

2 **SHB 2098** - S AMD
3 By Senators Talmadge and Deccio

4 ADOPTED 4/24/93

5 Strike everything after the enacting clause and insert the
6 following:

7 "NEW SECTION. **Sec. 1.** FINDINGS. The legislature finds that the
8 aging of the population and advanced medical technology have resulted
9 in a growing number of persons who require assistance. The primary
10 resource for long-term care continues to be family and friends.
11 However, these traditional caregivers are increasingly employed outside
12 the home. There is a growing demand for improvement and expansion of
13 home and community-based long-term care services to support and
14 complement the services provided by these informal caregivers.

15 The legislature further finds that the public interest would best
16 be served by a broad array of long-term care services that support
17 persons who need such services at home or in the community whenever
18 practicable and that promote individual autonomy, dignity, and choice.

19 The legislature finds that as other long-term care options become
20 more available, the relative need for nursing home beds is likely to
21 decline. The legislature recognizes, however, that nursing home care
22 will continue to be a critical part of the state's long-term care
23 options, and that such services should promote individual dignity,
24 autonomy, and a homelike environment.

25 NEW SECTION. **Sec. 2.** PURPOSE AND INTENT. It is the legislature's
26 intent that:

27 (1) Long-term care services administered by the department of
28 social and health services include a balanced array of health, social,
29 and supportive services that promote individual choice, dignity, and
30 the highest practicable level of independence;

31 (2) Home and community-based services be developed, expanded, or
32 maintained in order to meet the needs of consumers and to maximize
33 effective use of limited resources;

34 (3) Long-term care services be responsive and appropriate to
35 individual need and also cost-effective for the state;

1 (4) Nursing home care is provided in such a manner and in such an
2 environment as will promote maintenance or enhancement of the quality
3 of life of each resident and timely discharge to a less restrictive
4 care setting when appropriate; and

5 (5) State health planning for nursing home bed supply take into
6 account increased availability of other home and community-based
7 service options.

8 NEW SECTION. **Sec. 3.** ASSISTED LIVING. To the extent of available
9 funding, the department of social and health services may contract with
10 licensed boarding homes for assisted living services. The department
11 shall develop rules that ensure that the contracted services:

12 (1) Recognize individual needs, privacy, and autonomy;

13 (2) Include, but not be limited to, personal care, nursing
14 services, medication administration, and supportive services that
15 promote independence and self-sufficiency;

16 (3) Are of sufficient scope to assure that each resident who
17 chooses to remain in assisted living may do so, unless nursing care
18 needs exceed the level of care defined by the department;

19 (4) Are directed first to those persons most likely, in the absence
20 of assisted living services, to need hospital, nursing facility, or
21 other out-of-home placement; and

22 (5) Are provided in compliance with applicable department of health
23 facility and professional licensing laws and rules.

24 **Sec. 4.** RCW 74.42.010 and 1979 ex.s. c 211 s 1 are each amended to
25 read as follows:

26 Unless the context clearly requires otherwise, the definitions in
27 this section apply throughout this chapter.

28 (1) "Department" means the department of social and health services
29 and the department's employees.

30 (2) "Facility" refers to a nursing home as defined in RCW
31 18.51.010.

32 (3) "Licensed practical nurse" means a person licensed to practice
33 practical nursing under chapter 18.78 RCW.

34 (4) "Medicaid" means Title XIX of the Social Security Act enacted
35 by the social security amendments of 1965 (42 U.S.C. Sec. 1396; 79
36 Stat. 343), as amended.

1 (5) "Nursing care" means that care provided by a registered nurse,
2 a licensed practical nurse, or a nursing assistant in the regular
3 performance of their duties.

4 (6) "Qualified therapist" means:

5 (a) An activities specialist who has specialized education,
6 training, or experience specified by the department.

7 (b) An audiologist who is eligible for a certificate of clinical
8 competence in audiology or who has the equivalent education and
9 clinical experience.

10 (c) A mental health professional as defined in chapter 71.05 RCW.

11 (d) A mental retardation professional who is a qualified therapist
12 or a therapist approved by the department and has specialized training
13 or one year experience in treating or working with the mentally
14 retarded or developmentally disabled.

15 (e) An occupational therapist who is a graduate of a program in
16 occupational therapy or who has equivalent education or training.

17 (f) A physical therapist as defined in chapter 18.74 RCW.

18 (g) A social worker who is a graduate of a school of social work.

19 (h) A speech pathologist who is eligible for a certificate of
20 clinical competence in speech pathology or who has equivalent education
21 and clinical experience.

