

**STATEMENT OF BASIS AND PURPOSE  
AND SPECIFIC STATUTORY AUTHORITY FOR**

Amendments to Rules Pertaining to the Standards for Hospitals and Health Facilities  
6 CCR 1011-1  
Chapter II, General Licensure Standards  
November 6, 2009

**Basis and Purpose:**

As the title indicates, Chapter II contains information and requirements that pertain to all licensed health facilities. The Chapter is divided into 9 parts and there are proposed amendments to every part except Part 8. The changes are both substantive and technical. The proposed substantive changes affect Parts 1, 2, 6 and 9. Additional technical changes affect Parts 3, 4, 5 and 7.

The proposed change to Part 1 affects timeframes for the plan review process. The proposed changes to Part 2 include a complete reorganization for easier reference, adding a definitions section and clarifying the type of information required from a license applicant. In order to comply with Colorado Division of Insurance Rule 2-1-1, the Department proposes that a license renewal applicant having an insurance policy with any portion of self-insured retention or alternate form of security submit its license application and fee at least ninety (90) days prior to the expiration of the existing license. Other changes include adding language regarding the department's regulatory oversight of all licensed health care entities and a section on the submission of a plan of correction in response to cited deficient operation. Additional changes include revisions to the change of ownership language; requiring all facilities to have Internet access and an e-mail address; requiring separate licenses for each category of services covered by distinct set of department regulations; and changes in fees for provisional and conditional licenses along with requests for increased licensed capacity and late submission of renewal applications. Part 6 has been reorganized for easier reference. The language in the previous Part 9 has been merged into Part 6 and new language has been placed in Part 9 regarding hospital-acquired infections disclosure.

**These rules are promulgated pursuant to the following statutes:**

Section 25-1.5-103, C.R.S. (2009).  
Section 25-3-105, C.R.S. (2009).  
Section 25-3-607, C.R.S. (2009).

**Major Factual and Policy Issues Encountered:**

There were several major factual and policy issues encountered including how to fairly assess license fees for conditional licenses that take a great deal of Department administrative time to draft and monitor, what additional information to request from an applicant requesting a license so that the Department can adequately assess the financial and operation fitness of such applicant in order to adequately protect the health and safety of future consumers, and how to achieve more enforcement parity among the various health entities licensed by the Department.

**Alternative rules considered:**

In developing these rules, the Department considered different possibilities to meet its statutory requirements, needs of various stakeholders, and its responsibilities for public health and safety. No other alternatives were deemed appropriate.