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Donna Little
REGULATIONS COMPILER

STATEMENT OF EMERGENCY

902 KAR 20:430E

(1) As part of the Cabinet for Health and Family Service's efforts to enhance access to mental health and substance abuse services, the Office of Inspector General is promulgating this emergency administrative regulation to establish minimum requirements for the operation of "Behavioral Health Services Organizations". This new level of care will allow clinical behavioral health services entities to become licensed in a category eligible for enrollment in the Kentucky Medicaid Program. The anticipated increase in the number of entities licensed to provide behavioral health services in community-based programs to Medicaid recipients and other individuals with substance use disorder, mental health disorder, or a co-occurring disorder will both enhance patient access to needed services and help prevent unnecessary admissions to facility-based care.

(2) This action must be implemented on an emergency basis in accordance with KRS 13A.190(1)(a) to enhance patient access to behavioral health services statewide, to prevent a loss of Medicaid federal funds, and to meet a deadline for the promulgation of an administrative regulation necessary under federal law and regulation.

(3) This emergency administrative regulation shall be replaced by an ordinary administrative regulation filed with the Regulations Compiler.

(4) The ordinary administrative regulation is identical to this emergency administrative regulation.

Steven L. Beshear
Governor

Audrey Tayse Haynes
Secretary

1 CABINET FOR HEALTH AND FAMILY SERVICES

2 Office of Inspector General

3 Division of Health Care

4 (New Emergency Administrative Regulation)

5 902 KAR 20:430E. Facilities specifications, operation and services; behavioral health

6 services organizations.

7 RELATES TO: KRS 17.500, 198B.260, 200.503(2), 210.005(2) and (3), 309.080,

8 309.130, 311.860, 314.042, 319.050, 319.056, 319.064, 319C.010, 335.080, 335.100,

9 335.300, 335.500, 439.3401, 42 C.F.R. Part 2, 45 C.F.R. 160, 164, 42 U.S.C. 1320d-2 –

10 1320d-8, 42 U.S.C. 290ee-3

11 STATUTORY AUTHORITY: KRS 216B.042

12 NECESSITY, FUNCTION, AND CONFORMITY: KRS 216B.042 requires the Cabinet

13 for Health and Family Services to promulgate administrative regulations necessary for

14 the proper administration of the licensure function, which includes establishing licensure

15 standards and procedures to ensure safe, adequate, and efficient health facilities and

16 health services. This administrative regulation establishes minimum licensure

17 requirements for the operation of behavioral health services organizations which provide

18 behavioral health services necessary to treat, support, and encourage individuals with a

19 substance use disorder, mental health disorder, or co-occurring disorder to achieve and

20 maintain the highest possible level of health and self-sufficiency.

21 Section 1. Definitions. (1) "Behavioral health services organization" means an entity

1 licensed under this administrative regulation to provide behavioral health services as
2 described in Section 6 of this administrative regulation.
3 (2) "Behavioral health professional" means:
4 (a) A psychiatrist licensed under the laws of Kentucky to practice medicine or
5 osteopathy, or a medical officer of the government of the United States while engaged
6 in the performance of official duties, who is certified or eligible to apply for certification
7 by the American Board of Psychiatry and Neurology, Inc;
8 (b) A physician licensed in Kentucky to practice medicine or osteopathy in
9 accordance with KRS 311.571;
10 (c) A psychologist licensed and practicing in accordance with KRS 319.050;
11 (d) A certified psychologist with autonomous functioning or licensed psychological
12 practitioner practicing in accordance with KRS 319.056;
13 (e) A clinical social worker licensed and practicing in accordance with KRS 335.100;
14 (f) An advanced practice registered nurse licensed and practicing in accordance with
15 KRS 314.042;
16 (g) A physician assistant licensed under KRS 311.840 to 311.862;
17 (h) A marriage and family therapist licensed and practicing in accordance with KRS
18 335.300;
19 (i) A professional clinical counselor licensed and practicing in accordance with KRS
20 335.500; or
21 (j) A licensed professional art therapist as defined by KRS 309.130(2).
22 (3) "Behavioral health professional under clinical supervision" means a:
23 (a) Psychologist certified and practicing in accordance with KRS 319.056;

1 (b) Licensed psychological associate licensed and practicing in accordance with KRS
2 319.064;
3 (c) Marriage and family therapist associate as defined by KRS 335.300(3);
4 (d) Social worker certified and practicing in accordance with KRS 335.080;
5 (e) Licensed professional counselor associate as defined by KRS 335.500(3); or
6 (f) Licensed professional art therapist associate as defined by KRS 309.130(3).
7 (4) "Certified alcohol and drug counselor" is defined by KRS 309.080(2).
8 (5) "Child with a severe emotional disability" is defined by KRS 200.503(2).
9 (6) "Community support associate" means a paraprofessional who meets the
10 application, training, and supervision requirements of 908 KAR 2:250.
11 (7) "Licensed assistant behavior analyst" is defined by KRS 319C.010(7).
12 (8) "Licensed behavior analyst" is defined by KRS 319C.010(6).
13 (9) "Peer support specialist" means a paraprofessional who
14 (a) Meets the application, training, examination, and supervision requirements of 908
15 KAR 2:220, 908 KAR 2:230, or 908 KAR 2:240; and
16 (b) Works under the supervision of a:
17 1. Physician;
18 2. Psychiatrist;
19 3. Licensed psychologist;
20 4. Licensed psychological practitioner;
21 5. Licensed psychological associate;
22 6. Licensed clinical social worker;
23 7. Licensed marriage and family therapist;

1 8. Licensed professional clinical counselor;

2 9. Certified social worker;

3 10. Licensed marriage and family therapist associate;

4 11. Licensed professional counselor associate;

5 12. Licensed professional art therapist; or

6 13. Licensed professional art therapist associate.

7 (10) "Severe mental illness" means the conditions defined by KRS 210.005(2) and

8 (3).

9 (11) "Substance use disorder" means a cluster of cognitive, behavioral, and

10 physiological symptoms resulting from use of a substance which the individual

11 continues to take despite experiencing substance-related problems as a result,

12 including:

13 (a) Intoxication;

14 (b) Withdrawal; or

15 (c) A substance induced mental health disorder.

