CHAPTER 33R

PLANNING AND CERTIFICATE OF NEED REVIEWS OF PSYCHIATRIC HEALTH CARE FACILITIES AND SERVICES

Authority

N.J.S.A. 26:2H–1 et seq.

Source and Effective Date

R.1999 d.141, effective May 3, 1999.
See: 30 N.J.R. 1537(a), 31 N.J.R. 1188(a).

Executive Order No. 66(1978) Expiration Date

Chapter 33R, Planning and Certificate of Need Reviews of Psychiatric Health Care Facilities and Services, expires on May 3, 2002.

Chapter Historical Note

Chapter 33R, Policy Manual for Planning and Certificate of Need Reviews of Psychiatric Health Care Facilities and Services Within the State of New Jersey, was adopted as R.1977 d.138, effective April 21, 1977. See: 9 N.J.R. 79(b), 9 N.J.R. 221(b). Subchapter 2 was adopted as R.1983 d.627, effective January 17, 1984. See: 15 N.J.R. 1717(a), 16 N.J.R. 135(a). Subchapter 3 was adopted as R.1983 d.626, effective January 17, 1984. See: 15 N.J.R. 1720(a), 16 N.J.R. 138(a). Subchapter 4 was adopted as R.1983 d.625, effective January 17, 1984. See: 15 N.J.R. 1723(a), 16 N.J.R. 138(b). Subchapter 5 was adopted as R.1987 d.266, effective May 18, 1987. See: 19 N.J.R. 171(b), 19 N.J.R. 873(b).

Subchapter 1 was readopted as R.1988 d.21, effective December 11, 1987. See: 19 N.J.R. 1872(a), 20 N.J.R. 86(a). Subchapter 2 was readopted as R.1988 d.22, December 11, 1987. See: 19 N.J.R. 1873(a), 20 N.J.R. 86(b). Subchapter 3 was readopted as R.1988 d.20, effective December 11, 1987. See: 19 N.J.R. 1875(a), 20 N.J.R. 88(a). Subchapter 4 was readopted as R.1988 d.19, effective December 11, 1987. See: 19 N.J.R. 1876(a), 20 N.J.R. 89(a). Subchapter 5 was readopted as R.1988 d.18, effective December 11, 1987. See: 19 N.J.R. 1877(a), 20 N.J.R. 89(b). Subchapter 4, Rules Governing Psychiatric Inpatient Children's Acute Beds, was repealed and a new Subchapter 4 was adopted by R.1988 d.87, effective February 16, 1988. See: 19 N.J.R. 2094(a), 20 N.J.R. 394(a). Subchapter 1, General Provisions, was repealed by R.1988 d.114, effective March 21, 1988. See: 19 N.J.R. 2365(b), 20 N.J.R. 645(d).

Pursuant to Executive Order No. 66(1978), Chapter 33R was readopted, and was recodified and amended by R.1993 d.29. Chapter 33R, Policy Manual for Planning and Certificate of Need Reviews of Psychiatric Health Care Facilities and Services Within the State of New Jersey, expired on December 11, 1994.

Chapter 33R, Planning and Certificate of Need Reviews of Psychiatric Health Care Facilities and Services, was adopted as R.1996 d.107, effective February 20, 1996. See: 27 N.J.R. 4212(a), 28 N.J.R. 1267(a). Pursuant to Executive Order No. 66(1978), Chapter 33R expired on February 20, 1998.

Chapter 33R, Planning and Certificate of Need Reviews of Psychiatric Health Care Facilities and Services, was adopted as new rules by R.1999 d.141, effective May 3, 1999. See: Source and Effective Date.

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SUBCHAPTER 1. GENERAL PROVISIONS

8:33R–1.1 Scope and purpose

(a) The New Jersey Department of Health and Senior Services currently licenses and regulates inpatient psychiatric beds as provided in licensed general acute care and special

hospitals throughout the State. This subchapter sets forth the definition of psychiatric service terms that appear throughout the chapter which apply to the review of certificate of need applications for the establishment of child, adolescent, and adult acute psychiatric inpatient services in New Jersey. Inpatient psychiatric beds play a small, but critical part in the mental health care system. The purpose of these rules is to provide a uniform set of definitions of psychiatric terms that will facilitate the integration of these inpatient psychiatric beds and services within the continuum of mental health care services, that access for all who require this level of care is assured, that there is continuity of care for patients upon discharge, and that a consistent level of quality services is provided in a cost effective manner.

8:33R–1.2 Definitions

The following words and terms, when used in this chapter, shall have the following meanings:

"Adolescent acute psychiatric beds" means beds in a designated unit of a licensed acute care or special hospital or in a designated free-standing psychiatric unit or facility, established for the provision of intensive treatment to persons generally between the ages of 13 and 18 who are experiencing an acute episode of a primary psychiatric disorder and have been medically evaluated to require the services of a specifically designated unit. The Diagnostic and Statistical Manual (DSM) IV, which is published by the American Psychiatric Association, is the recognized guide for making diagnostic decisions.

"Adult acute psychiatric beds/units" means licensed psychiatric beds in a designated and separate unit of a New Jersey hospital for the provision of intensive evaluation, stabilization and treatment of persons 18 years of age and older who are experiencing an acute episode of a psychiatric disorder. Patients are admitted under voluntary status. If the hospital is designated as a short term care facility, patients may be transferred into the adult acute psychiatric unit as clinically appropriate, regardless of legal status.

"Adult closed acute psychiatric beds/units" means licensed psychiatric beds in a separate unit or subunit of a New Jersey hospital, specifically designated as a mental hospital by the Commissioner of Human Services for the provision of intensive acute treatment services for persons experiencing an acute episode of a psychiatric disorder. All such persons are referred by a screening center and may be admitted voluntarily or involuntarily if they are determined to be mentally ill and dangerous to self or others.

"Affiliation agreement" means a written agreement between two service providers specifying referral and discharge criteria, admission procedures, responsibilities, time frames and services to be performed.

"Case management service" means a coordination of resources and service provision within the adult/child's community to assure that needs are met.

"Children's acute psychiatric beds" means beds in a designated unit of a licensed acute care or special hospital or in a designated free-standing psychiatric unit or facility, established for the provision of intensive treatment of persons generally under the age of 13 who are experiencing an acute episode of a psychiatric disorder and have been medically evaluated to require acute psychiatric inpatient services. The Diagnostic and Statistical Manual (DSM) IV, which is published by the American Psychiatric Association, is the recognized guide for making diagnostic decisions.

"Children's crisis intervention service/CCIS" means a regional community-based acute care inpatient psychiatric service designated by the Commissioner of the Department of Human Services to provide assessment, crisis stabilization, evaluation and treatment to children and adolescents with a length of stay not to exceed 30 days. A CCIS is authorized by the Commissioner of the Department of Human Services to serve persons from a specified geographic area. Children and adolescents are screened by local emergency/screening services and referred for admission if this level of inpatient care is indicated.

"Community outreach service" means a service provided to a child or adolescent and their caretaker in the setting where a crisis occurs, providing assessment and intervention services to determine the need for emergency and stabilization services, or referral to outpatient services, or admission to an inpatient facility or residential program.

"Department" means the New Jersey State Department of Health and Senior Services.

"Designated psychiatric screening center" means a public or private ambulatory care service designated by the Commissioner of Human Services which provides mental health services including assessment, screening, emergency and referral services to mentally ill persons in a specified geographic area. A designated screening center is the facility in the public mental health care treatment system wherein a person believed to be in need of commitment to a short-term care, psychiatric facility or special psychiatric hospital undergoes an assessment to determine what mental health services are appropriate for the person and where those services may be appropriately provided.

"Emergency psychiatric services" means the provision of 24 hour, seven day a week service to people in crisis. Emergency services offer immediate crisis intervention and service procurement to relieve the client's distress and to help maintain or restore his or her level of functioning in the least restrictive setting.

"Liaison" means a mental health worker who is an employee of a Division of Mental Health Services contracted community mental health agency and whose function is to assist the short term care facility treatment team with discharge planning and linkage to services in the community.

"Mental health service area" means a designated area of the State, as defined by the New Jersey Division of Mental Health Services, as a primary catchment area for community mental health service delivery in accordance with N.J.S.A. 30:9A–12 et seq.

"Mental hospital" means a facility, or portion thereof, designated by the Commissioner of Human Services for the care and treatment of individuals with mental illness on an inpatient basis who are admitted under the provisions of N.J.S.A. 30:4–27.1.

"Short term care facility/STCF" means a psychiatric unit within a general hospital or special hospital which is designated by the Department of Human Services to serve a specific geographic area to provide intensive, acute treatment to individuals who meet the commitment standard of mental illness and are dangerous to self or others. They consist of adult closed acute psychiatric beds. The length of stay is 30 days or less.

"System of care" means a comprehensive spectrum of clinical services and other essential support services which are organized into a coordinated network to meet the multiple needs of mentally ill adults and emotionally disturbed children and adolescents and their families. This comprehensive continuum of services would include an array of mental health services including, but not limited to, provisions for emergency/screening, crisis intervention, outpatient services, partial hospitalization, as well as provisions for respite and home-based services, residential treatment services and inpatient hospitalization.

SUBCHAPTER 2. INPATIENT ADULT ACUTE PSYCHIATRIC BEDS

8:33R–2.1 Scope and purpose

(a) The purpose of these rules is to assure that inpatient adult psychiatric beds are well integrated within the continuum of mental health care services, that access for all individuals who require this level of care is assured, that there is continuity of care for patients upon discharge, and that a consistent level of quality services is provided in a cost effective manner.

(b) These rules address the addition or establishment of licensed psychiatric beds for the purpose of treating adults with acute psychiatric disorders who have voluntarily committed themselves for evaluation and/or stabilization of an acute psychiatric disorder. These beds are classified as adult acute psychiatric beds in any existing or proposed licensed hospital in New Jersey.

8:33R–2.2 Bed need

(a) Each applicant for adult acute psychiatric beds shall demonstrate the need for additional bed capacity through an assessment of utilization of all existing open acute psychiatric units in the county. Occupancy rates in all adult acute psychiatric units in hospitals located within the same county of the applicant facility shall exceed 75 percent prior to addition of psychiatric beds within that county, unless the beds are established in conjunction with closed acute beds which are identified as needed in accordance with N.J.A.C. 8:33R–3.3.

