

5123-3-06

**Licensed residential facilities - compliance reviews, issuance of licenses, and adverse actions.**

(A) Purpose

This rule sets forth processes for reviews conducted by the department to ensure compliance by residential facilities licensed in accordance with section 5123.19 of the Revised Code, the issuance of licenses for residential facilities operating in accordance with Chapters ~~5123. and 5124.~~ 5123 and 5124 of the Revised Code, and adverse actions for residential facilities not operating in accordance with Chapters ~~5123. and 5124.~~ 5123 and 5124 of the Revised Code.

(B) Definitions

For the purposes of this rule, the following definitions apply:

- (1) "Administrator" means the person responsible for administration of the residential facility who ~~shall be~~ is directly and actively involved in the day-to-day operation of the residential facility and ~~oversee~~ oversees provision of services by the residential facility.
- (2) "Business day" means a day of the week, excluding Saturday, Sunday, or a legal holiday as defined in section 1.14 of the Revised Code.
- (3) "Compliance review" means a review of a residential facility conducted by the department or its designee for the purpose of determining compliance with applicable requirements in order to ensure the health, safety, and welfare of individuals served. The department may, based upon a compliance review, issue a citation and require immediate corrective action when it determines that a violation poses an immediate and substantial risk to the health and safety of residents.
- (4) "County board" means a county board of developmental disabilities.
- (5) "Department" means the Ohio department of developmental disabilities.
- (6) "Home and community-based services" has the same meaning as in section 5123.01 of the Revised Code.
- (7) "Individual" means a person with a developmental disability.
- (8) "Intermediate care facility for individuals with intellectual disabilities" has the same meaning as in section 5124.01 of the Revised Code.

- (9) "License" means written approval by the department to a licensee to operate a residential facility. For purposes of this rule, "license" does not include an interim license issued in accordance with rule 5123-3-08 of the Administrative Code.
- (10) "Licensee" has the same meaning as in section 5123.19 of the Revised Code.
- (11) "Major unusual incident" has the same meaning as in rule 5123-17-02 of the Administrative Code.
- (12) "Operator" means the entity responsible for management of and provision of services at the residential facility.
- (13) "Residential facility" has the same meaning as in section 5123.19 of the Revised Code.

(C) Frequency and types of compliance reviews

- (1) The department will conduct a compliance review of a residential facility at least once during the term of the license and may conduct additional compliance reviews as determined by the department.
- (2) There are three types of compliance reviews:
  - (a) Routine compliance reviews conducted so that each residential facility is reviewed once during the term of its license.
  - (b) Abbreviated compliance reviews conducted so that each residential facility is reviewed once during the term of its license for a residential facility that holds accreditation by a national accrediting entity ~~as demonstration that the residential facility is meeting applicable requirements.~~ An abbreviated compliance review focuses on individuals served and their health and safety, examines fewer policies, and relies on smaller sample sizes of staff and individuals served.
    - (i) A residential facility that is accredited by a national accrediting entity may be eligible for an abbreviated compliance review when the standards of the national accrediting entity:
      - (a) Meet or exceed the department's standards;

- (b) Are compatible with the centers for medicare and medicaid services home and community-based services core set of quality measures, when applicable;
  - (c) Focus on achievement of desired outcomes for individuals served; and
  - (d) Ensure the health and safety of individuals served.
- (ii) An abbreviated compliance review will examine the residential facility's compliance with applicable requirements regarding:
  - (a) Background investigations of the licensee and/or operator and background investigations and training of the residential facility's administrator and employees;
  - (b) Behavioral support strategies;
  - (c) Medication administration;
  - (d) Major unusual incidents; and
  - (e) ~~Community participation and integration~~Service delivery.
- (iii) To be eligible for an abbreviated compliance review, the residential facility ~~shall~~ will submit a written request to the department that includes a copy of the most recent survey/review of the residential facility by the national accrediting entity.
- (iv) The residential facility ~~shall~~ will notify the department in writing within ten calendar days if the residential facility's accreditation by the national accrediting entity is amended, suspended, terminated, or not renewed and provide a copy of related correspondence from the national accrediting entity.
- (v) ~~Abbreviated compliance reviews~~An abbreviated compliance review may not be available when:
  - (a) The residential facility has not yet received an initial routine compliance review by the department;