16 Section 2. Licensure Application and Fees.

17 (1) An applicant for initial licensure as a behavioral health services organization shall

18 submit to the Office of Inspector General:

19 (a) A completed Application for License to Operate a Behavioral Health Services

20 Organization; and

21 (b) An accompanying initial licensure fee in the amount of $750, made payable to the

22 Kentucky State Treasurer.

23 (2) At least sixty (60) calendar days prior to the date of annual renewal, a behavioral

1 health services organization shall submit to the Office of Inspector General:

2 (a) A completed Application for License to Operate a Behavioral Health Services

3 Organization; and

4 (b) An annual renewal fee of $500, made payable to the Kentucky State Treasurer.

5 (3) A behavioral health services organization:

6 (a) May provide behavioral health services as described in Section 6 of this

7 administrative regulation at extension locations separate from its permanent facility; and

8 (b) Shall pay a fee in the amount of $250 per extension, submitted to the Office of

9 Inspector General at the time of initial licensure, renewal, or the addition of a new

10 extension to the organization's license.

11 (4)(a) Name change. A behavioral health services organization shall:

12 1. Notify the Office of Inspector General in writing within ten (10) calendar days of the

13 effective date of a change in the organization's name; and

14 2. Submit a processing fee of twenty-five (25) dollars.

15 (b) Change of location. A behavioral health services organization shall not change the

16 location where a program is operated until an Application for License to Operate a

17 Behavioral Health Services Organization accompanied by a fee of $100 is filed with the

18 Office of Inspector General.

19 (c) Change of ownership.

20 1. The new owner of a behavioral health services organization shall submit to the

21 Office of Inspector General an Application for License to Operate a Behavioral Health

22 Services Organization accompanied by a fee of $750 within ten (10) calendar days of the

23 effective date of the ownership change.

1 2. A change of ownership for a license shall be deemed to occur if more than twenty-
2 five (25) percent of an existing behavioral health services organization or capital stock
3 or voting rights of a corporation is purchased, leased, or otherwise acquired by one (1)
4 person from another.
5 (5) To obtain approval of initial licensure or renew a license to operate a behavioral
6 health services organization, the licensee shall be in compliance with this administrative
7 regulation and federal, state, and local laws and regulations pertaining to the operation
8 of the organization.
9 Section 3. Scope of Operation and Services.
10 (1) A behavioral health services organization shall:
11 (a) Provide behavioral health services, as described in Section 6 of this
12 administrative regulation, to meet client needs; and
13 (b) Become accredited within one (1) year of initial licensure by the:
14 1. Joint Commission;
15 2. Commission on Accreditation of Rehabilitation Facilities; or
16 3. Council on Accreditation.
17 (2) The cabinet shall revoke a license if a behavioral health services organization fails
18 to become accredited in accordance with subsection (1)(b) of this section or fails to
19 maintain accreditation.
20 (3) Proof of accreditation shall be provided to the Office of Inspector General upon
21 receiving accreditation within one (1) year of initial licensure and at the time of annual
22 renewal described in Section 2(2) of this administrative regulation.
23 Section 4. Administration and Operation.

1 (1) Licensee. The licensee shall be legally responsible for:

2 (a) The behavioral health services organization;

3 (b) The establishment of administrative policy; and

4 (c) Ensuring compliance with federal, state, and local laws and regulations pertaining

5 to the operation of the organization.

6 (2) Executive director. The licensee shall establish lines of authority and designate an

7 executive director who:

8 (a) May serve in a dual role as the organization's program director described in

9 subsection (5)(a) of this section;

10 (b) Shall be responsible for the administrative management of the organization,

11 including:

12 1. The total program of the organization in accordance with the organization's written

13 policies; and

14 2. Evaluation of the program as it relates to the needs of each client; and

15 (c) Shall have a master's degree in business administration or a human services

16 field, or a bachelor's degree in a human services field, including:

17 1. Social work;

18 2. Sociology;

19 3. Psychology;

20 4. Guidance and counseling;

21 5. Education;

22 6. Religion;

23 7. Business administration;

1 8. Criminal justice;

2 9. Public administration;

3 10. Child care administration;

4 11. Christian education;

5 12. Divinity;

6 13. Pastoral counseling;

7 14. Nursing;

8 15. Public health; or

9 16. Another human service field related to working with children with severe

10 emotional disabilities or clients with severe mental illness.

11 (3) An executive director with a master's degree shall have two (2) years of prior

12 supervisory experience in a human services program.

13 (4) An executive director with a bachelor's degree shall have a minimum of two (2)

14 years of prior experience in a human services program plus two (2) years of prior

15 supervisory experience in a human services program.

16 (5) Personnel. A behavioral health services organization shall employ the following

17 personnel directly or by contract:

18 (a) A program director who shall be a:

19 1. Psychiatrist;

20 2. Physician;

21 3. Certified or licensed psychologist;

22 4. Licensed psychological practitioner;

23 5. Advanced practice registered nurse;

1 6. Licensed professional clinical counselor;

2 7. Licensed marriage and family therapist;

3 8. Licensed professional art therapist;

4 9. Licensed board certified behavior analyst; or

5 10. Licensed clinical social worker; and

6 (b) A sufficient number of personnel to provide behavioral health services, which may

7 include:

8 1. Behavioral health professionals;

9 2. Behavioral health professionals under clinical supervision;

10 3. Licensed behavior analysts;

11 4. Licensed behavior assistant analysts;

12 5. Case managers as described in subsections (6), (7), and (8) of this section;

13 6. Peer support specialists;

14 7. Certified alcohol and drug counselors; or

15 8. Community support associates.

16 (6) A case manager who provides targeted case management services to clients with

17 a substance use disorder shall:

18 (a) Have a bachelor's degree in a human services field, including:

19 1. Psychology;

20 2. Sociology;

21 3. Social work;

22 4. Family studies;

23 5. Human services;

1 6. Counseling;

2 7. Nursing; or

3 8. Another human service degree program related to working with individuals with

4 substance use disorders, mental health disorders, or co-occurring disorders;

5 (b)1. Have a minimum of one (1) year of full-time employment working directly with

6 adolescents or adults in a human service setting after completion of a bachelor's degree

7 as described in paragraph (a) of this subsection; or

8 2. Have a master's degree in a human services field as described in paragraph (a) of

9 this subsection;

10 (c)1. Have successfully completed case management training approved by the

11 Department for Behavioral Health, Developmental and Intellectual Disabilities (DBHDID)

12 within six (6) months of employment; and

13 2. Have successfully completed recertification requirements approved by DBHDID

14 every three (3) years thereafter; and

15 (d) Be supervised by a behavioral health professional who:

16 1. Has completed case management training approved by DBHDID; and

17 2. Has supervisory contact at least two (2) times per month with at least one (1) of

18 the contacts on an individual basis and face-to-face.