(b) Where the occupancy rates of all adult acute psychiatric units in a county do not exceed 75 percent, beds may be added to the applicant facility when occupancy of the applicant facility's existing adult acute psychiatric unit exceeds 90 percent.

8:33R–2.3 Continuity of care

(a) Applicants seeking to establish adult acute psychiatric beds shall provide the following:

1. A description of how the proposed program would fit into a comprehensive system of care. Applicants shall show affiliation with the psychiatric screening and other community-based programs within the geographic area through formal affiliation agreements; and

2. A description of intensive inpatient care which focuses on crisis intervention and is directed toward resolution of a psychiatric emergency and attempts to restore the individual to his or her previous level of functioning.

(b) The applicant shall document its intent to enter into affiliation agreements which provide for immediate access and continuity of psychiatric care, including medication. Draft affiliation agreements and names of provider agencies shall also be submitted which link the adult acute psychiatric beds with specialized facilities providing care to the developmentally disabled and substance abusers, as well as State, county, and other hospitals providing intermediate and special psychiatric beds. Evidence should be attached indicating that formal transfer and/or program linkages agreements will be adopted with existing adult acute, adult closed acute and inpatient screening units, with State and/or county hospitals, each community mental health center, and with other State or county-funded mental health resources within the facility's service area, particularly including the designated psychiatric screening center within the applicant's primary service area and any affiliated emergency services program.

(c) The applicant shall assure its monthly participation in the County System Review Committee pursuant to N.J.S.A. 30:40–27.1 et seq. and N.J.A.C. 10:31–5.

8:33R–2.4 Admission criteria

(a) Written admission criteria and policies shall be developed by the facility and included as part of the certificate of need application.

(b) The written admission criteria should, at a minimum, address the following:

1. Diagnostic or other patient characteristics or factors both acceptable and not acceptable for admission;

2. For those individuals deemed ineligible for admission to the facility, a description of referral procedures to a more appropriate facility;

3. The policy on acceptance of individuals without the ability to pay for treatment;

4. The policy on the treatment of individuals requiring both psychiatric and medical care; and

5. When a patient is in a voluntary psychiatric unit in this facility or another hospital and transfer to a short term care facility is requested, the psychiatric screening center shall determine if all other alternatives have been explored and if the patient meets the admission criteria of the STCF. The applicant shall provide assurances that the designated screener will be provided access to perform a face-to-face assessment of the patient where indicated. Involuntary commitment procedures may then be initiated pursuant to N.J.S.A. 30:4–27 et seq.

8:33R–2.5 Accessibility of care

(a) Provisions for assigning all admissions, including the medically indigent, to the unit's psychiatric staff should be documented.

(b) The applicant should assure that individuals previously hospitalized in either a State or county facility will not be denied admission to the unit solely because of such previous hospitalization.

(c) The applicant should assure that individuals with primary diagnoses of alcoholism or drug abuse will not be accepted for treatment in the psychiatric unit, if appropriate and accessible facilities for substance abuse treatment are available. For individuals with primary diagnoses of substance abuse, mental retardation or organic diagnoses, the admissions policy must assure that patients admitted have psychiatric symptomology capable of amelioration through modalities available on the psychiatric unit.

8:33R–2.6 Emergency services

Procedures assuring 24 hour availability of admissions and psychiatric emergency services shall be documented. Provision of emergency extended crisis intervention beds for the facility's service area is encouraged, where identified as a need in an approved county mental health plan, and where not already available.

8:33R–2.7 Treatment programs, staffing patterns and discharge planning

The proposed treatment program, staffing pattern, and discharge planning process shall be identified within the certificate of need application. All applicants for adult acute psychiatric beds shall demonstrate the ability to comply with licensure standards promulgated by the New Jersey Department of Health and Senior Services as they apply to hospital psychiatric units and with Title XIX (Medicaid) staffing standards, upon project completion. The treatment program and staffing pattern shall be fully described and shall be adequate and appropriate to implement the program. The description should demonstrate recognition of patient's rights and an ability to comply with them.

8:33R–2.8 Physical environment

The applicant shall provide schematic drawings of the proposed floor space which specifies use of the patient and common rooms and their functions. The design of the unit should, within reasonable construction cost guidelines and consistent with applicable life-safety and BOCA codes, provide the most appropriate and least restrictive clinical environment to meet treatment goals.

8:33R–2.9 Local endorsement guidelines

The applicant shall document evidence of local endorsement for the project by recognized mental health planning and service delivery agencies, including State and/or county funded community mental health agencies.

8:33R–2.10 County mental health board review

The county mental health board(s) of the service area proposed to be served by the applicant shall be provided with a copy of the certificate of need application, for their formal action, at the time of submission to the Department. A letter of endorsement from the board(s) or its administrator reflecting such action shall be considered a significant factor in assessing local need for the project. County mental health board comments should be forwarded to the Department of Health and Senior Services, local advisory boards, and to the Division of Mental Health Services in a timely manner, consistent with the certificate of need requirements of N.J.A.C. 8:33. Applicants are encouraged to consult with their county mental health board(s) during the planning stages and prior to submission of the application to ensure that local needs are being met.

8:33R–2.11 New Jersey Department of Human Services endorsement

(a) The New Jersey Department of Human Services will review every application for adult acute psychiatric beds. A state of nonendorsement by the ~~Department of Human~~ Services, due to the applicant's inability to meet the criteria contained within this chapter, shall be considered a reason for denial by the Department of Health and Senior Services.

(b) Applicants are encouraged to consult with the Division of Mental Health Services staff during the planning stage. Technical assistance is available from the Division of Mental Health Services regarding program, architectural standards, affiliation agreements and designation process.

8:33R–2.12 Data

(a) Each applicant shall provide such utilization data upon the request of the Department of Health and Senior Services in (b) below in order to implement the planning assessments necessary under the rules as part of an ongoing process of collecting, analyzing and evaluating data pertaining to the psychiatric treatment of patients in adult acute beds, as well as utilization data required by the Department of Human Services for use by the county systems review committees.

(b) The applicant shall collect and maintain data and information concerning length of stay, referral sources, discharge data, patient diagnosis and characteristics, payer mix and quality assurance data.

SUBCHAPTER 3. INPATIENT ADULT CLOSED ACUTE PSYCHIATRIC BEDS

8:33R–3.1 Scope and purpose

(a) The New Jersey Department of Health and Senior Services currently licenses and regulates inpatient psychiatric beds as provided in licensed general acute care and special hospitals throughout the State. This subchapter sets forth the criteria by which the Department of Health and Senior Services will review certificate of need applications for the establishment of new adult closed acute psychiatric beds in an existing or proposed licensed hospital in New Jersey. Inpatient psychiatric beds play a small, but critical part in the mental health care system. The purpose of these rules is to assure that these inpatient psychiatric beds are well integrated within the continuum of mental health care services, that access for all who require this level of care is assured, that there is continuity of care for patients upon discharge, and that a consistent level of quality services is provided in a cost effective manner.

(b) The Mental Health Screening Law (N.J.S.A. 30:4–27.1 et seq.) authorizes the creation of STCFs to provide assessment services and short term, intensive psychiatric care to acutely mentally ill patients. Treatment of individuals who meet the commitment standard, in adult closed acute psychiatric beds organized into a short term care facility, is viewed as one component in a continuum of treatment options for mentally ill adults. This service is designed to provide short term care for patients deemed dangerous to self or others and is one critical element of a comprehensive network of mental health services in the community. This approach encourages and supports the delivery of services in the most appropriate and least restrictive setting. This subchapter does not apply to facilities proposing to establish other psychiatric inpatient services for which planning rules are in effect. The rules in this subchapter specifically address the development of adult closed acute psychiatric beds.

8:33R–3.2 Designation

Applicants shall demonstrate their ability to receive formal designation as a short term care facility in accordance with rules promulgated by the Department of Human Services regarding psychiatric short term care facilities. Preference will be given to units which provide a combination of adult closed acute psychiatric beds.

Amended by R.1999 d.318, effective September 20, 1999.
See: 31 N.J.R. 1182(a), 31 N.J.R. 2761(b).
Deleted a former (a) designation; and deleted a former (b).

8:33R–3.3 Bed need

(a) Each applicant for adult closed acute psychiatric beds shall demonstrate the need for additional bed capacity through an assessment of utilization of all existing adult closed acute psychiatric units in the county. Occupancy rates in all adult closed acute psychiatric units in hospitals located within the same county of the applicant facility shall exceed 80 percent prior to addition of psychiatric beds within that county.

(b) Where the occupancy rates of all adult closed acute psychiatric units in a county do not exceed 80 percent, beds may be added to the applicant facility when occupancy of the applicant facility's existing adult closed acute psychiatric unit exceeds 90 percent.

(c) The number of new beds shall be limited to the number required to achieve the desired occupancy rate of 80 percent. If there is an existing STCF, applicant should describe the process by which the designated screening center will refer patients to the STCF and the means to ensure the development/maintenance of the required occupancy rate, exceeding 80 percent within two years of implementation of any new closed acute beds, as well as 80 percent at already existing STCFs.

(d) Documentation of the bed need shall be demonstrated through the provisions of the information listed in (d)1 through 5 below as applicable. Applicants may have acute psychiatric beds they want to convert to closed beds and/or propose new, additional closed beds; or have no beds and propose a new service. Justification of the bed need shall take into account the percentage of this population which would actually be treated on the unit, based on the applicant's statement of both exclusionary and inclusionary admission criteria. Populations to be excluded from admission shall not be counted in application of the methodology.

1. Projected average length of stay shall not exceed 30 days and shall reflect an acute course of treatment. The

projected average length of stay shall not be greater than 120 percent of the State average length of stay for existing adult closed acute psychiatric beds.

2. Projected numbers of admissions to the proposed adult closed acute psychiatric beds shall be justified by documentation through letters of support from the local psychiatric screening center(s), local open and closed inpatient units and from the State/county hospitals, indicating the number of current admissions meeting the standards of commitment admitted.

3. Occupancy rates for all existing adult psychiatric beds of the applicant shall have exceeded 90 percent in the past 12 months, except in the case of acute beds, where the applicant can demonstrate that occupancy will exceed 80 percent within two years of implementation of the closed acute beds.