22 (7) "Registered nurse" means a person practicing nursing under
23 chapter 18.88 RCW.

24 (8) "Resident" means an individual (~~((recipient of medical benefits
25 pursuant to chapter 74.09 RCW, except as to RCW 74.42.030 through
26 74.42.130 which shall apply to all patients))~~) residing in a nursing
27 home, as defined in RCW 18.51.010.

28 (9) "Physician's assistant" means a person practicing pursuant to
29 chapters 18.57A and 18.71A RCW.

30 (10) "Nurse practitioner" means a person practicing such expanded
31 acts of nursing as are authorized by the board of nursing pursuant to
32 RCW 18.88.030.

33 **Sec. 5.** RCW 70.38.111 and 1992 c 27 s 2 are each amended to read
34 as follows:

35 (1) The department shall not require a certificate of need for the
36 offering of an inpatient tertiary health service by:

37 (a) A health maintenance organization or a combination of health
38 maintenance organizations if (i) the organization or combination of

1 organizations has, in the service area of the organization or the
2 service areas of the organizations in the combination, an enrollment of
3 at least fifty thousand individuals, (ii) the facility in which the
4 service will be provided is or will be geographically located so that
5 the service will be reasonably accessible to such enrolled individuals,
6 and (iii) at least seventy-five percent of the patients who can
7 reasonably be expected to receive the tertiary health service will be
8 individuals enrolled with such organization or organizations in the
9 combination;

10 (b) A health care facility if (i) the facility primarily provides
11 or will provide inpatient health services, (ii) the facility is or will
12 be controlled, directly or indirectly, by a health maintenance
13 organization or a combination of health maintenance organizations which
14 has, in the service area of the organization or service areas of the
15 organizations in the combination, an enrollment of at least fifty
16 thousand individuals, (iii) the facility is or will be geographically
17 located so that the service will be reasonably accessible to such
18 enrolled individuals, and (iv) at least seventy-five percent of the
19 patients who can reasonably be expected to receive the tertiary health
20 service will be individuals enrolled with such organization or
21 organizations in the combination; or

22 (c) A health care facility (or portion thereof) if (i) the facility
23 is or will be leased by a health maintenance organization or
24 combination of health maintenance organizations which has, in the
25 service area of the organization or the service areas of the
26 organizations in the combination, an enrollment of at least fifty
27 thousand individuals and, on the date the application is submitted
28 under subsection (2) of this section, at least fifteen years remain in
29 the term of the lease, (ii) the facility is or will be geographically
30 located so that the service will be reasonably accessible to such
31 enrolled individuals, and (iii) at least seventy-five percent of the
32 patients who can reasonably be expected to receive the tertiary health
33 service will be individuals enrolled with such organization;
34 if, with respect to such offering or obligation by a nursing home, the
35 department has, upon application under subsection (2) of this section,
36 granted an exemption from such requirement to the organization,
37 combination of organizations, or facility.

38 (2) A health maintenance organization, combination of health
39 maintenance organizations, or health care facility shall not be exempt

1 under subsection (1) of this section from obtaining a certificate of
2 need before offering a tertiary health service unless:

3 (a) It has submitted at least thirty days prior to the offering of
4 services reviewable under RCW 70.38.105(4)(d) an application for such
5 exemption; and

6 (b) The application contains such information respecting the
7 organization, combination, or facility and the proposed offering or
8 obligation by a nursing home as the department may require to determine
9 if the organization or combination meets the requirements of subsection
10 (1) of this section or the facility meets or will meet such
11 requirements; and

12 (c) The department approves such application. The department shall
13 approve or disapprove an application for exemption within thirty days
14 of receipt of a completed application. In the case of a proposed
15 health care facility (or portion thereof) which has not begun to
16 provide tertiary health services on the date an application is
17 submitted under this subsection with respect to such facility (or
18 portion), the facility (or portion) shall meet the applicable
19 requirements of subsection (1) of this section when the facility first
20 provides such services. The department shall approve an application
21 submitted under this subsection if it determines that the applicable
22 requirements of subsection (1) of this section are met.