19 (7) A case manager who provides targeted case management services to clients with

20 co-occurring mental health or substance use disorders and chronic or complex physical

21 health issues shall:

22 (a) Have a bachelor's degree in a human services field as described in subsection

23 (6)(a) of this section;

1 (b)1. After completion of a bachelor's degree, have a minimum of five (5) years of
2 experience providing service coordination or referring clients with complex behavioral
3 health needs and co-occurring disorders or multi-agency involvement to community
4 based services; or
5 2. After completion of a master's degree in social work, family studies, clinical
6 counseling, psychology, nursing, or another human service degree program related to
7 working with individuals with substance use disorders, mental health disorders, or co-
8 occurring disorders, have a minimum of two (2) years of experience providing service
9 coordination or referring clients with complex behavioral health needs and co-occurring
10 disorders or multi-agency involvement to community based services;
11 (c)1. Have successfully completed case management training approved by the
12 DBHDID within six (6) months of employment; and
13 2. Have successfully completed recertification requirements approved by DBHDID
14 every three (3) years thereafter; and
15 (d) For a bachelor's level case manager, be supervised by a behavioral health
16 professional who:
17 1. Has completed case management training approved by DBHDID; and
18 2. Has supervisory contact at least three (3) times per month with at least two (2) of
19 the contacts on an individual basis and face-to-face.
20 (8) A case manager who provides targeted case management services to children
21 with a severe emotional disability or clients with a severe mental illness shall:
22 (a) Have a bachelor's degree in a human services field as described in subsection
23 (6)(a) of this section;

1 (b)1. Have a minimum of one (1) year of full-time employment working directly with
2 individuals with behavioral health needs after completion of a bachelor's degree in a
3 behavioral science field as described in subsection (6)(a) of this section; or
4 2. Have a master's degree in a human services field as described in subsection
5 (6)(a);
6 (c)1. Have successfully completed case management training approved by DBHDID
7 within six (6) months of employment; and
8 2. Have successfully completed recertification requirements approved by DBHDID
9 every three (3) years thereafter; and
10 (d) Be supervised by a behavioral health professional who:
11 1. Has completed case management training approved by DBHDID; and
12 2. Has supervisory contact at least two (2) times per month with at least one (1) of
13 the contacts on an individual basis and face-to-face.
14 (9) Background checks.
15 (a) The executive director and all personnel of a behavioral health services
16 organization shall:
17 1. Have a criminal record check performed upon initial hire through the Administrative
18 Office of the Courts or the Kentucky State Police; and
19 2. Not have a criminal conviction, or plea of guilty, to a:
20 a. Sex crime as specified in KRS 17.500;
21 b. Violent crime as specified in KRS 439.3401;
22 c. Criminal offense against a minor as specified in KRS 17.500; or
23 d. Class A felony.

1 (b) A behavioral health services organization shall perform annual criminal record
2 checks as described in paragraph (a) of this subsection on a random sample of at least
3 twenty-five (25) percent of all personnel.
4 (10) Policies. The behavioral health services organization shall establish written
5 policies for the administration and operation of the organization which shall be available
6 to all personnel and include:
7 (a) A description of the organizational structure specifying the responsibility, function,
8 and interrelations of each organizational unit, and the lines of administrative and clinical
9 authority;
10 (b) The organization's method and procedure for storage, dispensing, and
11 administering a drug or biological agent;
12 (c) A client grievance procedure as described in subsection (14) of this section;
13 (d) The organization's procedure for maintaining the confidentiality of client records
14 in accordance with federal, state, and local statutes and regulations; and
15 (e) Personnel policy, including:
16 1. A job description and qualifications for each personnel category;
17 2. A plan for orientation of personnel to the policies and objectives of the
18 organization and on-the-job training, if necessary; and
19 3. An annual training program for staff which may include:
20 a. Detection and reporting of abuse, neglect, or exploitation;
21 b. Behavioral management, including de-escalation training;
22 c. Physical management procedures and techniques; and
23 d. Emergency and safety procedures.

1 (11) Personnel record. A personnel record shall be kept on each staff member and
2 shall contain the following items:
3 (a) Name and address;
4 (b) Verification of all training and experience, including licensure, certification,
5 registration, or renewals;
6 (c) Verification of submission to the background check required by subsection (9) of
7 this administrative regulation;
8 (d) Performance appraisals; and
9 (e) Employee incident reports.
10 (12) After hours services.
11 (a) The behavioral health services organization shall provide, directly or through
12 written agreement with another behavioral health services provider, access to face-to-
13 face emergency services twenty-four (24) hours per day, seven (7) days per week.
14 (b) Emergency services shall include interventions necessary to screen, assess,
15 refer, and treat an individual from the point of the identified emergency or behavioral
16 health crisis to the point of resolution of the emergency or crisis.
17 (13) Quality assurance and utilization review.
18 (a) The behavioral health services organization shall have a quality assurance and
19 utilization review program designed to:
20 1. Enhance treatment and care through the ongoing objective assessment of
21 services provided, including the correction of identified problems; and
22 2. Provide an effective mechanism for review and evaluation of the service needs of
23 each client.