4. The applicant shall demonstrate that an acute capacity in the designated service area exists to accommodate projected referrals from the proposed project. The applicant shall demonstrate that there will not be a negative impact on accessibility to less restrictive services for clients who need them.

5. If the development of an STCF capacity is proposed through conversion of existing acute beds, then the applicant shall calculate the projected occupancy rate by multiplying the occupancy rate for the past 12 months by the existing number of acute beds. This number shall be divided by the number of acute beds that would remain once a conversion occurs and multiplied by 100. This represents the project occupancy rate of the remaining acute beds. If the projected occupancy rate for the remaining acute beds exceeds 85 percent, the applicant shall describe what arrangements will be made to accommodate clients who need acute services upon discharge from the STCF. Prior to implementing any changes, this arrangement shall be approved by the Division of Mental Health Services.

New Rule, R.1999 d.318, effective September 20, 1999.
See: 31 N.J.R. 1182(a), 31 N.J.R. 2761(b).

8:33R–3.4 Admission criteria

(a) Written admission criteria and policies shall be developed by the facility and included as part of the certificate of need application. The criteria shall include care for patients who are found to meet the standards of mental illness and dangerous to self or others at the time of admission, thus requesting an intensive level of care. Such patients need not be admitted involuntarily.

(b) Admission criteria shall reflect that only patients who have been screened through the designated psychiatric screening center shall be accepted for admission.

(c) When a patient is in a voluntary psychiatric unit in this facility or another hospital and transfer to a STCF is requested, the psychiatric screening center shall determine if all other alternatives have been explored and if the patient meets the admission criteria of the STCF. The applicant shall provide assurances that the designated screener will be provided access to perform a face-to-face assessment of the patient where indicated. Involuntary commitment procedures may then be initiated pursuant to N.J.S.A. 30:4–27 et seq.

(d) The written admission criteria shall, at a minimum, address the following:

1. Diagnostic and other patient characteristics or factors which render a patient acceptable and unacceptable for admission;

2. The policy on acceptance of individuals with limited ability to pay for treatment;

3. The policy on acceptance of individuals with Medicaid insurance coverage; and

4. The policy on the treatment of individuals requiring both psychiatric and medical care.

8:33R–3.5 Accessibility of care

(a) The applicant shall provide assurance that patients who are referred by the designated psychiatric screening center shall be admitted immediately, if a bed is available and the patient meets the admission criteria.

(b) The applicant shall assure that it has a treatment policy whereby no patient will be discharged prior to the completion of treatment, as a result of the inability to pay.

(c) The applicant shall assure that individuals previously hospitalized in any psychiatric facility shall not be denied admission to the unit solely because of such previous hospitalization, or as an administrative response to the individual's behavior during such previous hospitalization.

(d) The applicant shall assure that individuals with a single diagnosis of alcohol or drug abuse, mental retardation or organic diagnoses shall not be accepted for treatment in adult closed acute psychiatric beds. The admissions policy shall assure that patients admitted have psychiatric symptomology capable of amelioration through modalities available on the psychiatric unit.

(e) The applicant shall assure that patients with a dual diagnosis of substance abuse and psychiatric disorder are accepted, if they meet the admission criteria. Clinical services for this population shall be assured.

(f) The applicant shall provide assurance of compliance with all applicable civil rights and non-discrimination requirements of Federal and New Jersey law.

8:33R–3.6 Continuity of care

(a) Applicants seeking to establish adult closed acute psychiatric beds (STCF) shall provide the following:

1. A description of how the proposed program would fit into a comprehensive system of care. Applicants shall show affiliation with the psychiatric screening center and other community-based programs within the geographic area through formal affiliation agreements;

2. A description of intensive inpatient care which focuses on crisis intervention and is directed toward resolution of a psychiatric emergency and attempts to restore the individual to his or her previous level of functioning;

3. A description of the comprehensive diagnostic evaluation to assess all the factors contributing to the crisis; and

4. The applicant shall assure its participation in the System Review Committee pursuant to N.J.S.A. 30:40–27.1 et seq. and N.J.A.C. 10:31–5. This committee will review transfers into the STCF from the adult acute psychiatric beds, as well as transfers to State and county hospitals.

8:33R–3.7 Transfer to State or county facility

(a) Written criteria for the transfer of patients from the STCF to a county or State hospital in accordance with N.J.S.A. 30:4–27(f) shall be submitted as part of the application.

(b) The applicant shall submit a draft transfer agreement with the State or county hospital, specifying roles and responsibilities. The applicant shall assure that such an agreement will be in place prior to licensure or designation.

(c) Written transfer criteria shall reflect the diagnostic and other patient characteristics and factors used as indicators for transfer including length of past treatment history, current behavior and response to medication regimen.

8:33R–3.8 Proposed treatment program, staffing pattern, and discharge planning

The proposed treatment program, staffing pattern, and discharge planning process shall be identified with the certificate of need application. All applicants for adult closed acute psychiatric beds shall demonstrate the ability to comply with licensure standards promulgated by the New Jersey Department of Health and Senior Services at N.J.A.C. 8:43G–26, as they apply to hospital psychiatric units and with Title XIX (Medicaid) staffing standards, upon project completion. The treatment program and staffing pattern shall be fully described and shall be adequate and appropriate to implement the program. The description should demonstrate recognition of patients' rights and an ability to comply with them.

8:33R–3.9 Treatment program

(a) The applicant shall describe a treatment program which includes a full range of psychiatric, diagnostic and therapeutic interventions, including, but not limited to, individual, group, psychopharmacological, family, milieu, adjunctive and recreational therapy. Treatment shall, at a minimum, focus on protecting and stabilizing the individual, treating the acute disorder and return of the individual to his or her precrisis level of functioning.

(b) The applicant shall discuss the provisions which will be made for the patient's nonpsychiatric care, including medical and dental services.

(c) The applicant shall describe how the following will be accomplished:

1. Extended evaluations;

2. Lab studies;

3. Evening and weekend therapeutic and recreational activities;

4. Restricted privileges and precautions;

5. Use of seclusion and restraints;

6. Provision for evening and weekend consultation with the patient's family;

7. Provision for handicapped patients;

8. Provision for HIV positive individuals and AIDS patients;

9. Quality assurance; and

10. Medical diagnosis and treatment.

8:33R–3.10 Staffing pattern

The applicant shall describe how the STCF shall be staffed to assure quality of care and the availability of appropriate variety of staff. The applicant shall describe the management organization and staffing of the unit by a multidisciplinary team, including staffing and procedures to provide medication monitoring and education, and staffing and safety precautions to provide for unscheduled one to one monitoring.

8:33R–3.11 Discharge and transfer planning

The applicant shall describe the discharge planning process in writing. The discharge planning process shall also apply to patients being transferred to another facility.

8:33R–3.12 Physical environment

(a) The application shall provide schematics of the proposed floor plan and shall assure, at a minimum, compliance with the following design elements:

1. The design of adult closed acute psychiatric beds functioning as a STCF should afford a noninstitutional-

ized atmosphere, yet provide a safe environment for patients and staff. The design should avoid giving the arriving patient the impression of control, entrapment or congregate care. The environment should be normalized, to include an appropriate combination of private, semi-private/semi-public, and public space.

2. The schematic and description shall include consideration of the following:

i. Balance between privacy needs of patients and surveillance responsibilities of staff, especially with reference to seclusion rooms and unit exits;

ii. Seclusion rooms should be properly ventilated and appropriately equipped for patient safety and comfort;

iii. Reduction of stimulation in specified areas or rooms utilizing such measures as: segregation of noisy and quiet activities and the use of muted color schemes;

iv. Separation of the unit from other units of the hospital and prohibition of its use as a thoroughfare to other units;

v. Location with view of landscaped or park-like setting and with access to outdoors (whenever possible); and

vi. Elimination of physical conditions which could facilitate suicide attempts, including, but not limited to, exposed popping conduits or other weight supporting lines or objects.

3. Units having adult closed acute and adult acute psychiatric bed sections should be designed with a lockable door between sections or the entire unit must be lockable. Doors may remain open whenever patient condition, ward climate and staffing limits permit, to test the ability of acute disturbed patients to tolerate group activities, recreation, and free access to service areas in the voluntary section of the unit.

4. The STCF unit shall be in compliance with the physical plant construction guidelines for acute care psychiatric beds in general hospitals contained in the State Uniform Construction Code, at N.J.A.C. 5:23–3, and the Department's licensing rules.

8:33R–3.13 County mental health board review

The county mental health board(s) of the service area proposed to be served by the applicant shall receive a copy of the certificate of need application, for their formal action, at the time of submission to the Department. A letter of endorsement from the board(s) or its administrator reflecting action shall be considered a significant factor in assessing local need for the project. County mental health board comments should be forwarded to the Department of Health and Senior Services, Local Advisory Boards, and to the Division of Mental Health Services in a timely manner, consistent with the certificate of need requirements of N.J.A.C. 8:33. Applicants are encouraged to consult with their county mental health board during the planning stages and prior to submission of the application to ensure that local needs are being met.

8:33R–3.14 New Jersey Department of Human Services endorsement

(a) The New Jersey Department of Human Services will review every application for adult closed acute psychiatric beds. A statement of non-endorsement by the Department of Human Services, due to the applicant's inability to meet the criteria for designation as a STCF or as a mental hospital, shall be considered a reason for denial by the Department of Health and Senior Services.

(b) Applicants are encouraged to consult with the Division of Mental Health Services staff during the planning stage. Technical assistance is available from the Division of Mental Health Services regarding program, architectural standards, affiliation agreements and designation process.

8:33R–3.15 Data

(a) Each applicant shall provide such utilization data upon the request of the Department of Health and Senior Services in (b) below in order to implement the planning assessments necessary under the rules as part of an ongoing process of collecting, analyzing and evaluating data pertaining to the psychiatric treatment of patients in adult closed acute beds, as well as utilization data required by the Department of Human Services for use by the county systems review committees.

(b) The applicant shall collect and maintain data and information concerning length of stay, referral, sources, discharge data, patient diagnoses and characteristics, payer mix, quality assurance data.