23 (3) A health care facility (or any part thereof) with respect to
24 which an exemption was granted under subsection (1) of this section may
25 not be sold or leased and a controlling interest in such facility or in
26 a lease of such facility may not be acquired and a health care facility
27 described in (1)(c) which was granted an exemption under subsection (1)
28 of this section may not be used by any person other than the lessee
29 described in (1)(c) unless:

30 (a) The department issues a certificate of need approving the sale,
31 lease, acquisition, or use; or

32 (b) The department determines, upon application, that (i) the
33 entity to which the facility is proposed to be sold or leased, which
34 intends to acquire the controlling interest, or which intends to use
35 the facility is a health maintenance organization or a combination of
36 health maintenance organizations which meets the requirements of
37 (1)(a)(i), and (ii) with respect to such facility, meets the
38 requirements of (1)(a)(ii) or (iii) or the requirements of (1)(b)(i)
39 and (ii).

1 (4) In the case of a health maintenance organization, an ambulatory
2 care facility, or a health care facility, which ambulatory or health
3 care facility is controlled, directly or indirectly, by a health
4 maintenance organization or a combination of health maintenance
5 organizations, the department may under the program apply its
6 certificate of need requirements only to the offering of inpatient
7 tertiary health services and then only to the extent that such offering
8 is not exempt under the provisions of this section.

9 (5)(a) The department shall not require a certificate of need for
10 the construction, development, or other establishment of a nursing
11 home, or the addition of beds to an existing nursing home, that is
12 owned and operated by a continuing care retirement community that:

13 (i) Offers services only to contractual members;

14 (ii) Provides its members a contractually guaranteed range of
15 services from independent living through skilled nursing, including
16 some assistance with daily living activities;

17 (iii) Contractually assumes responsibility for the cost of services
18 exceeding the member's financial responsibility under the contract, so
19 that no third party, with the exception of insurance purchased by the
20 retirement community or its members, but including the medicaid
21 program, is liable for costs of care even if the member depletes his or
22 her personal resources;

23 (iv) Has offered continuing care contracts and operated a nursing
24 home continuously since January 1, 1988, or has obtained a certificate
25 of need to establish a nursing home;

26 (v) Maintains a binding agreement with the state assuring that
27 financial liability for services to members, including nursing home
28 services, will not fall upon the state;

29 (vi) Does not operate, and has not undertaken a project that would
30 result in a number of nursing home beds in excess of one for every four
31 living units operated by the continuing care retirement community,
32 exclusive of nursing home beds; and

33 (vii) Has obtained a professional review of pricing and long-term
34 solvency within the prior five years which was fully disclosed to
35 members.

36 (b) A continuing care retirement community shall not be exempt
37 under this subsection from obtaining a certificate of need unless:

38 (i) It has submitted an application for exemption at least thirty
39 days prior to commencing construction of, is submitting an application

1 for the licensure of, or is commencing operation of a nursing home,
2 whichever comes first; and

3 (ii) The application documents to the department that the
4 continuing care retirement community qualifies for exemption.

5 (c) The sale, lease, acquisition, or use of part or all of a
6 continuing care retirement community nursing home that qualifies for
7 exemption under this subsection shall require prior certificate of need
8 approval to qualify for licensure as a nursing home unless the
9 department determines such sale, lease, acquisition, or use is by a
10 continuing care retirement community that meets the conditions of (a)
11 of this subsection.

12 (6) A rural hospital, as defined by the department, reducing the
13 number of licensed beds to become a rural primary care hospital under
14 the provisions of Part A Title XVIII of the Social Security Act Section
15 1820, 42 U.S.C., 1395c et seq. may, within three years of the reduction
16 of beds licensed under chapter 70.41 RCW, increase the number of
17 licensed beds to no more than the previously licensed number without
18 being subject to the provisions of this chapter.

19 (7) A rural health care facility licensed under RCW 70.175.100
20 formerly licensed as a hospital under chapter 70.41 RCW may, within
21 three years of the effective date of the rural health care facility
22 license, apply to the department for a hospital license and not be
23 subject to the requirements of RCW 70.38.105(4)(a) as the construction,
24 development, or other establishment of a new hospital, provided there
25 is no increase in the number of beds previously licensed under chapter
26 70.41 RCW and there is no redistribution in the number of beds used for
27 acute care or long-term care, the rural health care facility has been
28 in continuous operation, and the rural health care facility has not
29 been purchased or leased.