1 (b) The need for continuing services shall be evaluated immediately upon a change
2 in a client's service needs or a change in the client's condition to ensure that proper
3 arrangements have been made for:
4 1. Discharge;
5 2. Transfer; or
6 3. Referral to another service provider, if appropriate.
7 (14) Client grievance policy. The behavioral health services organization shall have
8 written policies and procedures governing client grievances which shall include the
9 following:
10 (a) Identification of a behavioral health services organization ombudsman;
11 (b) A process for filing a written client grievance;
12 (c) An appeals process with time frames for filing and responding to a grievance in
13 writing;
14 (d) Protection for a client from interference, coercion, discrimination, or reprisal; and
15 (e) Conspicuous posting of the grievance procedures in a public area to inform a
16 client of:
17 1. His or her right to file a grievance;
18 2. The process for filing a grievance; and
19 3. The address and telephone number of the behavioral health services
20 organization's and cabinet's ombudsman.
21 Section 5. Residential services for substance use disorders.
22 (1) If a behavioral health services organization licensed under this administrative
23 regulation provides residential services to clients with a substance use disorder, the

1 organization shall obtain separate licensure as an alcohol and other drug abuse
2 treatment program pursuant to 908 KAR 1:370.
3 (2) In addition to meeting the requirements of 908 KAR 1:370 for residential treatment
4 programs, a behavioral health services organization that provides residential services
5 for substance use disorders shall:
6 (a) Provide intensive treatment and skills building in a structured and supportive
7 environment;
8 (b) Assist the client in abstaining from alcohol or substance use and in entering
9 alcohol or drug addiction recovery;
10 (c) Provide services in a twenty-four (24) hour a day, live-in facility that offers a
11 planned and structured regimen of care aimed at treating individuals with addiction or
12 co-occurring mental health and substance use disorders;
13 (d) Assist the client in making necessary changes to enable the individual to live
14 drug- or alcohol-free;
15 (e) Provide services under the medical direction of a physician; and
16 (f) Provide continuous nursing services.
17 Section 6. Services.
18 (1) A behavioral health services organization licensed under this administrative
19 regulation shall obtain separate licensure as an alcohol and other drug abuse treatment
20 program pursuant to 908 KAR 1:370 if the organization provides any of the following
21 outpatient services for the treatment of individuals with a substance use disorder or co-
22 occurring disorder in which substance use disorder is the primary diagnosis:
23 (a) Screening;

1 (b) Assessment;

2 (c) Crisis intervention;

3 (d) Mobile crisis services;

4 (e) Day treatment;

5 (f) Peer support;

6 (g) Intensive outpatient program services;

7 (h) Individual outpatient therapy;

8 (i) Group outpatient therapy;

9 (j) Family outpatient therapy;

10 (k) Collateral outpatient therapy;

11 (l) Screening, brief intervention and referral to treatment; or

12 (m) Targeted case management.

13 (2) A behavioral health services organization shall provide treatment to meet client

14 needs, including one (1) or more of the following:

15 (a) Screening which shall be provided by a behavioral health professional, behavioral

16 health professional under clinical supervision, or certified alcohol and drug counselor to

17 determine the:

18 1. Likelihood that an individual has a mental health, substance use, or co-occurring

19 disorder; and

20 2. Need for an assessment;

21 (b) Assessment which shall:

22 1. Be provided by a behavioral health professional, behavioral health professional

23 under clinical supervision, licensed behavior analyst, or licensed assistant behavior

1 analyst working under the supervision of a licensed behavior analyst, who gathers
2 information and engages in a process with the client, thereby enabling the professional
3 to:
4 a. Establish the presence or absence of a mental health, substance use, or co-
5 occurring disorder;
6 b. Determine the client's readiness for change;
7 c. Identify the client's strengths or problem areas which may affect the treatment and
8 recovery processes; and
9 d. Engage the client in developing an appropriate treatment relationship;
10 2. Establish or rule out the existence of a clinical disorder or service need;
11 3. Include working with the client to develop a plan of care if a clinical disorder or
12 service need is assessed; and
13 4. Not include psychological or psychiatric evaluations or assessments;
14 (c) Psychological testing which shall:
15 1. Be performed by a licensed psychologist, licensed psychological associate, or
16 licensed psychological practitioner; and
17 2. Include a psychodiagnostic assessment of personality, psychopathology,
18 emotionality, or intellectual disabilities, and interpretation and written report of testing
19 results;
20 (d) Crisis intervention which:
21 1. Shall be a therapeutic intervention for the purpose of immediately reducing or
22 eliminating the risk of physical or emotional harm to the client or another individual;
23 2. Shall consist of clinical intervention and support services necessary to provide

1 integrated crisis response, crisis stabilization interventions, or crisis prevention
2 activities;
3 3. Shall be provided:
4 a. On-site at the behavioral health services organization's facility;
5 b. As an immediate relief to the presenting problem or threat; and
6 c. In a face-to-face, one (1) on one (1) encounter;
7 4. May include verbal de-escalation, risk assessment, or cognitive therapy;
8 5. Shall be provided by a:
9 a. Behavioral health professional;
10 b. Behavioral health professional under clinical supervision; or
11 c. Certified alcohol and drug counselor;
12 6. Shall be followed by a referral to noncrisis services, if applicable; and
13 7. May include:
14 a. Further service prevention planning, including:
15 (i) Lethal means reduction for suicide risk; or
16 (ii) Substance use disorder relapse prevention; or
17 b. Verbal de-escalation, risk assessment, or cognitive therapy;
18 (e) Mobile crisis services which shall:
19 1. Be available twenty-four (24) hours a day, seven (7) days a week, every day of the
20 year;
21 2. Be provided for a duration of less than twenty-four (24) hours;
22 3. Not be an overnight service; and
23 4. Be a crisis response in a home or community setting to provide an immediate

1 evaluation, triage, and access to acute substance use disorder services including
2 treatment and supports to:
3 a. Reduce symptoms or harm; or
4 b. Safely transition an individual in an acute crisis to appropriate crisis stabilization
5 and detoxification supports or services;
6 5. Be provided by a:
7 a. Behavioral health professional;
8 b. Behavioral health professional under clinical supervision; or
9 c. Certified alcohol and drug counselor; and
10 6. Ensure access to a board certified or board-eligible psychiatrist twenty-four (24)
11 hours a day, seven (7) days a week, every day of the year;
12 (f) Day treatment which shall:
13 1. Be a nonresidential, intensive treatment program designed for children who:
14 a. Have a substance use disorder, mental health disorder, or co-occurring disorder;
15 b. Are under twenty-one (21) years of age; and
16 c. Are at high risk of out-of-home placement due to a behavioral health issue;
17 2. Consist of an organized, behavioral health program of treatment and rehabilitative
18 services for substance use disorder, mental health disorder, or a co-occurring disorder;
19 3. Have unified policies and procedures that address the organization's philosophy,
20 admission and discharge criteria, admission and discharge process, staff training, and
21 integrated case planning;
22 4. Include the following:
23 a. Individual outpatient therapy, family outpatient therapy, or group outpatient