- (b) The residential facility has had multiple or significant substantiated major unusual incidents since the most recent compliance review by the department or survey/review by the national accrediting entity;
    - (c) The operator's management team or the residential facility's administrator has changed since the most recent compliance review by the department or survey/review by the national accrediting entity; or
    - (d) The residential facility's accreditation by the national accrediting entity has been amended or suspended.
  - (c) Special compliance reviews conducted in response to a complaint, a major unusual incident, or any situation where there is reason to believe that the residential facility is not being operated in compliance with Chapters ~~5123. and 5124.~~ [5123 and 5124](#) of the Revised Code or rules adopted under those chapters.
    - (i) Special compliance reviews may be announced or unannounced.
    - (ii) Upon receipt of a complaint, department staff will:
      - (a) Take necessary measures to ensure that any conditions that pose a risk to the health or welfare of the individual have been corrected;
      - (b) Determine whether a special compliance review will be conducted;
      - (c) Determine if the complaint should be referred to law enforcement, a county board, or another unit or entity internal or external to the department in accordance with rule ~~5123:2-17-01~~ [5123-11-02](#) of the Administrative Code; and
      - (d) Send a written response to the complainant describing actions taken by the department to address the complaint.

(D) Compliance review procedures

- (1) The department will maintain a protocol for compliance reviews which includes, but is not limited to:
    - (a) The method for selecting residential facilities to be reviewed;
    - (b) The types and scope of reviews that may be conducted;
    - (c) The process and procedures for notifying residential facilities of upcoming reviews;
    - (d) The elements of compliance which will be based on the applicable requirements;
    - (e) The elements of a written compliance review summary to a residential facility that will include an explanation of any citations, the process to develop and implement a plan of correction, and an explanation of the due process afforded to a residential facility;
    - (f) The criteria for conducting announced and unannounced reviews; and
    - (g) Any forms or methods of documentation approved by the department.
  - (2) The department will make the protocol [for compliance reviews](https://dodd.ohio.gov) available at its website (<https://dodd.ohio.gov>).
- (E) Compliance review summary, appeal, and plan of correction when no adverse action is being initiated
- ~~(1) The department will issue a written compliance review summary to the residential facility within seven calendar days of conclusion of the compliance review in accordance with the format described in the protocol for compliance reviews. The compliance review summary will be objective in terms of observations and citations, relying upon documentation that clearly addresses the standards reviewed.~~
- (1) Within ten calendar days of conclusion of a compliance review, the department will issue to the residential facility, a written compliance review summary or a written explanation of the reason for delay in issuance of the written compliance review summary.
- (a) A written compliance review summary will be in the format described in

the protocol for compliance reviews and objective in terms of observations and citations, relying upon documentation that clearly addresses the standards reviewed.

(b) A written explanation of the reason for delay in issuance of the written compliance review summary will include the date by which the department will issue a written compliance review summary, which will not be more than twenty calendar days of conclusion of the compliance review.

(2) Within fourteen calendar days of receipt of a compliance review summary that includes one or more citations, the residential facility ~~shall~~ will submit to the department, a written appeal or a written plan of correction for each citation. If the residential facility does not submit a written appeal within fourteen calendar days, the compliance review summary will be final and not subject to appeal by the residential facility.

(a) The appeal for a citation will include the residential facility's basis with supporting documentation for challenging the citation. The department will allow or disallow the appeal within ten calendar days of receipt.

(b) If the appeal is disallowed, the residential facility ~~shall~~ will submit a written plan of correction for the citation to the department within fourteen calendar days.