30 (8)(a) A nursing home that voluntarily reduces the number of its
31 licensed beds to provide assisted living, licensed boarding home care,
32 adult day care, adult day health, respite care, hospice, outpatient
33 therapy services, congregate meals, home health, or senior wellness
34 clinic, or to reduce to one or two the number of beds per room in the
35 nursing home, may convert the original facility or portion of the
36 facility back, and thereby increase the number of nursing home beds to
37 no more than the previously licensed number of nursing home beds
38 without being subject to the provisions of this chapter except under

1 RCW 70.38.105(4)(d), provided the facility has been in continuous
2 operation and has not been purchased or leased.

3 (b) To convert beds back to nursing home beds under this
4 subsection, the nursing home must:

5 (i) Give notice of its intent to preserve conversion options to the
6 department of health no later than thirty days after the effective date
7 of the license reduction; and

8 (ii) Give notice to the department of health and to the department
9 of social and health services of the intent to convert beds back. If
10 construction is required for the conversion of beds back, the notice of
11 intent to convert beds back must be given no later than two years prior
12 to the effective date of license modification reflecting the restored
13 beds; otherwise, the notice must be given no later than one year prior
14 to the effective date of license modification reflecting the restored
15 beds.

16 (c) Conversion of beds back under this subsection must be completed
17 no later than four years after the effective date of the license
18 reduction. However, for good cause shown, the four-year period for
19 conversion may be extended by the department of health for one
20 additional four-year period.

21 (d) Nursing home beds that have been voluntarily reduced under this
22 section shall be counted as available nursing home beds for the purpose
23 of evaluating need under RCW 70.38.115(2)(a) and (k) so long as the
24 facility retains the ability to convert them back to nursing home use
25 under the terms of this section.

26 **Sec. 6.** RCW 70.38.115 and 1989 1st ex.s. c 9 s 605 and 1989 c 175
27 s 126 are each reenacted and amended to read as follows:

28 (1) Certificates of need shall be issued, denied, suspended, or
29 revoked by the designee of the secretary in accord with the provisions
30 of this chapter and rules of the department which establish review
31 procedures and criteria for the certificate of need program.

32 (2) Criteria for the review of certificate of need applications,
33 except as provided in subsection (3) of this section for health
34 maintenance organizations, shall include but not be limited to
35 consideration of the following:

36 (a) ~~((Until June 30, 1990, the relationship of the health services~~
37 ~~being reviewed to the applicable health plans;~~

1 ~~(b)~~) The need that the population served or to be served by such
2 services has for such services;

3 ~~((e))~~ (b) The availability of less costly or more effective
4 alternative methods of providing such services;

5 ~~((d))~~ (c) The financial feasibility and the probable impact of
6 the proposal on the cost of and charges for providing health services
7 in the community to be served;

8 ~~((e))~~ (d) In the case of health services to be provided, (i) the
9 availability of alternative uses of project resources for the provision
10 of other health services, (ii) the extent to which such proposed
11 services will be accessible to all residents of the area to be served,
12 and (iii) the need for and the availability in the community of
13 services and facilities for osteopathic and allopathic physicians and
14 their patients. The department shall consider the application in terms
15 of its impact on existing and proposed institutional training programs
16 for doctors of osteopathy and medicine at the student, internship, and
17 residency training levels;

18 ~~((f))~~ (e) In the case of a construction project, the costs and
19 methods of the proposed construction, including the cost and methods of
20 energy provision, and the probable impact of the construction project
21 reviewed (i) on the cost of providing health services by the person
22 proposing such construction project and (ii) on the cost and charges to
23 the public of providing health services by other persons;

24 ~~((g))~~ (f) The special needs and circumstances of osteopathic
25 hospitals, nonallopathic services and children's hospitals;

26 ~~((h))~~ (g) Improvements or innovations in the financing and
27 delivery of health services which foster cost containment and serve to
28 promote quality assurance and cost-effectiveness;

29 ~~((i))~~ (h) In the case of health services proposed to be provided,
30 the efficiency and appropriateness of the use of existing services and
31 facilities similar to those proposed;

32 ~~((j))~~ (i) In the case of existing services or facilities, the
33 quality of care provided by such services or facilities in the past;

34 ~~((and~~

35 ~~(k))~~ (j) In the case of hospital certificate of need applications,
36 whether the hospital meets or exceeds the regional average level of
37 charity care, as determined by the secretary; and

38 (k) In the case of nursing home applications:

1 (i) The availability of other nursing home beds in the planning
2 area to be served; and

3 (ii) The availability of other services in the community to be
4 served. Data used to determine the availability of other services will
5 include but not be limited to data provided by the department of social
6 and health services.

