beds unless its request has
been granted and may not operate
temporary beds more than 30 days after
the expiration of:
<u>1. The commissioner's</u>
determination pursuant to
subdivision A 1 of this section; or
2. The board's or the
commissioner's emergency order
pursuant to subdivision A 2 of this
section.
F. The nursing home shall notify the
OLC in writing within 24 hours of opening
a temporary bed and within 24 hours of
closing a temporary bed.
<u>G. The OLC shall promptly inform the</u> Department of Medical Assistance
Services and the Centers for Medicare
and Medicaid Services of the identity of
any nursing home certified as a Medicare
provider or Medicaid provider or both that
fails to comply with subsection E of this
section.
<u>H. The commissioner may rescind or</u>
modify the approval of a temporary bed request if:
<u>1. Additional information</u>
becomes known that alters the
basis for the original approval,
including if the nursing home
added temporary beds prior to
receiving the approval; or
2. The nursing home fails to meet
any conditions attached to the
<u>approval.</u>
Statutory Authority
§ <u>§ 32.1-12 and 32.1-127</u> of the Code of
Virginia.
INTENT: The intent of the new
requirements is detail the minimum
required information to request temporary
beds, the process for requesting
temporary beds, and what the obligations
are of each party in the process.
DATIONALE. The retionals for the new
RATIONALE: The rationale for the new requirements is to recreate a level of
requirements is to recreate a level of information-sharing and processes
familiar to nursing homes that were
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			utilized during the COVID-19 pandemic to temporary increase bed capacity. LIKELY IMPACT: The likely impact of the new requirements is clarity regarding what nursing homes should do when temporary beds are needed when a disaster has caused an evacuation of another hospital or nursing home or when an emergency order from the Board or the Commissioner has been issued.
371- 9998	N/A	FORMS (12VAC5-371) Application for License Renewal: Nursing Homes (rev. 9/06). Application for License Renewal: Nursing Homes; Mid Year, Initial and Changes (rev. 9/06).	 CHANGE: The Board is proposing the following change: FORMS (12VAC5-371) Application for License Renewal: Nursing Homes (rev. 9/06). Application for License Renewal: Nursing Homes; Mid Year, Initial and Changes (rev. 9/06). <u>Request for Temporary Beds, OLC-1009-F (eff. 06/22).</u> INTENT: The intent of the new requirements is for nursing homes to use this form when requesting temporary beds. RATIONALE: The rationale for the new requirements is to standardize the information being provided to VDH when temporary beds are being requested. LIKELY IMPACT: The likely impact of the new requirements is consistency in the information and data being received by VDH.