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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
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Office

H.B. 509
133rd General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 509's Bill Analysis](#)

Version: As Passed by the House

Primary Sponsor: Rep. Fraizer

Local Impact Statement Procedure Required: No

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Highlights

- The Ohio Department of Health (ODH) will experience an increase in costs to conduct expedited licensing inspections for existing residential care facilities and to promulgate rules. The total cost will depend on the number and scope of requests.

Detailed Analysis

Expedited licensing inspections

The bill permits licensed residential care facilities to request an expedited licensing inspection when a facility is seeking to increase or decrease the facility's licensed capacity or to make any other change for which the Director of Health requires a licensing inspection to be conducted. Inspections of residential care facilities are conducted by Ohio Department of Health (ODH) surveyors; thus, there will be costs to ODH to conduct these inspections and to adopt any necessary rules. Overall costs for ODH will depend on the number and scope of expedited licensing inspection applications received. Between 2017 and November 23, 2020, ODH conducted about 64 inspections for capacity changes for residential care facilities. It is unknown how many of these might request an expedite. Additionally, if ODH could collect fee revenues for these expedited inspections, these revenues could offset a portion of costs.

ODH currently has a process for expedited licensing inspections for new applicants for licensure for residential care facilities, nursing homes, homes for the aging, and veterans' homes. If, before receiving a license, an entity requests an expedited licensing inspection, ODH is required to conduct the inspection no later than ten days after receipt of the request. According to materials on ODH's website, to request an expedited licensure inspection, the residential care facility must submit a complete initial application requesting an expedited initial inspection, any

other required documentation, the initial application fee (this varies according to number of facility beds), and a fee of \$2,250.¹

ODH inspection statistics

ODH currently has 145 surveyors on payroll. Surveyors conducted 9,563 surveys in 2019, 9,186 surveys in 2018, and 8,908 in 2017. These surveys include initial, recertification, post-survey revisits, and complaints for nursing facilities, residential care facilities, and intermediate care facilities for individuals with intellectual disabilities. The length of time devoted to inspections ranges based on the type and scope of inspection, with some recertifications taking up to a week to complete. ODH must meet federal and/or state timelines for surveys. Between 2017 and November 23, 2020, ODH conducted about 119 new build inspections and 64 inspections for capacity changes for residential care facilities. ODH states that it does not keep track of how many expedited inspection requests were received for the 119 new inspections. Residential care facilities are charged fees for initial applications and recertifications that are based on the number of beds in a facility. The fees begin at \$320 for up to 50 beds, \$640 for 51 to 100 beds, and increase by \$320 for every additional 50 beds.

Reviewing building plans

The bill also makes updates to Revised Code sections dealing with reviewing building plans. This update removes language that ODH states is no longer relevant, so there will be no fiscal impact.

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¹ ODH Residential Care Facility Initial Application. https://odh.ohio.gov/wps/wcm/connect/gov/afb6ba60-2b5f-4736-8a08-b9684f2d19e2/RCF+Initial+Lic+Packet082018.pdf?MOD=AJPERES&CONVERT_TO=url&CACHEID=ROOTWORKSPACE.Z18_M1HGGIK0N0JO00QO9DDDDM3000-afb6ba60-2b5f-4736-8a08-b9684f2d19e2-mr13M9Q.