1 therapy;

2 b. Behavior management and social skill training;

3 c. Independent living skills that correlate to the age and development stage of the

4 client; or

5 d. Services designed to explore and link with community resources before discharge

6 and to assist the client and family with transition to community services after discharge;

7 5. Be provided as follows:

8 a. In collaboration with the education services of the local education authority

9 including those provided through 20 U.S.C. 1400 et seq. (Individuals with Disabilities

10 Education Act) or 29 U.S.C. 701 et seq. (Section 504 of the Rehabilitation Act);

11 b. On school days and during scheduled school breaks;

12 c. In coordination with the child's individual educational plan if the child has an

13 individual educational plan;

14 d. By personnel that includes a behavioral health professional, a behavioral health

15 professional under clinical supervision, a certified alcohol and drug counselor, or a peer

16 support specialist; and

17 e. According to a linkage agreement with the local education authority that specifies

18 the responsibilities of the local education authority and the day treatment provider; and

19 6. Not include a therapeutic clinical service that is included in a child's individualized

20 education plan;

21 (g) Peer support which shall:

22 1. Be provided by peer support specialist;

23 2. Be structured and scheduled nonclinical therapeutic activity with a client or group

1 of clients;

2 3. Promote socialization, recovery, self-advocacy, preservation, and enhancement of

3 community living skills; and

4 4. Be identified in the client's plan of care;

5 (h) Intensive outpatient program services which shall:

6 1. Offer a multi-modal, multi-disciplinary structured outpatient treatment program that

7 is more intensive than individual outpatient therapy, group outpatient therapy, or family

8 outpatient therapy;

9 2. Be provided at least three (3) hours per day at least three (3) days per week;

10 3. Include the following:

11 a. Individual outpatient therapy;

12 b. Group outpatient therapy;

13 c. Family outpatient therapy unless contraindicated;

14 d. Crisis intervention; or

15 e. Psycho-education during which the client or client's family member shall be:

16 (i) Provided with knowledge regarding the client's diagnosis, the causes of the

17 condition, and the reasons why a particular treatment might be effective for reducing

18 symptoms; and

19 (ii) Taught how to cope with the client's diagnosis or condition in a successful

20 manner;

21 4. Include a treatment plan which shall:

22 a. Be individualized; and

23 b. Focus on stabilization and transition to a lower level of care;

1 5. Be provided by a behavioral health professional, behavioral health professional
2 under clinical supervision, or a certified alcohol and drug counselor;
3 6. Include access to a board-certified or board-eligible psychiatrist for consultation;
4 7. Include access to a psychiatrist, other physician, or advanced practice registered
5 nurse for medication prescribing and monitoring; and
6 8. Be provided in a setting with a minimum client-to-staff ratio of ten (10) clients to
7 one (1) staff person;
8 (i) Individual outpatient therapy which shall:
9 1. Be provided to promote the:
10 a. Health and wellbeing of the client; or
11 b. Recovery from a substance related disorder;
12 2. Consist of:
13 a. A face-to-face encounter with the client; and
14 b. A behavioral health therapeutic intervention provided in accordance with the
15 client's plan of care;
16 3. Be aimed at:
17 a. Reducing adverse symptoms;
18 b. Reducing or eliminating the presenting problem of the client; and
19 c. Improving functioning;
20 4. Not exceed three (3) hours per day; and
21 5. Be provided by a behavioral health professional, behavioral health professional
22 under clinical supervision, licensed behavior analyst, or licensed assistant behavior
23 analyst working under the supervision of a licensed behavior analyst;

1 (j) Group outpatient therapy shall:

2 1. Be provided to promote the:

3 a. Health and wellbeing of the client; or

4 b. Recovery from a substance related disorder;

5 2. Consist of a face-to-face behavioral health therapeutic intervention provided in

6 accordance with the client's plan of care;

7 3. Be provided in a group setting of nonrelated individuals, not to exceed twelve (12)

8 individuals in size. For group outpatient therapy, a nonrelated individual means any

9 individual who is not a spouse, significant other, parent or person with custodial control,

10 child, sibling, stepparent, stepchild, step-brother, step-sister, father-in-law, mother-in-

11 law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparent, or

12 grandchild;

13 4. Focus on the psychological needs of the client as evidenced in the client's plan of

14 care;

15 5. Center on goals including building and maintaining healthy relationships, personal

16 goals setting, and the exercise of personal judgment;

17 6. Not include physical exercise, a recreational activity, an educational activity, or a

18 social activity;

19 7. Not exceed three (3) hours per day per client unless additional time is medically

20 necessary in accordance with 907 KAR 3:130;

21 8. Ensure that the group has a deliberate focus and defined course of treatment;

22 9. Ensure that the subject of group outpatient therapy shall be related to each client

23 participating in the group; and

1 10. Be provided by a behavioral health professional, behavioral health professional
2 under clinical supervision, licensed behavior analyst, or licensed assistant behavior
3 analyst working under the supervision of a licensed behavior analyst who shall maintain
4 individual notes regarding each client within the group in the client's record;
5 (k) Family outpatient therapy which shall:
6 1. Consist of a face-to-face behavioral health therapeutic intervention provided
7 through scheduled therapeutic visits between the therapist, the client, and at least one
8 (1) member of the client's family;
9 2. Address issues interfering with the relational functioning of the family;
10 3. Seek to improve interpersonal relationships within the client's home environment;
11 4. Be provided to promote the health and wellbeing of the client or recovery from a
12 substance use disorder;
13 5. Not exceed three (3) hours per day per client unless additional time is medically
14 necessary in accordance with 907 KAR 3:130; and
15 6. Be provided by a behavioral health professional or a behavioral health professional
16 under clinical supervision;
17 (l) Collateral outpatient therapy which shall consist of a face-to-face behavioral health
18 consultation:
19 1. With a parent, caregiver, or person who has custodial control of a client under the
20 age of twenty-one (21), household member, legal representative, school personnel, or
21 treating professional;
22 2. Be provided by a behavioral health professional, behavioral health professional
23 under clinical supervision, licensed behavior analyst, or licensed assistant behavior

1 analyst working under the supervision of a licensed behavior analyst; and

2 3. Provided upon the written consent of a parent, caregiver, or person who has

3 custodial control of a client under the age of twenty-one (21). Documentation of written