7 (3) A certificate of need application of a health maintenance
8 organization or a health care facility which is controlled, directly or
9 indirectly, by a health maintenance organization, shall be approved by
10 the department if the department finds:

11 (a) Approval of such application is required to meet the needs of
12 the members of the health maintenance organization and of the new
13 members which such organization can reasonably be expected to enroll;
14 and

15 (b) The health maintenance organization is unable to provide,
16 through services or facilities which can reasonably be expected to be
17 available to the organization, its health services in a reasonable and
18 cost-effective manner which is consistent with the basic method of
19 operation of the organization and which makes such services available
20 on a long-term basis through physicians and other health professionals
21 associated with it.

22 A health care facility, or any part thereof, with respect to which
23 a certificate of need was issued under this subsection may not be sold
24 or leased and a controlling interest in such facility or in a lease of
25 such facility may not be acquired unless the department issues a
26 certificate of need approving the sale, acquisition, or lease.

27 (4) Until the final expiration of the state health plan as provided
28 under RCW 70.38.919, the decision of the department on a certificate of
29 need application shall be consistent with the state health plan in
30 effect, except in emergency circumstances which pose a threat to the
31 public health. The department in making its final decision may issue
32 a conditional certificate of need if it finds that the project is
33 justified only under specific circumstances. The conditions shall
34 directly relate to the project being reviewed. The conditions may be
35 released if it can be substantiated that the conditions are no longer
36 valid and the release of such conditions would be consistent with the
37 purposes of this chapter.

38 (5) Criteria adopted for review in accordance with subsection (2)
39 of this section may vary according to the purpose for which the

1 particular review is being conducted or the type of health service
2 reviewed.

3 (6) The department shall specify information to be required for
4 certificate of need applications. Within fifteen days of receipt of
5 the application, the department shall request additional information
6 considered necessary to the application or start the review process.
7 Applicants may decline to submit requested information through written
8 notice to the department, in which case review starts on the date of
9 receipt of the notice. Applications may be denied or limited because
10 of failure to submit required and necessary information.

11 (7) Concurrent review is for the purpose of comparative analysis
12 and evaluation of competing or similar projects in order to determine
13 which of the projects may best meet identified needs. Categories of
14 projects subject to concurrent review include at least new health care
15 facilities, new services, and expansion of existing health care
16 facilities. The department shall specify time periods for the
17 submission of applications for certificates of need subject to
18 concurrent review, which shall not exceed ninety days. Review of
19 concurrent applications shall start fifteen days after the conclusion
20 of the time period for submission of applications subject to concurrent
21 review. Concurrent review periods shall be limited to one hundred
22 fifty days, except as provided for in rules adopted by the department
23 authorizing and limiting amendment during the course of the review, or
24 for an unresolved pivotal issue declared by the department.

25 (8) Review periods for certificate of need applications other than
26 those subject to concurrent review shall be limited to ninety days.
27 Review periods may be extended up to thirty days if needed by a review
28 agency, and for unresolved pivotal issues the department may extend up
29 to an additional thirty days. A review may be extended in any case if
30 the applicant agrees to the extension.

31 (9) The department or its designee, shall conduct a public hearing
32 on a certificate of need application if requested unless the review is
33 expedited or subject to emergency review. The department by rule shall
34 specify the period of time within which a public hearing must be
35 requested and requirements related to public notice of the hearing,
36 procedures, recordkeeping and related matters.

37 (10) Any applicant denied a certificate of need or whose
38 certificate of need has been suspended or revoked has the right to an

1 adjudicative proceeding. The proceeding is governed by chapter 34.05
2 RCW, the Administrative Procedure Act.

3 (11) An amended certificate of need shall be required for the
4 following modifications of an approved project:

5 (a) A new service requiring review under this chapter;

6 (b) An expansion of a service subject to review beyond that
7 originally approved;

8 (c) An increase in bed capacity;

9 (d) A significant reduction in the scope of a nursing home project
10 without a commensurate reduction in the cost of the nursing home
11 project, or a cost increase (as represented in bids on a nursing home
12 construction project or final cost estimates acceptable to the person
13 to whom the certificate of need was issued) if the total of such
14 increases exceeds twelve percent or fifty thousand dollars, whichever
15 is greater, over the maximum capital expenditure approved. The review
16 of reductions or cost increases shall be restricted to the continued
17 conformance of the nursing home project with the review criteria
18 pertaining to financial feasibility and cost containment.

19 (12) An application for a certificate of need for a nursing home
20 capital expenditure which is determined by the department to be
21 required to eliminate or prevent imminent safety hazards or correct
22 violations of applicable licensure and accreditation standards shall be
23 approved.