(c) The written plan of correction for a citation will include action steps and timelines for remediation. The department will approve or disapprove the plan of correction within twenty calendar days of receipt. When the department disapproves a plan of correction, the residential facility ~~shall~~ will work with the department to develop an acceptable plan of correction.

(F) Issuance of license

(1) Following routine compliance reviews and abbreviated compliance reviews that do not result in adverse action, the department will issue a three-year license to the licensee within twenty calendar days of determining that the residential facility is in compliance with all requirements, an approved plan of correction has been implemented, and/or compliance with specific requirements has been waived in accordance with rule 5123-3-10 of the Administrative Code; and collection of the licensure fee specified in paragraph (J) of this rule.

(2) Following routine compliance reviews and abbreviated compliance reviews that

result in adverse action that requires a plan of correction, the department will issue a one-year license to the licensee within twenty calendar days of determining that the residential facility is in compliance with all requirements, an approved plan of correction has been implemented, and/or compliance with specific requirements has been waived in accordance with rule 5123-3-10 of the Administrative Code; and collection of the licensure fee specified in paragraph (J) of this rule.

- (3) A license will remain valid until the end of its term unless the license is revoked, extended, or terminated by the department or voluntarily surrendered by the licensee.

(G) Adverse actions

- (1) If the department determines that a residential facility is not being operated in accordance with Chapters ~~5123. and 5124.~~ [5123 and 5124](#) of the Revised Code or rules adopted under those chapters, the department may initiate a suspension of admissions, order placement of a monitor, initiate proceedings to refuse to renew the license, and/or initiate proceedings to revoke the license.

(a) Initiate a suspension of admissions

- (i) The department may initiate a suspension of admissions when the department:

(a) Determines the residential facility has demonstrated a pattern of serious noncompliance or a violation poses a substantial risk to the health and safety of residents; or

(b) Is ordering placement of a monitor or initiating proceedings to refuse to renew or revoke the license in accordance with, as applicable, paragraph (G)(1)(b), (G)(1)(c), or (G)(1)(d) of this rule.

- (ii) When a suspension of admissions is ordered before providing an opportunity for adjudication pursuant to Chapter ~~449.~~ [119](#) of the Revised Code, the process set forth in section 5123.19 of the Revised Code will be followed.

- (iii) The department will send a copy of the order suspending

admissions to the county board where the residential facility is located.

- (iv) The licensee ~~shall~~ will send written notice to each individual served at the residential facility, the individual's guardian if the individual is an adult for whom a guardian has been appointed, or the individual's parent or guardian if the individual is a minor, within three business days of notification from the department that a suspension of admissions has been imposed on the facility. The notice will contain information regarding the reason for suspension of admissions and how the individual, parent, or guardian can obtain additional information regarding the suspension of admissions. The licensee ~~shall~~ will send a copy of the notice to the department.
- (v) Provided the suspension of admissions is not imposed in conjunction with proceedings to revoke the license, the licensee may submit a plan of correction in accordance with the process set forth in paragraph (E)(2) of this rule.
- (vi) The department may lift the suspension of admissions when the department determines that the citation that formed the basis for the order has been corrected.

(b) Order placement of a monitor

- (i) The department may order placement of a monitor in a residential facility (i.e., on-site monitoring provided or arranged by the department whenever an individual is in the residential facility and up to twenty-four hours per day) when the department determines the situation requires ongoing oversight to facilitate necessary corrective action.
- (ii) The department will send a copy of the order for placement of a monitor to the county board where the residential facility is located.
- (iii) The licensee ~~shall~~ will send written notice to each individual served at the residential facility, the individual's guardian if the individual is an adult for whom a guardian has been appointed, or the individual's parent or guardian if the individual is a minor, within three business days of notification from the department



that a monitor has been placed in the facility. The notice will contain information regarding the reason for placement of a monitor and how the individual, parent, or guardian can obtain additional information regarding the placement of a monitor. The licensee ~~shall~~ will send a copy of the notice to the department.