8:33R–3.16 Competitive review

(a) In geographic areas where more than one applicant has filed a certificate of need to establish additional adult closed acute psychiatric beds, the Department may elect to approve only the number of applicants necessary to provide the estimated number of beds needed in the area. In making a determination, the Department shall give priority to the applicant or applicants who, relative to all other projects, demonstrate the fullest level of compliance with the following criteria:

1. Full compliance with all standards and guidelines in this subchapter and all other laws and rules;

2. The highest level of access to services by the indigent;

3. Units which can be implemented in the most cost-effective and efficient manner, measured by capital costs, operating costs and reduction of excess acute care bed capacity in the area;

4. Hospitals which provide screening services or are closely affiliated with a screening service;

5. Units which are converting inpatient screening psychiatric beds to adult closed acute psychiatric beds and which will meet the needs of their geographic area or county;

6. Units which provide for the entire bed need of their designated STCF geographic area or county;

7. Units which meet the standard for geographic accessibility, that is, units which can be reached from any points in the applicant's primary service area within one hour of travel time;

8. Projects which are determined to provide the highest level of quality care in the proposed unit, as documented on the basis of staffing pattern, site review reports and track record for serving persons who are seriously mentally ill;

9. Projects which have the endorsement of the county mental health board(s) of the proposed service area; and

10. Units which demonstrate affiliation with the area psychiatric screening center and with residential and other ambulatory services, including partial care, outpatient services and other crisis stabilization services, for the purpose of linking the patient to the appropriate after-care services.

SUBCHAPTER 4. CHILD AND ADOLESCENT ACUTE PSYCHIATRIC BEDS

8:33R–4.1 Scope and purpose

(a) The New Jersey Department of Health and Senior Services currently licenses and regulates inpatient psychiatric beds in licensed general and special hospitals throughout the State. These rules set forth the criteria by which the Department of Health and Senior Services will review certificate of need applications for the addition or establishment of new child and adolescent acute psychiatric beds in any existing or proposed health care facility in New Jersey, or in any facility designated as a CCIS by the Department of Human Services. Inpatient psychiatric beds play a small, but critical, part in the mental health care system. The purpose of these rules is to assure that these beds are well integrated within the continuum of mental health care services, that access for all who require this level of care is assured, that there is continuity of care for patients upon discharge, and that a consistent level of quality services, is provided in a cost effective manner.

(b) Children's acute psychiatric inpatient care is viewed as a single and highly specialized phase in an overall system of services for psychiatrically impaired youth. These inpatient services are designed to provide short-term treatment within a comprehensive network of mental health care in the community. This approach encourages and supports the delivery of services in the most appropriate and least restrictive setting.

(c) The rules in this subchapter apply exclusively to and identify standards for the review of certificate of need applications for child and adolescent acute psychiatric beds.

8:33R–4.2 Bed need

(a) Each applicant for child/adolescent closed acute psychiatric beds shall demonstrate the need for additional bed capacity through an assessment of utilization of all existing child adolescent closed acute psychiatric units in the county. Occupancy rates in all child/adolescent closed acute psychiatric units in hospitals serving the same county of the applicant facility shall exceed 80 percent prior to addition of psychiatric beds serving that county.

(b) Where the occupancy rates of all child/adolescent closed acute psychiatric units serving a county do not exceed 80 percent, beds may be added to the applicant facility when occupancy of the applicant facility's existing child adolescent closed acute psychiatric unit exceeds 90 percent.

(c) The number of new beds shall be limited to the number required to achieve the desired occupancy rate of 80 percent. If there is an existing Children's Crisis Intervention Service, applicant should describe the process by which the designated screening center will refer patients to the Children's Crisis Intervention Service and the means to ensure the development/maintenance of the required occupancy rate, exceeding 80 percent within two years of implementation of any new closed acute beds, as well as 80 percent at already existing CCIS's.

(d) Documentation of the bed need shall be demonstrated through the provisions of the information listed in (d)1 through 5 below as applicable. Applicants may have acute psychiatric beds they want to convert to closed beds and/or propose new, additional closed beds; or have no beds and propose a new service. Justification of the bed need shall take into account the percentage of this population which would actually be treated on the unit, based on the applicant's statement of both exclusionary and inclusionary admission criteria. Populations to be excluded from admission shall not be counted in application of the methodology.

1. Projected average length of stay shall not exceed 30 days and shall reflect an acute course of treatment. The projected average length of stay shall not be greater than 120 percent of the State average length of stay for existing child/adolescent closed acute psychiatric beds.

2. Projected numbers of admissions to the proposed child/adolescent closed acute psychiatric beds shall be justified by documentation through letters of support from the local psychiatric screening center(s), existing CCIS units and from the State hospital, indicating the number of current admissions meeting the standards of commitment admitted.

3. Occupancy rates for all existing child/adolescent psychiatric beds of the applicant shall have exceeded 90 percent in the past 12 months, except in the case of acute beds, where the applicant can demonstrate that occupancy will exceed 80 percent within two years of implementation of the closed acute beds.

4. The applicant shall demonstrate that an acute capacity in the designated service area exists to accommodate projected referrals from the proposed project. The applicant shall demonstrate that there will not be a negative impact on accessibility to less restrictive services for clients who need them.

5. If the development of a CCIS capacity is proposed through conversion of existing acute beds, then the applicant shall calculate the projected occupancy rate by multiplying the occupancy rate for the past 12 months by the existing number of acute beds. This number shall be divided by the number of acute beds that would remain once a conversion occurs and multiplied by 100. This represents the projected occupancy rate of the remaining acute beds. If the projected occupancy rate for the remaining acute beds exceeds 85 percent, the applicant shall describe what arrangements will be made to accommodate clients who need acute services upon discharge from CCIS. Prior to implementing any changes, this arrangement shall be approved by the Division of Mental Health Services.

New Rule, R.1999 d.318, effective September 20, 1999.
See: 31 N.J.R. 1182(a), 31 N.J.R. 2761(b).

8:33R–4.3 Admission criteria

(a) Written admission criteria and policies shall be developed by the facility and included as part of the certificate of need application.

(b) Written admission criteria shall, at a minimum, address the following:

1. Diagnostic and other patient characteristics or factors both acceptable and not acceptable for admission;

2. For those individuals deemed ineligible for admission to the facility, a description of referral procedures to a more appropriate facility;

3. Policy on acceptance of individuals without or with limited ability to pay for treatments;

4. Policy on acceptance of individuals with Medicaid insurance coverage; and

5. Policy on the treatment of individuals requiring both psychiatric and medical care.

(c) Admissions criteria shall reflect the following:

1. The psychiatric screening center and or affiliated emergency service shall be the route of entry for patients in those areas which have a functioning service available;

2. Provisions for accepting children in crisis; and

3. Method for assuring that alternatives to inpatient hospitalization have been fully evaluated and deemed inappropriate or unavailable prior to admission.

(d) The facility, or parts thereof, shall provide assurances that it will request designation as a mental hospital and as a CCIS by the Commissioner of the Department of Human Services for the provision of child and adolescent acute psychiatric services.

(e) The admissions policy shall assure that priority will be given to:

1. Children and adolescents who are at immediate risk of serious physical harm to self or others or of causing serious damage to property due to impaired judgment, and who displays severely disruptive behavior, or intentional self-injury, or impulses to assault others or damage property;

2. Children or adolescents who are diagnosed as suffering from a serious psychiatric disorder with acute or severe behavioral disorganization who are unknown to the system and who need a complete diagnostic assessment and evaluation in order to determine the most appropriate range of services to prevent them from being served inappropriately or from going untreated;

3. Children and adolescents who have previously received psychiatric inpatient treatment and/or who have severe, incapacitating psychiatric disorders which require immediate treatment to prevent further deterioration;

4. Children and adolescents who present behavior problems associated with major mental illness which are too severe to be managed at a less intensive level of care. Alternatives to inpatient care shall be evaluated and deemed inappropriate or unavailable prior to admission;

5. Children and adolescents with a secondary diagnosis of chemical dependency or retardation shall be considered for admission only if there is another primary psychiatric diagnosis.

8:33R–4.4 Accessibility of care

(a) Provisions for assigning all admissions, including the medically indigent, to the applicant's psychiatric staff shall be documented.

(b) The following thresholds have been established concerning payment for services:

1. Medicaid participation shall be considered a desirable feature of the certificate of need application and applicants demonstrating such participation shall be given preference during the review process. If an applicant is not presently certified by Medicaid, the applicant shall show evidence that an application for Medicaid participation has been submitted in order to receive such departmental preference.

2. A minimum of 10 percent of the total occupied acute psychiatric bed complement shall be utilized annually for medically indigent patients within all child and adolescent acute psychiatric units. Within the 10 percent, a minimum of five percent must be available for free care to individuals under the Community Services Administration (CSA) poverty guidelines at 42 U.S.C. § 9902(2) with the balance available to individuals under partial pay arrangements. For existing facilities seeking to add adult, child and/or adolescent psychiatric beds, this requirement shall be met in all licensed psychiatric beds of the facility at the completion of the project and prior to licensure of the new beds. The Department may consider exceptions to this requirement for facilities which demonstrate a significant financial hardship based on the case mix of patients by payer source.

(c) The applicant shall assure that it has a treatment policy whereby no patient will be discharged prior to the completion of treatment as a result of the inability to pay, except based on free choice by the patient or the patient's family. Existing facilities shall document implementation of this policy by providing average length of stay data by payer source and diagnosis.

(d) The applicant shall assure that individuals previously hospitalized in either a State or county psychiatric facility will not be denied admission to the unit solely because of such previous hospitalization.

(e) The applicant shall assure that individuals with a diagnosis of alcoholism and/or drug abuse exclusively (without a primary psychiatric diagnosis) will not be accepted for treatment in the psychiatric unit. Referral agreements with appropriate facilities designated for substance abuse treatment shall be in evidence. Admission of patients with dual diagnoses of substance abuse and a primary psychiatric diagnosis are acceptable for admission where an applicant demonstrates availability of appropriate clinical services for this population.

(f) The applicant shall assure compliance with all applicable civil rights and nondiscrimination requirements of Federal and New Jersey law.

8:33R–4.5 Continuity of care

(a) Applicants for acute psychiatric services for children and adolescents shall present evidence that linkages will be established with community mental health agencies offering child and adolescent mental health emergency/screening, crisis intervention, outpatient care, partial hospitalization, case management and residential and group home care; with school systems, youth correction facilities and the local district offices of the Division of Youth and Family Services (DYFS) within the applicant's primary service area. Specific affiliation agreements with specialized facilities for patients who cannot be accommodated on the unit/facility should be established (for example, specialized programs for chemically addicted youth or youth with severe developmental disabilities which may impede their ability to participate in the therapeutic milieu of the inpatient program).