4 consent shall be signed and maintained in the client's record;

5 (m) Service planning which shall be provided by a behavioral health professional,

6 behavioral health professional under clinical supervision, licensed behavior analyst, or

7 licensed assistant behavior analyst working under the supervision of a licensed

8 behavior analyst to:

9 1. Assist a client in creating an individualized plan for services needed for maximum

10 reduction of mental disability;

11 2. Restore a client's functional level to the client's best possible functional level; and

12 3. Develop a service plan which:

13 a. Shall be directed by the client; and

14 b. May include:

15 (i) A mental health advance directive being filed with a local hospital;

16 (ii) A crisis plan; or

17 (iii) A relapse prevention strategy or plan;

18 (n) Residential services for substance use disorders as described in Section 5 of this

19 administrative regulation;

20 (o) Screening, brief intervention and referral to treatment for substance use disorders

21 which shall:

22 1. Be an evidence-based early intervention approach for an individual with non-

23 dependent substance use prior to the need for more extensive or specialized treatment;

1 2. Consist of:

2 a. Using a standardized screening tool to assess the individual for risky substance

3 use behavior;

4 b. Engaging a client who demonstrates risky substance use behavior in a short

5 conversation, providing feedback and advice;

6 c. Referring the client to therapy or other services that address substance use if the

7 client is determined to need additional services; and

8 3. Be provided by a behavioral health professional, behavioral health professional

9 under clinical supervision, or a certified alcohol and drug counselor;

10 (p) Assertive community treatment for mental health disorders which shall:

11 1. Include assessment, treatment planning, case management, psychiatric services,

12 medication prescribing and monitoring, individual and group therapy, peer support,

13 mobile crisis services, mental health consultation, family support, and basic living skills;

14 2. Be provided by a multidisciplinary team of at least four (4) professionals, including

15 a psychiatrist, nurse, case manager, peer support specialist and any other behavioral

16 health professional or behavioral health professional under clinical supervision; and

17 3. Have adequate staffing to ensure that no caseload size exceeds ten (10)

18 participants per team member;

19 (q) Comprehensive community support services which shall:

20 1. Consist of activities needed to allow an individual with a mental health disorder to

21 live with maximum independence in the community through the use of skills training as

22 identified in the client's treatment plan;

23 2. Consist of using a variety of psychiatric rehabilitation techniques to:

1 a. Improve daily living skills;

2 b. Improve self-monitoring of symptoms and side effects;

3 c. Improve emotional regulation skills;

4 d. Improve crisis coping skills; and

5 e. Develop and enhance interpersonal skills; and

6 3. Be provided by a;

7 a. Behavioral health professional;

8 b. Behavioral health professional under clinical supervision;

9 c. Community support associate;

10 d. Licensed behavior analyst; or

11 e. Licensed assistant behavior analyst working under the supervision of a licensed

12 behavior analyst;

13 (r) Therapeutic rehabilitation program for an adult with a severe mental illness or child

14 with a severe emotional disability which shall:

15 1. Include services designed to maximize the reduction of mental illness or emotional

16 disability and restoration of the client's functional level to the individual's best possible

17 functioning;

18 2. Establish the client's own rehabilitative goals within the person-centered plan of

19 care;

20 3. Be delivered using a variety of psychiatric rehabilitation techniques focused on:

21 a. Improving daily living skills;

22 b. Self-monitoring of symptoms and side effects;

23 c. Emotional regulation skills;

1 d. Crisis coping skills; and

2 e. Interpersonal skills; and

3 4. Be provided individually or in a group by a:

4 a. Behavioral health professional;

5 b. Behavioral health professional under clinical supervision; or

6 c. Peer support specialist; or

7 (s) Targeted case management services which shall:

8 1. Include services to one (1) or more of the following target groups:

9 a. An adult or a child with substance use disorder;

10 b. An adult or child with co-occurring mental health or substance use disorder and

11 chronic or complex physical health issues;

12 c. A child with a severe emotional disability; or

13 d. An adult with severe mental illness;

14 2. Be provided by a case manager as described in Section 4(6), (7), or (8) of this

15 administrative regulation; and

16 3. Include the following assistance:

17 a. Comprehensive assessment and reassessment of client needs to determine the

18 need for medical, educational, social, or other services. The reassessment shall be

19 conducted annually or more often if needed based on changes in the client's condition;

20 b. Development of a specific care plan which shall be based on information collected

21 during the assessment and revised if needed upon reassessment;

22 c. Referral and related activities, which may include:

23 (i) Scheduling appointments for the client to help the individual obtain needed

1 services; or

2 (ii) Activities that help link the client with medical, social, educational providers, or

3 other programs and services which address identified needs and achieve goals

4 specified in the care plan; and

5 d. Monitoring which shall be face-to-face and occur no less than once every three (3)

6 months to determine that:

7 (i) Services are furnished according to the client's care plan;

8 (ii) Services in the care plan are adequate; and

9 (iii) Changes in the needs or status of the client are reflected in the care plan; and

10 e. Contacts with the client, family members, service providers, or others are

11 conducted as frequently as needed to help the client:

12 (i) Access services;

13 (ii) Identify needs and supports to assist the client in obtaining services; and

14 (iii) Identify changes in the client's needs.

15 Section 7. Plan of care.

16 (1) Each client receiving direct treatment from a behavioral health services

17 organization shall have an individual plan of care signed by a behavioral health

18 professional.

19 (2) A plan of care shall:

20 (a) Describe the services to be provided to the client, including the frequency of

21 services;

22 (b) Contain measurable goals for the client to achieve, including the expected date of

23 achievement for each goal;

1 (c) Describe the client's functional abilities and limitations, or diagnosis listed in the
2 current edition of the American Psychiatric Association Diagnostic and Statistical
3 Manual of Mental Disorders;
4 (d) Specify each staff member assigned to work with the client;
5 (e) Identify methods of involving the client's family or significant others if indicated;
6 (f) Specify criteria to be met for termination of treatment;
7 (g) Include any referrals necessary for services not provided directly by the
8 behavioral health services organization; and
9 (h) The date scheduled for review of the plan.
10 (3) The client shall participate to the maximum extent feasible in the development of
11 his or her plan of care, and the participation shall be documented in the client's record.
12 (4)(a) The plan of care shall be reviewed and updated through multidisciplinary team
13 conferences as clinically indicated and at least thirty (30) days following the first ten (10)
14 days of treatment.
15 (b) The plan of care shall be reviewed every thirty (30) days thereafter and updated
16 every sixty (60) days or earlier if clinically indicated.
17 (c) The plan of care and each review and update shall be signed by the participants
18 in the multidisciplinary team conference that developed it.
19 (5) A medical service, including a change of medication, a diet restriction, or a
20 restriction on physical activity shall be ordered by a physician or other ordering
21 practitioner acting within the limits of his or her statutory scope of practice.
22 Section 8. Client records.
23 (1) A client record shall be maintained for each individual receiving services.