(c) Initiate proceedings to refuse to renew the license

- (i) The department may initiate proceedings to refuse to renew the license of a residential facility upon expiration when the department determines the residential facility has demonstrated a pattern of serious noncompliance or a violation poses a substantial risk to the health and safety of residents.
- (ii) If such a determination is made, the department will send a letter to the licensee ~~by certified mail, return receipt requested~~ in accordance with section 119.05 of the Revised Code. The letter will list the citations identified during the compliance review that are the basis for refusal to renew the license and include as an attachment, the compliance review summary. The department will send a copy of the letter to the county board where the residential facility is located and, if the residential facility is an intermediate care facility for individuals with intellectual disabilities, to the Ohio department of health and the Ohio department of medicaid.
- (iii) The licensee will have fourteen calendar days from the date the letter is ~~mailed~~ served to submit an appeal or plan of correction for each citation in accordance with the process set forth in paragraph (E)(2) of this rule.
- (iv) Within twenty calendar days following an on-site visit to verify that the licensee has implemented the approved plan of correction, the department will either:
  - (a) Determine the plan of correction has been satisfactorily implemented and issue a one-year license to the licensee after collection of the licensure fee specified in paragraph (J) of this rule; or
  - (b) Determine the licensee remains in serious noncompliance or a citation continues to pose a substantial risk to the health and safety of residents and send a letter to the licensee ~~by certified mail, return receipt requested~~ in accordance with

section 119.05 of the Revised Code, affirming the department's decision to refuse to renew the license upon expiration and advising that the licensee must cease operation within thirty calendar days of receipt of the letter or the license expiration date, whichever is later. The letter will inform the licensee of the licensee's right to request a hearing on the proposed refusal to renew the license pursuant to Chapter ~~119.~~ 119 of the Revised Code. The licensee will have thirty calendar days from the date the letter is ~~mailed~~ served to request a hearing which, if timely requested, will be held in accordance with Chapter ~~119.~~ 119 of the Revised Code.

- (v) If the licensee does not request a hearing within thirty calendar days, an adjudication order will be rendered pursuant to Chapter ~~119.~~ 119 of the Revised Code. The department will send a copy of the adjudication order to the county board where the residential facility is located and, if the residential facility is an intermediate care facility for individuals with intellectual disabilities, to the Ohio department of health and the Ohio department of medicaid. The department will arrange for a letter or a copy of the adjudication order to be sent to each individual served at the residential facility, the individual's guardian if the individual is an adult for whom a guardian has been appointed, or the individual's parent or guardian if the individual is a minor.
- (vi) If the licensee requests a hearing and the hearing process extends beyond the expiration date of the residential facility's license, the license ~~shall~~ will continue to be valid for thirty calendar days after the date the department's decision, pursuant to Chapter ~~119.~~ 119 of the Revised Code, is rendered.

(d) Initiate proceedings to revoke the license

- (i) The department may initiate proceedings to revoke the license of a residential facility when the department determines the residential facility has demonstrated a pattern of serious noncompliance or a violation poses a substantial risk to the health and safety of residents.
- (ii) If such a determination is made, the department will send a letter to the licensee ~~by certified mail, return receipt requested in accordance with section 119.05 of the Revised Code~~. The letter will list the citations identified during the compliance review that

are the basis for revocation of the license and include as an attachment, the compliance review summary. The letter will inform the licensee of the licensee's right to request a hearing on the proposed revocation of the license pursuant to Chapter ~~119~~ 119 of the Revised Code. The licensee will have thirty calendar days from the date the letter is ~~mailed~~ served to request a hearing which, if timely requested, will be held in accordance with Chapter ~~119~~ 119 of the Revised Code.