(b) The purpose of the affiliation agreement shall be to assure a full range of community-based services to emotionally disturbed youth and to develop a formal mechanism of communication and referral between public and private providers of services to the target population. Applicants shall participate in a system of care and shall have written agreements with other general hospitals, community mental health agencies, DYFS, youth correction facilities and other parts of the juvenile justice system, local education authorities and State or county hospitals (where appropriate) in the applicant's proposed service area. Such affiliation agreements shall clarify admissions, referral, transfer, discharge, and service relationships between agencies. At a minimum, the affiliation agreements shall address the following areas:

1. A description of the psychiatric patient population to be served by the unit;

2. Clear guidelines for admission to the children's acute psychiatric service, for integrating medical care, for handling crises and providing emergency backup support;

3. The development of a referral process for transfer of patients needing aftercare services and/or hospitalization or residential placement in a longer-term facility;

4. Case management responsibilities and treatment services; and

5. Policies regarding third party reimbursement.

(c) Applicants shall provide assurances that they will seek and maintain designation from the Department of Human Services as a CCIS.

8:33R–4.6 Aftercare services

(a) The applicant shall demonstrate how all patients, regardless of the ability to pay, shall have arrangements provided for follow-up care on an outpatient basis to reduce recidivism and to prevent further deterioration which would require a more restrictive level of care. Aftercare services may be provided by the applicant directly or by referral to agencies with which the applicant has affiliated. At a minimum, aftercare services shall provide linkages for clinical case management, partial hospitalization, crisis intervention, and respite care.

(b) The applicant shall describe the mechanism by which the need for residential or other specialized services are procured. The applicant shall assure availability of those services necessary to meet the needs of patients who are unable to utilize community mental health centers or private practitioners.

(c) In order to assure that the child receives the necessary aftercare services, a case management system shall be provided while the child is an inpatient, and shall be continued upon discharge. The application shall fully describe the case management function.

8:33R–4.7 Impact on area psychiatric units

(a) Occupancy rates in all existing child and adolescent acute psychiatric units impacted by the proposed new units or facility shall meet or exceed the following percentages in relation to unit size prior to the approval of additional child and adolescent acute psychiatric beds:

16 to 20 beds—80 percent
12 to 15 beds—75 percent
11 beds or less—70 percent.

(b) The applicant shall demonstrate that the proposed bed addition will not negatively impact utilization of existing child adolescent psychiatric units in the proposed service area. In reviewing impact, the review process may consider such issues as geographic accessibility, economic and financial efficiencies, referral patterns, commitment to serve the indigent, the demonstration of innovative financial mechanisms for the provision of indigent care, and the quality of services offered. Submission of statements from affected hospitals indicating support or no projected impact shall be considered evidence in demonstrating compliance with the standard.

8:33R–4.8 Treatment program, staffing pattern, and discharge planning; compliance with applicable standards

The proposed treatment program, staffing pattern, and discharge planning process shall be identified within the certificate of need application. All applicants for child and adolescent acute psychiatric beds shall demonstrate the ability to comply with State psychiatric licensure standards, as well as the current Joint Committee on Accreditation of Healthcare Organizations (JCAHO) Standards applicable to psychiatric facilities and units, Title XIX (Medicaid) licensing and staffing standards, and appropriate seclusion and restraint standards. The treatment program and staffing pattern shall be fully described and their clinical appropriateness justified. All applicants shall also demonstrate the clinical appropriateness of programs and staffing for the population to be served.

8:33R–4.9 Treatment program

(a) The inpatient program shall provide a full range of psychiatric diagnostic and therapeutic interventions including, but not limited to, individual, group, psychopharmacological, family, and milieu therapy. The unit shall also make provisions for education, peer interaction/play and recreational activities. The applicant shall discuss the therapeutic rationale and the role of the various program components. The framework which will be used in organizing the daily activities shall be described. Further, the applicant shall discuss those measures which will be instituted to assure the availability of an ongoing and active treatment program.

(b) The applicant shall discuss the provisions which will be made for the patient's nonpsychiatric care (that is, medical, dental).

(c) The treatment program shall, at a minimum, focus on the following goals:

1. To protect the child or adolescent from harming himself or others;

2. To conduct a detailed evaluation of the child or adolescent's family for the purpose of providing a comprehensive diagnostic picture. This evaluation should take into consideration all the factors contributing to the child's emotional status (that is, developmental issues, cognitive functioning, sociocultural and familial factors, interpersonal relationships and physical health). The assessment should include an identification of the child or adolescent's strengths as well as his or her deficiencies. Both of these sources of data shall be used as the basis for the development of the child or adolescent's treatment plan;

3. To use interdisciplinary assessment as the basis for the development of an individualized treatment plan which includes the coordination of service needs upon discharge; and

4. To stabilize and treat the child or adolescent's acute disorder and to prepare the child or adolescent for the next phase of treatment at either a less intensive or more intensive level of care.

8:33R–4.10 Staffing

(a) The application shall describe the management, organization, and staff that will be available on the unit during specific hours of operations, including evenings, nights, and weekends. The applicant shall present the criteria which will be used in organizing staff into the various service delivery components.

(b) Until licensure standards are adopted by the Department of Health and Senior Services, the child or adolescent's acute psychiatric program should be staffed with a multidisciplinary team which should include the following: a board certified or eligible child psychiatrist and a board certified or eligible pediatrician, child psychologist, social worker, special education teacher, occupational, nursing and child care staff, and availability of other consultants as required to meet the special needs of the patients served (for example, pediatric neurologist, speech and language specialists). A case manager is a critical member of the treatment team and shall be included as part of the staffing complement. A case manager should have working knowledge not only of child and adolescent development and mental health programs but of related health, education and social service resources in order to facilitate the child or adolescent's treatment plan.

(c) The program should have adequate personnel and outreach capacity to evaluate the child's family and to work with the family on an ongoing basis while the child is in treatment.

8:33R–4.11 Discharge planning

(a) The structure of the discharge planning process shall be described in the certificate of need application. Discharge planning should be viewed as an integral part of the child or adolescent's treatment plan and should, therefore, begin at intake.

(b) Referral/affiliation agreements for follow-up care shall be in evidence. Referral/affiliation agreements shall address the basic areas identified in N.J.A.C. 8:33R–4.5.

(c) The applicant shall describe the mechanism which will be employed to assure that the aftercare services which are deemed to be clinically necessary for each patient upon discharge are made available.

8:33R–4.12 Physical environment

Services should be provided in an identifiable unit with areas for: sleeping; dining; education; recreation; occupational/recreational therapy; quiet, non-stimulating activities; personal privacy; evaluation and treatment; and nontherapeutic social activities. Provisions should also be made for outdoor space. The unit should reflect a home-like environment to the extent possible; the design of the unit and its furnishings should be age appropriate. The relationship of the unit to other services and other factors designed to enhance the program should be considered in determining the location of the unit.

8:33R–4.13 Local endorsement

The applicant shall document adequate evidence of local support for the project in the proposed service area by submitting letters of endorsement from recognized mental health service delivery agencies, including State and/or county funded community mental health agencies, and general hospitals providing psychiatric inpatient services, as well as endorsement from local schools, local office of DYFS and the juvenile justice system.

8:33R–4.14 County mental health board review

The county mental health board(s) of the service area proposed to be served by the applicant shall be provided with a copy of the certificate of need application, for their formal action, at the time of submission to the Department. A letter of endorsement from the board(s) or its administrator reflecting such action shall be considered a significant factor in assessing local need for the project. County mental health board comments should be forwarded to the Department of Health and Senior Services, local advisory boards, and to the Division of Mental Health Services in a timely manner consistent with the certificate of need requirements of N.J.A.C. 8:33. Applicants are encouraged to consult with their county mental health board(s) during the planning stages and prior to submission of the application to ensure that local needs are being met.

8:33R–4.15 New Jersey Department of Human Services endorsement

(a) The New Jersey Department of Human Services will review every application for adult closed acute psychiatric beds. A statement of nonendorsement by the Department of Human Services, due to the applicant's inability to meet the criteria for designation as a CCIS or as a mental hospital, shall be considered a reason for denial by the Department of Health.

(b) Applicants are encouraged to consult with the Division of Mental Health Services staff during the planning stage. Technical assistance is available from the Division of Mental Health Services regarding program, architectural standards, affiliation agreements and designation process.

8:33R–4.16 Data

(a) Each applicant shall provide the utilization data required by the Department of Health and Senior Services in (b) below in order to implement the planning assessments necessary under the rules as part of an ongoing process of collecting, analyzing, and evaluating data pertaining to the psychiatric treatment of children and adolescents, as well as data required by the Department of Human Services for designation as a CCIS.

(b) The applicant shall collect and maintain data and information concerning length of stay, referral sources and discharge data, patient diagnosis and characteristics, payer mix and quality assurance.

8:33R–4.17 Competitive review

(a) Where the need in a service area for additional child and adolescent acute psychiatric beds has been demonstrated, and more than one applicant has filed a certificate of need to establish such services, the Department may approve only the number of applicants necessary to provide the estimated number of beds needed in the area. In making a determination, the Department shall give priority to the applicant or applicants who, relative to all other projects, demonstrate the fullest level of compliance with the following criteria:

1. Full compliance with all standards and guidelines in these rules;

2. The highest level of access to services by the medically indigent and by persons under cost-based insurances;

3. Projects which can be implemented in the most cost effective and efficient manner, measured by capital costs, projected per diem charges, and reduction of excess acute care bed capacity in the area;

4. Projects which most closely conform to bed need for child and adolescent acute psychiatric beds in the area;

5. Projects which meet the standard for geographic accessibility, where one could reach the unit from any point in the applicant's primary service area within one hour of travel time;

6. Projects which are determined to provide the highest level of quality in the proposed services based on staffing, program, and linkages to assure aftercare services;

7. Projects which demonstrate the greatest local endorsement, including letters of support from: local advisory boards, county mental health board(s), mental health providers and other entities in the applicant's proposed service area;

8. Projects which have the endorsement of local school districts, local DYFS district offices, local jurisdictions of the Family Court, Family Crisis Intervention Units, and local detention centers; and

9. Projects which demonstrate affiliation with residential and other ambulatory services including partial hospitalization, local schools, outpatient services, and crisis intervention services for the purpose of linking the child and family to the appropriate aftercare services.