24 (13) In the case of an application for a certificate of need to
25 replace existing nursing home beds, all criteria must be met on the
26 same basis as an application for a certificate of need for a new
27 nursing home, except that the need criteria shall be deemed met if the
28 applicant is an existing licensee who proposes to replace existing beds
29 that the licensee has operated for at least one year with the same or
30 fewer number of beds in the same planning area. When an entire nursing
31 home ceases operation, its beds shall be treated as existing nursing
32 home beds for purposes of replacement for eight years or until a
33 certificate of need to replace them is issued, whichever occurs first.
34 However, the nursing home must give notice of its intent to retain the
35 beds to the department of health no later than thirty days after the
36 effective date of the facility's closure.

37 NEW SECTION. Sec. 7. A new section is added to chapter 74.14A RCW
38 to read as follows:

1 The secretary shall:

2 (1)(a) Consult with relevant qualified professionals to develop a
3 set of minimum guidelines to be used for identifying all children who
4 are in a state-assisted support system, whether at-home or out-of-home,
5 who are likely to need long-term care or assistance, because they face
6 physical, emotional, medical, mental, or other long-term challenges.

7 (b) The guidelines must, at a minimum, consider the following
8 criteria for identifying children in need of long-term care or
9 assistance:

10 (i) Placement within the foster care system for two years or more;

11 (ii) Multiple foster care placements;

12 (iii) Repeated unsuccessful efforts to be placed with a permanent
13 adoptive family;

14 (iv) Chronic behavioral or educational problems;

15 (v) Repetitive criminal acts or offenses;

16 (vi) Failure to comply with court-ordered disciplinary actions and
17 other imposed guidelines of behavior, including drug and alcohol
18 rehabilitation; and

19 (vii) Chronic physical, emotional, medical, mental, or other
20 similar conditions necessitating long-term care or assistance;

21 (2) Develop programs that are necessary for the long-term care of
22 children and youth that are identified for the purposes of this
23 section. Programs must: (a) Effectively address the educational,
24 physical, emotional, mental, and medical needs of children and youth;
25 and (b) incorporate an array of family support options, to individual
26 needs and choices of the child and family. The programs must be ready
27 for implementation by January 1, 1995;

28 (3) Conduct an evaluation of all children currently within the
29 foster care agency caseload to identify those children who meet the
30 criteria set forth in this section. The evaluation shall be completed
31 by January 1, 1994. All children entering the foster care system after
32 January 1, 1994, must be evaluated for identification of long-term
33 needs within thirty days of placement;

34 (4) Study and develop a comprehensive plan for the evaluation and
35 identification of all children and youth in need of long-term care or
36 assistance, including, but not limited to, the mentally ill,
37 developmentally disabled, medically fragile, seriously emotionally or
38 behaviorally disabled, and physically impaired;

1 (5) Study and develop a plan for the children and youth in need of
2 long-term care or assistance to ensure the coordination of services
3 between the department's divisions and between other state agencies who
4 are involved with the child or youth;

5 (6) Study and develop guidelines for transitional services, between
6 long-term care programs, based on the person's age or mental, physical,
7 emotional, or medical condition; and

8 (7) Study and develop a statutory proposal for the emancipation of
9 minors and report its findings and recommendations to the legislature
10 by January 1, 1994.

11 NEW SECTION. **Sec. 8.** A new section is added to chapter 71A.20 RCW
12 to read as follows:

13 The secretary shall develop a plan by July 1, 1994, that will
14 establish the July 1, 2001, size of each residential habilitation
15 center. The plan shall include:

16 (1) Specific criteria for admission to and continued residence in
17 the residential habilitation centers consistent with the goal of
18 delivering services to meet the needs of individuals with developmental
19 disabilities in the least restrictive, most appropriate, and cost-
20 effective setting;

21 (2) An estimate of the number of people meeting the public safety
22 or specialized care criteria who are expected to require admission to
23 or continued residence in state-operated care;

24 (3) A review of the service needs of each resident of the
25 developmental disabilities state institutions and the level of services
26 appropriate to maintain the person in the most normal and least
27 restrictive setting that is consistent with the person's needs.

28 (4) A plan for assuring safe and quality community care for current
29 residential habilitation center residents who do not meet residential
30 habilitation center placement criteria;

31 (5) Proposed uses for excess institutional grounds and buildings by
32 other governmental or private entities in ways that the proceeds will
33 benefit individuals with developmental disabilities; and

34 (6) Strategies to retrain and/or provide new jobs in developmental
35 disability community care or in other public service for any staff not
36 needed in residential habilitation centers.