1 (2) Each entry shall be current, dated, signed, and indexed according to the service
2 received.
3 (3) Each client record shall contain:
4 (a) An identification sheet, including the client's name, address, age, gender, marital
5 status, expected source of payment, and referral source;
6 (b) Information on the purpose for seeking a service;
7 (c) If applicable, consent of appropriate family members or guardians for admission,
8 evaluation, and treatment;
9 (d) Screening information pertaining to the mental health or substance use disorder;
10 (e) If applicable, a psychosocial history;
11 (f) If applicable, staff notes on services provided;
12 (g) If applicable, the client's plan of care;
13 (h) If applicable, disposition;
14 (i) If applicable, assigned status;
15 (j) If applicable, assigned therapists; and
16 (k) If applicable, a termination study recapitulating findings and events during
17 treatment, clinical impressions, and condition on termination.
18 (4) Ownership.
19 (a) Client records shall be the property of the organization;
20 (b) The original client record shall not be removed from the organization except by
21 court order or subpoena; and
22 (c) Copies of a client record or portions of the record may be used and disclosed.
23 Use and disclosure shall be as established in this administrative regulation.

1 (5) Retention of records. After a client's death or discharge, the completed client
2 record shall be placed in an inactive file and:
3 (a) Retained for six (6) years; or
4 (b) If a minor, three (3) years after the client reaches the age of majority under state
5 law, whichever is the longest.
6 (6) Confidentiality and Security: Use and Disclosure.
7 (a) The organization shall maintain the confidentiality and security of client records in
8 compliance with the Health Insurance Portability and Accountability Act of 1996
9 (HIPAA), 42 U.S.C. 1320d-2 to 1320d-8, and 45 C.F.R. Parts 160 and 164, as
10 amended, including the security requirements mandated by subparts A and C of 45
11 C.F.R. Part 164, or as provided by applicable federal or state law, including 42 U.S.C.
12 290 ee-3, and the Confidentiality of Alcohol and Drug Abuse Patient Records, 42 C.F.R.
13 Part 2.
14 (b) The organization may use and disclose client records. Use and disclosure shall
15 be as established or required by:
16 1. HIPAA, 42 U.S.C. 1320d-2 to 1320d-8, and 45 C.F.R. Parts 160 and 164; or
17 2. 42 U.S.C. 290 ee-3, and the Confidentiality of Alcohol and Drug Abuse Patient
18 Records, 42 C.F.R. Part 2.
19 (c) This administrative regulation shall not be construed to forbid the behavioral
20 health services organization from establishing higher levels of confidentiality and
21 security than required by HIPAA, 42 U.S.C. 1320d-2 to 1320d-8, and 45 C.F.R. Parts
22 160 and 164, or 42 U.S.C. 290 ee-3, and the Confidentiality of Alcohol and Drug Abuse
23 Patient Records, 42 C.F.R. Part 2.

1 Section 9. Client Rights. (1) A behavioral health services organization shall have
2 written policies and procedures to ensure that the rights of a client are protected while
3 receiving one (1) or more services as described in Section 6 of this administrative
4 regulation.
5 (2) A behavioral health services organization shall have written policies and
6 procedures governing client grievances pursuant to Section 4(14) of this administrative
7 regulation.
8 (3) A client shall not be unlawfully discriminated against in determining eligibility for a
9 service.
10 (4) During a behavioral health services organization's intake procedures, a client shall
11 sign a statement which specifies that the client has the right to:
12 (a) Give informed consent to receive a service.
13 1. An adult shall sign an informed consent to receive a service.
14 2. A parent, caregiver, or person who has custodial control of a child shall sign an
15 informed consent for the child to receive a service;
16 (b) Have input into his or her plan of care and be informed of the plan's content;
17 (c) Receive individualized treatment;
18 (d) File a grievance, recommendation or opinion regarding the services the client
19 receives;
20 (e) Give informed written consent regarding participation in a research study with the
21 exception of a child whose parent or guardian shall give informed written consent;
22 (f) Confidentiality according to Section 7(6) of this administrative regulation;
23 (g) Request a written statement of the charge for a service and be informed of the

1 policy for the assessment and payment of fees;

2 (h) Be informed of the rules of client conduct, including the consequences for the use

3 of alcohol and other drugs or other infractions that may result in disciplinary action or

4 discharge;

5 (i) Be treated with consideration, respect, and personal dignity;

6 (j) Review his or her client record in accordance with the organization's policy; and

7 (k) Receive one (1) free copy of his or her client record.

8 (5) A program providing twenty-four (24) hour care shall also specify on the client

9 rights statement that a client has the right to:

10 (a) Vote in a political election; and

11 (b) Reasonable accommodations to afford privacy in bathing and toileting.

12 (6) If a client is restricted from exercising a client right because it is contraindicated by

13 the client's physical or mental condition, there shall be documentation in the client record

14 of the reason for the restriction and of the explanation given to the client.

15 Section 10. Physical Environment.

16 (1) Accessibility. A behavioral health services organization shall meet requirements

17 for making buildings and facilities accessible to and usable by individuals with physical

18 disabilities pursuant to KRS 198B.260 and administrative regulations promulgated

19 thereunder.

20 (2) Fire safety. A behavioral health services organization shall be approved by the

21 State Fire Marshal's office prior to initial licensure or if an organization changes location.

22 (3) Physical location and overall environment.