"Mental health service area" means a designated area of the State, as defined by the New Jersey Division of Mental Health Services, as a primary catchment area for community mental health service delivery in accordance with N.J.S.A. 30:9A–12 et seq.

"Mental hospital" means a facility, or portion thereof, designated by the Commissioner of Human Services for the care and treatment of individuals with mental illness on an inpatient basis who are admitted under the provisions of N.J.S.A. 30:4–27.1.

"Short term care facility/STCF" means a psychiatric unit within a general hospital or special hospital which is designated by the Department of Human Services to serve a specific geographic area to provide intensive, acute treatment to individuals who meet the commitment standard of mental illness and are dangerous to self or others. They consist of adult closed acute psychiatric beds. The length of stay is 30 days or less.

"System of care" means a comprehensive spectrum of clinical services and other essential support services which are organized into a coordinated network to meet the multiple needs of mentally ill adults and emotionally disturbed children and adolescents and their families. This comprehensive continuum of services would include an array of mental health services including, but not limited to, provisions for emergency/screening, crisis intervention, outpatient services, partial hospitalization, as well as provisions for respite and home-based services, residential treatment services and inpatient hospitalization.

SUBCHAPTER 2. INPATIENT ADULT ACUTE PSYCHIATRIC BEDS

8:33R–2.1 Scope and purpose

(a) The purpose of these rules is to assure that inpatient adult psychiatric beds are well integrated within the continuum of mental health care services, that access for all individuals who require this level of care is assured, that there is continuity of care for patients upon discharge, and that a consistent level of quality services is provided in a cost effective manner.

(b) These rules address the addition or establishment of licensed psychiatric beds for the purpose of treating adults with acute psychiatric disorders who have voluntarily committed themselves for evaluation and/or stabilization of an acute psychiatric disorder. These beds are classified as adult acute psychiatric beds in any existing or proposed licensed hospital in New Jersey.

8:33R–2.2 Bed need

(a) Each applicant for adult acute psychiatric beds shall demonstrate the need for additional bed capacity through an assessment of utilization of all existing open acute psychiatric units in the county. Occupancy rates in all adult acute psychiatric units in hospitals located within the same county of the applicant facility shall exceed 75 percent prior to addition of psychiatric beds within that county, unless the beds are established in conjunction with closed acute beds which are identified as needed in accordance with N.J.A.C. 8:33R–3.3.

(b) Where the occupancy rates of all adult acute psychiatric Units in a county do not exceed 75 percent, beds may be added to the applicant facility when occupancy of the applicant facility's existing adult acute psychiatric unit exceeds 90 percent.

8:33R–2.3 Continuity of care

(a) Applicants seeking to establish adult acute psychiatric beds shall provide the following:

1. A description of how the proposed program would fit into a comprehensive system of care. Applicants shall show affiliation with the psychiatric screening center and other community-based programs within the geographic area through formal affiliation agreements; and

2. A description of intensive inpatient care which focuses on crisis intervention and is directed toward resolution of a psychiatric emergency and attempts to restore the individual to his or her previous level of functioning.

(b) The applicant shall document its intent to enter into affiliation agreements which provide for immediate access and continuity of psychiatric care, including medication. Draft affiliation agreements and names of provider agencies shall also be submitted which link the adult acute psychiatric beds with specialized facilities providing care to the developmentally disabled and substance abusers, as well as State, county, and other hospitals providing intermediate and special psychiatric beds. Evidence should be attached indicating that formal transfer and/or program linkages agreements will be adopted with existing adult acute, adult closed acute and inpatient screening units, with State and/or county hospitals, each community mental health center, and with other State or county-funded mental health resources within the facility's service area, particularly including the designated psychiatric screening center within the applicant's primary service area and any affiliated emergency services program.

(c) The applicant shall assure its monthly participation in the County System Review Committee pursuant to N.J.S.A. 30:40–27.1 et seq. and N.J.A.C. 10:31–5.

8:33R–2.4 Admission criteria

(a) Written admission criteria and policies shall be developed by the facility and included as part of the certificate of need application.

(b) The written admission criteria should, at a minimum, address the following:

1. Diagnostic or other patient characteristics or factors both acceptable and not acceptable for admission;

2. For those individuals deemed ineligible for admission to the facility, a description of referral procedures to a more appropriate facility;

3. The policy on acceptance of individuals without the ability to pay for treatment;

4. The policy on the treatment of individuals requiring both psychiatric and medical care; and

5. When a patient is in a voluntary psychiatric unit in this facility or another hospital and transfer to a short term care facility is requested, the psychiatric screening center shall determine if all other alternatives have been explored and if the patient meets the admission criteria of the STCF. The applicant shall provide assurances that the designated screener will be provided access to perform a face-to-face assessment of the patient where indicated. Involuntary commitment procedures may then be initiated pursuant to N.J.S.A. 30:4–27 et seq.

8:33R–2.5 Accessibility of care

(a) Provisions for assigning all admissions, including the medically indigent, to the unit's psychiatry staff should be documented.

(b) The applicant should assure that individuals previously hospitalized in either a State or county facility will not be denied admission to the unit solely because of such previous hospitalization.

(c) The applicant should assure that individuals with primary diagnoses of alcoholism or drug abuse will not be accepted for treatment in the psychiatric unit, if appropriate and accessible facilities for substance abuse treatment are available. For individuals with primary diagnoses of substance abuse, mental retardation or organic diagnoses, the admissions policy must assure that patients admitted have psychiatric symptomology capable of amelioration through modalities available on the psychiatric unit.

8:33R–2.6 Emergency services

Procedures assuring 24 hour availability of admissions and psychiatric emergency services shall be documented. Provision of emergency extended crisis intervention beds for the facility's service area is encouraged, where identified as a need in an approved county mental health plan, and where not already available.

8:33R–2.7 Treatment programs, staffing patterns and discharge planning

The proposed treatment program, staffing pattern, and discharge planning process shall be identified within the certificate of need application. All applicants for adult acute psychiatric beds shall demonstrate the ability to comply with licensure standards promulgated by the New Jersey Department of Health as they apply to hospital psychiatric units and with Title XIX (Medicaid) staffing standards, upon project completion. The treatment program and staffing pattern shall be fully described and shall be adequate and appropriate to implement the program. The description should demonstrate recognition of patient's rights and an ability to comply with them.

8:33R–2.8 Physical environment

The applicant shall provide schematic drawings of the proposed floor space which specifies use of the patient and common rooms and their functions. The design of the unit should, within reasonable construction cost guidelines and consistent with applicable life-safety and BOCA codes, provide the most appropriate and least restrictive clinical environment to meet treatment goals.

8:33R–2.9 Local endorsement guidelines

The applicant shall document evidence of local endorsement for the project by recognized mental health planning and service delivery agencies, including State and/or county funded community mental health agencies.

8:33R–2.10 County mental health board review

The county mental health board(s) of the service area proposed to be served by the applicant shall be provided with a copy of the certificate of need application, for their formal action, at the time of submission to the Department. A letter of endorsement from the board(s) or its administrator reflecting such action shall be considered a significant factor in assessing local need for the project. County mental health board comments should be forwarded to the Department of Health, local advisory boards, and to the Division of Mental Health Services in a timely manner, consistent with the certificate of need requirements of N.J.A.C. 8:33. Applicants are encouraged to consult with their county mental health board(s) during the planning stages and prior to submission of the application to ensure that local needs are being met.

8:33R–2.11 New Jersey Department of Human Services endorsement

(a) The New Jersey Department of Human Services will review every application for adult acute psychiatric beds. A statement of non-endorsement by the Department of Human Services, due to the applicant's inability to meet the criteria contained within this chapter, shall be considered a reason for denial by the Department of Health.

(b) Applicants are encouraged to consult with the Division of Mental Health Services staff during the planning stage. Technical assistance is available from the Division of Mental Health Services regarding program, architectural standards, affiliation agreements and designation process.

8:33R–2.12 Data

(a) Each applicant shall provide such utilization data upon the request of the Department of Health in (b) below in order to implement the planning assessments necessary under the rules as part of an ongoing process of collecting, analyzing and evaluating data pertaining to the psychiatric treatment of patients in adult acute beds, as well as utilization data required by the Department of Human Services for use by the county systems review committees.

(b) The applicant shall collect and maintain data and information concerning length of stay, referral sources, discharge data, patient diagnosis and characteristics, payer mix and quality assurance data.

SUBCHAPTER 3. INPATIENT ADULT CLOSED ACUTE PSYCHIATRIC BEDS

8:33R–3.1 Scope and purpose

(a) The New Jersey Department of Health currently licenses and regulates inpatient psychiatric beds as provided in licensed general acute care and special hospitals throughout the State. This subchapter sets forth the criteria by which the Department of Health will review certificate of need applications for the establishment of new adult closed acute psychiatric beds in an existing or proposed licensed hospital in New Jersey. Inpatient psychiatric beds play a small, but critical part in the mental health care system. The purpose of these rules is to assure that these inpatient psychiatric beds are well integrated within the continuum of mental health care services, that access for all who require this level of care is assured, that there is continuity of care for patients upon discharge, and that a consistent level of quality services is provided in a cost effective manner.

(b) The Mental Health Screening Law (N.J.S.A. 30:4–27.1 et seq.) authorizes the creation of STCFs to provide assessment services and short term, intensive psychiatric care to acutely mentally ill patients. Treatment of individuals who meet the commitment standard, in adult closed acute psychiatric beds organized into a short term care facility, is viewed as one component in a continuum of treatment options for mentally ill adults. This service is designed to provide short term care for patients deemed dangerous to self or others and is one critical element of a comprehensive network of mental health services in the community. This approach encourages and supports the delivery of services in the most appropriate and least restrictive setting. This subchapter does not apply to facilities proposing to establish other psychiatric inpatient services for which planning rules are in effect. The rules in this subchapter specifically address the development of adult closed acute psychiatric beds.

8:33R–3.2 Designation and service area

(a) Applicants shall demonstrate their ability to receive formal designation as a short term care facility in accordance with rules promulgated by the Department of Human Services regarding psychiatric short term care facilities. Preference will be given to units which provide a combination of adult acute and adult closed acute psychiatric beds.