- (iii) When the department initiates proceedings to revoke the license, the department will arrange for notification in writing to each individual served at the residential facility, the individual's guardian if the individual is an adult for whom a guardian has been appointed, the individual's parent or guardian if the individual is a minor, the county board where the residential facility is located and, if the residential facility is an intermediate care facility for individuals with intellectual disabilities, to the Ohio department of health and the Ohio department of medicaid.
  - (iv) Once the department initiates proceedings to revoke the license, no opportunity for submitting a plan of correction will be given.
  - (v) If the licensee does not request a hearing within thirty calendar days, an adjudication order will be rendered pursuant to Chapter ~~119~~ 119 of the Revised Code. The department will send a copy of the adjudication order to the county board where the residential facility is located and, if the residential facility is an intermediate care facility for individuals with intellectual disabilities, to the Ohio department of health and the Ohio department of medicaid. The department will arrange for a letter or a copy of the adjudication order to be sent to each individual served at the residential facility, the individual's guardian if the individual is an adult for whom a guardian has been appointed, or the individual's parent or guardian if the individual is a minor.
  - (vi) If the licensee requests a hearing and the hearing process extends beyond the expiration date of the residential facility's license, the license will continue to be valid for thirty calendar days after the date the department's decision, pursuant Chapter ~~119~~ 119 of the Revised Code, is rendered.
- (2) In proceedings initiated to refuse to renew or revoke a license, the department may refuse to renew or revoke the license regardless of whether some or all of the citations that prompted the proceedings have been corrected at the time

of the hearing.

(H) Termination of license

- (1) The department may terminate a license if more than twelve consecutive months have elapsed since the residential facility was last occupied by an individual or when the licensee failed to provide notice of modification in accordance with rule 5123-3-08 of the Administrative Code.
- (2) If such a determination is made, the department will send a letter to the licensee ~~by certified mail, return receipt requested~~ in accordance with section 119.05 of the Revised Code. The letter will explain the basis for termination of the license and inform the licensee of the licensee's right to request a hearing on the proposed termination of the license pursuant to Chapter ~~119~~. 119 of the Revised Code. The licensee will have thirty calendar days from the date the letter is ~~mailed~~ served to request a hearing which, if timely requested, will be held in accordance with Chapter ~~119~~. 119 of the Revised Code.

(I) Effect of refusal to renew, revocation, termination, or voluntary surrender of license

- (1) When the department refuses to renew, revokes, or terminates a license or when a licensee voluntarily surrenders a license, the licensed beds revert to the department.
- (2) When the department refuses to renew, revokes, or terminates a license or when a licensee voluntarily surrenders a license and the department determines that the licensed beds are needed to provide services to individuals who resided in the residential facility in which the beds were located, the department may authorize the county board in the county where the residential facility is located to develop a request for proposal for the purpose of recommending a licensee.
  - (a) The department will establish and make available the format, procedure, timelines, and criteria for evaluation for the request for proposal process to be used by a county board.
  - (b) The county board ~~shall~~ will solicit proposals from any interested applicants and ensure all interested applicants are afforded an equal opportunity to respond to the request for proposal. Written notice will be provided to the general public and to all interested licensees as prescribed by the department.

- (c) The county board ~~shall~~ will submit all proposals and its recommendation to the department within ten calendar days after completing its review of the proposals.
- (d) The department will consider the county board's recommendation and notify in writing, the county board and all applicants of its decision within thirty calendar days after receiving the county board's recommendation. The department will provide each applicant its rationale in selecting or choosing not to select a particular licensee.

(J) Licensure fees

- (1) Licensure fees will be paid by electronic check or credit card in advance of issuance of a license by the department.
- (2) Licensure fees are non-refundable.
- (3) Licensure fees are based on the term of the license and the number of licensed beds at the residential facility.
  - (a) The licensure fee for a three-year license is:
    - (i) Three hundred dollars for a residential facility with fifteen or fewer beds; and
    - (ii) One thousand five hundred dollars for a residential facility with sixteen or more beds.
  - (b) The licensure fee for a one-year license is:
    - (i) One hundred dollars for a residential facility with fifteen or fewer beds; and
    - (ii) Five hundred dollars for a residential facility with sixteen or more beds.