23 (a) A behavioral health services organization shall:

1. Comply with building codes, ordinances, and administrative regulations which are enforced by city, county, or state jurisdictions;

2. Display a sign that can be viewed by the public that contains the facility name, hours of operation, and a street address;

3. Have a publicly listed telephone number and a dedicated phone number to send and receive faxes with a fax machine that shall be operational twenty-four (24) hours per day;

4. Have a reception and waiting area;

5. Provide a restroom; and

6. Have an administrative area.

(b) The condition of the physical location and the overall environment shall be maintained in such a manner that the safety and well-being of clients, personnel, and visitors are assured.

(4) Prior to occupancy, the facility shall have final approval from appropriate agencies.

Section 11. License Procedures. The behavioral health services organization shall be subject to the provisions of 902 KAR 20:008, Section 1, 2, 5, 6, and 7.

Section 12. Incorporation by Reference.

(1) The OIG 20:430, "Application for License to Operate a Behavioral Health Services Organization", July 2014 edition, is incorporated by reference.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Office of Inspector General, 275 East Main Street, Frankfort, Kentucky 40621, Monday through Friday, 8 a.m. to 4:30 p.m.

Maryellen B Mynear 6/24/14

Maryellen B. Mynear Date
Inspector General

APPROVED:

Audrey Tayse Haynes 6/25/14

Audrey Tayse Haynes Date
Secretary

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation: 902 KAR 20:430E
Contact Person: Maryellen B. Mynear, Inspector General
Stephanie Brammer-Barnes, Internal Policy Analyst
Office of Inspector General
502-564-2888

(1) Provide a brief summary of:
(a) What this administrative regulation does: This administrative regulation creates a new health facility licensure category called "behavioral health services organizations".
(b) The necessity of this administrative regulation: This new administrative regulation is necessary to establish the minimum requirements for the licensure of behavioral health services organizations which provide behavioral health services to treat, support, and encourage individuals with a substance use disorder, mental health disorder, or co-occurring disorder to achieve and maintain the highest possible level of health and self-sufficiency.
(c) How this administrative regulation conforms to the content of the authorizing statutes: This administrative regulation conforms to the content of KRS 216B.042 which requires the Cabinet for Health and Family Services to promulgate administrative regulations necessary for the proper administration of the licensure function. Administration of the licensure function includes establishing licensure standards and procedures to ensure safe, adequate, and efficient health facilities and health services. In addition, KRS 215B.042 authorizes the Cabinet to establish reasonable application fees for licenses.
(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation assists in the effective administration of the statutes by establishing the minimum licensure requirements necessary for the operation of behavioral health services organizations.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:
(a) How the amendment will change this existing administrative regulation: This is a new administrative regulation.
(b) The necessity of the amendment to this administrative regulation: This is a new administrative regulation.
(c) How the amendment conforms to the content of the authorizing statutes: This is a new administrative regulation.
(d) How the amendment will assist in the effective administration of the statutes: This is a new administrative regulation.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: Under this new administrative regulation, clinical behavioral health services entities may apply for licensure as a behavioral health services organization. Upon approval of licensure, behavioral health services organizations may enroll in the Kentucky Medicaid Program

for reimbursement of covered behavioral health services provided to Medicaid recipients.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: Entities interested in applying for licensure as a behavioral health services organization will be required to comply with the licensure standards established in this new administrative regulation.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): Entities licensed under this new administrative regulation will be subject to the licensure fees described in the response to question (7).

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): Entities licensed under this new administrative regulation will be eligible to enroll in the Kentucky Medicaid Program for reimbursement of covered behavioral health services provided to Medicaid recipients. Additionally, the anticipated expansion in the number of behavioral health services providers ensures that Medicaid recipients will have access to Medicaid-covered services for the treatment of substance use disorders, mental health disorders, or co-occurring disorders.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: The cost of implementing this administrative regulation is expected to be absorbable because the licensure fee is anticipated to cover the cost of regulating behavioral health services organizations, including initial and routine surveys conducted by at least one (1) nurse consultant inspector, investigation of complaints, processing applications, supervisory review, travel costs, and other indirect costs.

(b) On a continuing basis: The cost of implementing this administrative regulation is expected to be absorbable as the licensure fee is anticipated to cover the cost of regulating behavioral health services organizations on a continuing basis.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: The source of funding used for the implementation and enforcement of this administrative regulation will be from licensure fees collected from behavioral health services organizations and state general funds.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: As a new administrative regulation, the initial fee for licensure as a behavioral health services organization will be $750, the annual renewal fee will be $500, and the fee for each extension location will be $250. A processing fee of $25 will

be charged for a change of name and a fee of $100 will be charged for a change of location. A change of ownership must be documented on a new licensure application and submission of an accompanying fee of $750.

(8) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: This new administrative regulation establishes licensure fees as described in the response to question (7).

(9) TIERING: Is tiering applied? (explain why or why not) Tiering is not applicable as compliance with this administrative regulation applies equally to all individuals or entities who elect to be regulated by it.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation: 902 KAR 20:430E
Contact Person: Maryellen B. Mynear, Inspector General
Stephanie Brammer-Barnes, Internal Policy Analyst
Office of Inspector General
502-564-2888

1. What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? Under this new administrative regulation, clinical behavioral health services entities may apply for licensure as a behavioral health services organization.

2. Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 216B.042 requires the Cabinet for Health and Family Services to promulgate administrative regulations necessary for the proper administration of the licensure function.

3. Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? The Cabinet will collect an initial fee of $750 from each applicant for licensure as a behavioral health services organization. The Cabinet anticipates 50 to 75 applicants during the first year. Therefore, the Cabinet may collect between $37,500 to $56,250 in licensure fees.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? The Cabinet will collect an annual renewal fee of $500 from each licensed behavioral health services organization. The Cabinet anticipates there will be approximately 75 licensed behavioral health services organizations operating in subsequent years. Therefore, the Cabinet may collect approximately $37,500 in licensure fees during subsequent years.

(c) How much will it cost to administer this program for the first year? The cost of implementing this administrative regulation is expected to be absorbable because the licensure fee is anticipated to cover the cost of regulating behavioral health services organizations, including initial and routine surveys conducted by at least one (1) nurse consultant inspector, investigation of complaints, processing applications, supervisory review, travel costs, and other indirect costs.

(d) How much will it cost to administer this program for subsequent years? The cost

of implementing this administrative regulation is expected to be absorbable as the licensure fee is anticipated to cover the cost of regulating behavioral health services organizations on a continuing basis.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-):
Expenditures (+/-):
Other Explanation