(b) The entire county in which the applicant is located shall be the preferred service area. Applicants are encouraged to meet the entire available bed need of their county. If unable to do so, they shall, at a minimum, provide for the estimated bed need of the mental health service area in which they are located. Information on the delineation of mental health service areas is available from the New Jersey Division of Mental Health Services.

8:33R–3.3 Bed need

(a) Each applicant for adult closed acute psychiatric beds shall demonstrate the need for the proposed bed capacity in its proposed service area through application of the bed need methodology in (b) below. Justification of the bed need shall take into account the percentage of this population which would actually be treated on the unit, based on the applicant's statement of both exclusionary and inclusionary admission criteria. Populations to be excluded from admission shall not be counted in application of the methodology.

(b) Each applicant shall also justify the need for adult closed acute psychiatric beds through provision of the following documentation:

1. Projected average length of stay shall not exceed 30 days and shall reflect an acute course of treatment. The projected average length of stay shall not be greater than 120 percent of the State average length of stay for existing adult closed acute psychiatric beds.

2. Projected numbers of admissions to the proposed adult closed acute psychiatric beds shall be justified by documentation through letters of support from the local psychiatric screening center(s), local inpatient units and from the State hospitals indicating the number of involuntary commitments which are currently admitted.

(c) When the application is for the purpose of increasing the total number of adult psychiatric beds (rather than conversion of existing psychiatric beds to STCF status), the applicant shall additionally demonstrate the following:

1. Occupancy rates for all existing adult psychiatric beds in the hospital shall have exceeded 90 percent in the previous 12 months, except in the case of acute beds,

where the applicant can demonstrate that occupancy will exceed 80 percent within two years of implementation of the closed acute beds;

2. Occupancy rate at the proposed new capacity will exceed 80 percent within two years of operation;

3. The applicant shall demonstrate that the acute capacity in the facility will accommodate projected admissions. If development of STCF capacity is proposed through conversion of existing acute beds, the provider shall demonstrate that the conversion shall not negatively impact accessibility to these less restrictive services for clients who need them;

4. The applicant shall calculate the projected occupancy rate by multiplying the occupancy rate for the past 12 months by the existing number of acute beds. This number shall be divided by the number of acute beds that would remain if the conversion occurred;

5. If the projected occupancy rate for the remaining acute beds exceeds 85 percent, the STCF shall ensure that arrangements have been made to accommodate clients who need acute services. Prior to implementing the conversion, this arrangement shall be approved by the Division of Mental Health Services; and

6. A facility may submit a request to provide a greater number of STCF beds than the number estimated by the bed need formula if current STCF utilization exceeds 90 percent occupancy for the previous 12 month period or if the STCF is able to submit other documentation to justify a county bed need greater than that estimated by the bed need formula.

(d) The general formula for the determination of adult closed acute psychiatric bed need is as follows:

1. New Beds Needed = Total Beds Needed minus Available Beds

2. Total Beds Needed =

$$\frac{\text{(Adjusted Beds per 100,000} \times \text{County Population)}}{100{,}000}$$

3. County Population shall be defined by New Jersey Department of Labor projections, economic/demographic model, for one year beyond the date the need calculation occurs.

4. Adjusted Beds per 100,000 = Statewide Mean – (Standard Deviation × Average z Score)

5. Average z Score =

$$\frac{\text{Actual Use z Score} + \text{Public Hospital z Score}}{2}$$

6. Actual Use z Score =

$$\frac{\text{Statewide Mean Need per 100,000 minus County Need per 100,000}}{\text{Standard Deviation}}$$

7. County Need per 100,000 =

$$\frac{\text{Unadjusted Beds Needed}}{\text{County Population} \times 100{,}000}$$

8. Unadjusted Beds Needed =

$$\frac{\text{Adjusted Bed Days}}{365} \times \frac{\text{Admissions}}{\text{Terminations}} \times \frac{.90}{.80}$$

9. Adjusted Bed Days is derived from the actual patient days at State and county mental hospitals in the following manner:

Actual Days at Public Hospital	Adjusted Bed Days for Formula
1–16	Actual
17–21	16
22–40	Actual × .75
41–80	30
80+	3

10. The "Public Hospital z Score" is derived from the most recently available version of the Division of Mental Health Services' need-based plan. This plan is available from the New Jersey Division of Mental Health and Hospitals, CN 700, Trenton, NJ 08625.

11. "Available beds" are the sum of all existing and certificate of need approved adult closed acute psychiatric beds as determined by the New Jersey Department of Health.

8:33R–3.4 Admission criteria

(a) Written admission criteria and policies shall be developed by the facility and included as part of the certificate of need application. The criteria shall include care for patients who are found to meet the standards of mental illness and dangerous to self or others at the time of admission, thus requiring an intensive level of care. Such patients need not be admitted involuntarily.

(b) Admission criteria shall reflect that only patients who have been screened through the designated psychiatric screening center shall be accepted for admission.

(c) When a patient is in a voluntary psychiatric unit in this facility or another hospital and transfer to a STCF is requested, the psychiatric screening center shall determine if all other alternatives have been explored and if the patient meets the admission criteria of the STCF. The applicant shall provide assurances that the designated screener will be provided access to perform a face-to-face assessment of the patient where indicated. Involuntary commitment procedures may then be initiated pursuant to N.J.S.A. 30:4–27 et seq.

(d) The written admission criteria shall, at a minimum, address the following:

1. Diagnostic and other patient characteristics or factors which render a patient acceptable and unacceptable for admission;

2. The policy on acceptance of individuals with limited ability to pay for treatment;

3. The policy on acceptance of individuals with Medicaid insurance coverage; and

4. The policy on the treatment of individuals requiring both psychiatric and medical care.

8:33R–3.5 Accessibility of care

(a) The applicant shall provide assurance that patients who are referred by the designated psychiatric screening center shall be admitted immediately, if a bed is available and the patient meets the admission criteria.

(b) The applicant shall assure that it has a treatment policy whereby no patient will be discharged prior to the completion of treatment, as a result of the inability to pay.

(c) The applicant shall assure that individuals previously hospitalized in any psychiatric facility shall not be denied admission to the unit solely because of such previous hospitalization, or as an administrative response to the individual's behavior during such previous hospitalization.

(d) The applicant shall assure that individuals with a single diagnosis of alcohol or drug abuse, mental retardation or organic diagnoses shall not be accepted for treatment in adult closed acute psychiatric beds. The admissions policy shall assure that patients admitted have psychiatric symptomology capable of amelioration through modalities available on the psychiatric unit.

(e) The applicant shall assure that patients with a dual diagnosis of substance abuse and psychiatric disorder are accepted, if they meet the admission criteria. Clinical services for this population shall be assured.

(f) The applicant shall provide assurance of compliance with all applicable civil rights and non-discrimination requirements of Federal and New Jersey law.

8:33R–3.6 Continuity of care

(a) Applicants seeking to establish adult closed acute psychiatric beds (STCF) shall provide the following:

1. A description of how the proposed program would fit into a comprehensive system of care. Applicants shall show affiliation with the psychiatric screening center and other community-based programs within the geographic area through formal affiliation agreements;

2. A description of intensive inpatient care which focuses on crisis intervention and is directed toward resolution of a psychiatric emergency and attempts to restore the individual to his or her previous level of functioning;

3. A description of the comprehensive diagnostic evaluation to assess all the factors contributing to the crisis; and

4. The applicant shall assure its participation in the System Review Committee pursuant to N.J.S.A. 30:40–27.1 et seq. and N.J.A.C. 10:31–5. This Committee will review transfers into the STCF from the adult acute psychiatric beds, as well as transfers to State and county hospitals.

8:33R–3.7 Transfer to State or county facility

(a) Written criteria for the transfer of patients from the STCF to a county or State hospital in accordance with N.J.S.A. 30:4–27(f) shall be submitted as part of the application.

(b) The applicant shall submit a draft transfer agreement with the State or county hospital, specifying roles and responsibilities. The applicant shall assure that such an agreement will be in place prior to licensure or designation.

(c) Written transfer criteria shall reflect the diagnostic and other patient characteristics and factors used as indicators for transfer including length of past treatment history, current behavior and response to medication regimen.

8:33R–3.8 Proposed treatment program, staffing pattern, and discharge planning

The proposed treatment program, staffing pattern, and discharge planning process shall be identified with the certificate of need application. All applicants for adult closed acute psychiatric beds shall demonstrate the ability to comply with licensure standards promulgated by the New Jersey Department of Health at N.J.A.C. 8:43G–26, as they apply to hospital psychiatric units and with Title XIX (Medicaid) staffing standards, upon project completion. The treatment program and staffing pattern shall be fully described and shall be adequate and appropriate to implement the program. The description should demonstrate recognition of patients' rights and an ability to comply with them.

8:33R–3.9 Treatment program

(a) The applicant shall describe a treatment program which includes a full range of psychiatric, diagnostic and therapeutic interventions, including, but not limited to, individual, group, psychopharmacological, family, milieu, adjunctive and recreational therapy. Treatment shall, at a minimum, focus on protecting and stabilizing the individual, treating the acute disorder and return of the individual to his or her pre-crisis level of functioning.

(b) The applicant shall discuss the provisions which will be made for the patient's non-psychiatric care, including medical and dental services.

(c) The applicant shall describe how the following will be accomplished:

1. Extended evaluations;

2. Lab studies;

3. Evening and weekend therapeutic and recreational activities;

4. Restricted privileges and precautions;

5. Use of seclusion and restraints;

6. Provision for evening and weekend consultation with the patient's family;

7. Provision for handicapped patients;

8. Provision for HIV positive individuals and AIDS patients;

9. Quality assurance; and

10. Medical diagnosis and treatment.

8:33R–3.10 Staffing pattern

The applicant shall describe how the STCF shall be staffed to assure quality of care and the availability of appropriate variety of staff. The applicant shall describe the management, organization and staffing of the unit by a multidisciplinary team, including staffing and procedures to provide medication monitoring and education, and staffing and safety precautions to provide for unscheduled one to one monitoring.

8:33R–3.11 Discharge and transfer planning

The applicant shall describe the discharge planning process in writing. The discharge planning process shall also apply to patients being transferred to another facility.

8:33R–3.12 Physical environment

(a) The application shall provide schematics of the proposed floor plan and shall assure, at a minimum, compliance with the following design elements:

1. The design of adult closed acute psychiatric beds functioning as a STCF should afford a non-institutionalized atmosphere, yet provide a safe environment for patients and staff. The design should avoid giving the arriving patient the impression of control, entrapment or congregate care. The environment should be normalized, to include an appropriate combination of private, semi–private/semi–public, and public space.

2. The schematic and description shall include consideration of the following:

i. Balance between privacy needs of patients and surveillance responsibilities of staff, especially with reference to seclusion rooms and unit exits;

ii. Seclusion rooms should be properly ventilated and appropriately equipped for patient safety and comfort;

iii. Reduction of stimulation in specified areas or rooms utilizing such measures as: segregation of noisy and quiet activities and the use of muted color schemes;

iv. Separation of the unit from other units of the hospital and prohibition of its use as a thoroughfare to other units;

v. Location with view of landscaped or park-like setting and with access to outdoors (whenever possible); and

vi. Elimination of physical conditions which could facilitate suicide attempts, including, but not limited to, exposed popping conduits or other weight supporting lines or objects.

3. Units having adult closed acute and adult acute psychiatric bed sections should be designed with a lockable door between sections or the entire unit must be lockable. Doors may remain open whenever patient condition, ward climate and staffing limits permit, to test the ability of acute disturbed patients to tolerate group activities, recreation, and free access to service areas in the voluntary section of the unit.

4. The STCF unit shall be in compliance with the physical plant construction guidelines for acute care psychiatric beds in general hospitals contained in the State Uniform Construction Code, at N.J.A.C. 5:23–3, and the Department's licensing rules.

8:33R–3.13 County mental health board review

The county mental health board(s) of the service area proposed to be served by the applicant shall receive a copy of the certificate of need application, for their formal action, at the time of submission to the Department. A letter of endorsement from the board(s) or its administrator reflecting action shall be considered a significant factor in assessing local need for the project. County mental health board comments should be forwarded to the Department of Health, Local Advisory Boards, and to the Division of Mental Health Services in a timely manner, consistent with the certificate of need requirements of N.J.A.C. 8:33. Applicants are encouraged to consult with their county mental health board during the planning stages and prior to submission of the application to ensure that local needs are being met.

8:33R–3.14 New Jersey Department of Human Services endorsement

(a) The New Jersey Department of Human Services will review every application for adult closed acute psychiatric beds. A statement of non-endorsement by the Department of Human Services, due to the applicant's inability to meet the criteria for designation as a STCF or as a mental hospital, shall be considered a reason for denial by the Department of Health.

(b) Applicants are encouraged to consult with the Division of Mental Health Services staff during the planning stage. Technical assistance is available from the Division of Mental Health Services regarding program, architectural standards, affiliation agreements and designation process.

8:33R–3.15 Data

(a) Each applicant shall provide such utilization data upon the request of the Department of Health in (b) below in order to implement the planning assessments necessary under the rules as part of an ongoing process of collecting, analyzing and evaluating data pertaining to the psychiatric treatment of patients in adult closed acute beds, as well as utilization data required by the Department of Human Services for use by the county systems review committees.

(b) The applicant shall collect and maintain data and information concerning length of stay, referral, sources, discharge data, patient diagnoses and characteristics, payer mix, quality assurance data.

8:33R–3.16 Competitive review

(a) In geographic areas where more than one applicant has filed a certificate of need to establish additional adult closed acute psychiatric beds, the Department may elect to approve only the number of applicants necessary to provide the estimated number of beds needed in the area. In making a determination, the Department shall give priority to the applicant or applicants who, relative to all other projects, demonstrate the fullest level of compliance with the following criteria:

1. Full compliance with all standards and guidelines in this subchapter and all other laws and rules;

2. The highest level of access to services by the indigent;

3. Units which can be implemented in the most cost-effective and efficient manner, measured by capital costs, operating costs and reduction of excess acute care bed capacity in the area;

4. Hospitals which provide screening services or are closely affiliated with a screening service;

5. Units which are converting inpatient screening psychiatric beds to adult closed acute psychiatric beds and which will meet the needs of their geographic area or county;

6. Units which provide for the entire bed need of their designated STCF geographic area or county;

7. Units which meet the standard for geographic accessibility, that is, units which can be reached from any point in the applicant's primary service area within one hour of travel time;

8. Projects which are determined to provide the highest level of quality care in the proposed unit, as documented on the basis of staffing pattern, site review reports and track record for serving persons who are seriously mentally ill;

9. Projects which have the endorsement of the county mental health board(s) of the proposed service area; and

10. Units which demonstrate affiliation with the area psychiatric screening center and with residential and other ambulatory services, including partial care, outpatient services and other crisis stabilization services, for the purpose of linking the patient to the appropriate after-care services.

SUBCHAPTER 4. CHILD AND ADOLESCENT ACUTE PSYCHIATRIC BEDS

8:33R–4.1 Scope and purpose

(a) The New Jersey Department of Health currently licenses and regulates inpatient psychiatric beds in licensed general and special hospitals throughout the State. These rules set forth the criteria by which the Department of Health will review certificate of need applications for the addition or establishment of new child and adolescent acute psychiatric beds in any existing or proposed health care facility in New Jersey, or in any facility designated as a CCIS by the Department of Human Services. Inpatient psychiatric beds play a small, but critical, part in the mental health care system. The purpose of these rules is to assure that these beds are well integrated within the continuum of mental health care services, that access for all who require this level of care is assured, that there is continuity of care for patients upon discharge, and that a consistent level of quality services, is provided in a cost effective manner.

(b) Children's acute psychiatric inpatient care is viewed as a single and highly specialized phase in an overall system of services for psychiatrically impaired youth. These inpatient services are designed to provide short-term treatment within a comprehensive network of mental health care in the community. This approach encourages and supports the delivery of services in the most appropriate and least restrictive setting.

(c) The rules in this subchapter apply exclusively to and identify standards for the review of certificate of need applications for child and adolescent acute psychiatric beds.

8:33R–4.2 Bed need

(a) The general formula for the determination of child and adolescent acute psychiatric bed need is as follows:

New Beds Needed = Total Beds Needed minus Available Beds

(b) $$\text{Total Beds Needed} = \frac{\text{Statewide Beds Needed}}{53} \text{ plus } \frac{SD \times (T-50)}{10}$$

1. SD = Standard deviation of bed need estimate for each service area
2. T = Average T score of bed need distribution and T score of service area-specific children's mental health risk factor

3. T Score for Bed Need =

$$\frac{\text{(Average bed need minus mean bed need)}}{\text{SD}} \times 10 + 50$$

4. Average Bed Need =

$$\frac{\text{(Normative bed need plus actual bed use)}}{2 \times .85}$$

5. Normative Bed Need =

$$\frac{\text{Total annual patient days}}{365} \times \frac{\text{Service area child population}}{\text{State children's population}}$$

6. Actual Bed Use =

$$\frac{\text{Annual patient days utilized by children in each county}}{365}$$

7. Estimated Annual Patient Days Needed in State equals the sum of Patient days in the following categories:

i. Patient days in existing CCIS units as contained in the official inventory of general hospital and free-standing beds;

ii. General hospital psychiatric patient beds for children and adolescents, excluding any hospital-based CCIS unit patient days;

iii. 75 percent of the patient days at the Arthur Brisbane Children's Treatment Center (ABCTC), for all admitted children using their first 30 days of hospital stay;

iv. Patient days expected by the diversion of children and adolescents requiring acute inpatient psychiatric treatment from the juvenile justice system. Based on 7.5 percent of juvenile violent crimes, multiplied by the most recent statewide CCIS average length of stay (ALOS).

8. T Score for Children's Mental Health =

$$\frac{\text{Community Mental Health Risk Factor minus Mean Risk Factor}}{\text{Standard Deviation of County Risk Factors}} \times 10 + 50$$

9. Service Area Health Mental Risk Factor equals the mental health inpatient need scores for children and adolescents which were derived for each New Jersey mental health service area in a statistical procedure based on the correlation between the treated prevalence and incidence of mental illness among children and adolescents and the 28 area characteristics such as poverty, child abuse, school dropout rate, infant mortality and others (see N.J.A.C. 8:33R–3.3(d)10).

(c) Available beds equals child and adolescent acute psychiatric inpatient beds, as defined in this chapter, which have been approved through the certificate of need process or are in operation.

(d) In addition to (a) through (c) above, when the application is submitted by or on behalf of an existing provider for the purpose of increasing existing child and adolescent acute psychiatric bed capacity, the applicant shall additionally demonstrate the following:

1. Occupancy rates (based on total licensed bed capacity) for the previous 12 months must meet or exceed the following percentages in relation to unit size: over 16 beds—90 percent; 12 to 15 beds—85 percent; 11 beds or less—80 percent. At the proposed new capacity, it must be demonstrated that annual occupancy will exceed 80 percent within two years of operation;

2. ALOS shall not exceed 110 percent of ALOS in existing child and adolescent acute psychiatric beds statewide, based on data reported to the Department for the previous calendar year;

3. Numbers of target population patients admitted during the previous two calendar years, their average length of stay, and patient days; and

4. Numbers of target population patients referred but not accepted during the last two calendar years, and an explanation of their disposition.

(e) Applicants for child and adolescent acute psychiatric beds shall document an information and referral system to provide guidance and direction to referral source agents for children and adolescents for whom hospitalization has been deemed inappropriate or when the unit is at capacity by providing assistance to the referral source in securing the necessary alternative service(s) and by providing follow-up to determine if these services were obtained. Specific procedures and transfer agreements with specialized facilities for patients who cannot be accommodated on the unit shall be established and documented.

8:33R–4.3 Admission criteria

(a) Written admission criteria and policies shall be developed by the facility and included as part of the certificate of need application.

(b) Written admission criteria shall, at a minimum, address the following:

1. Diagnostic and other patient characteristics or factors both acceptable and not acceptable for admission;

2. For those individuals deemed ineligible for admission to the facility, a description of referral procedures to a more appropriate facility;

3. Policy on acceptance of individuals without or with limited ability to pay for treatment;

4. Policy on acceptance of individuals with Medicaid insurance coverage; and

5. Policy on the treatment of individuals requiring both psychiatric and medical care.

(c) Admissions criteria shall reflect the following:

1. The psychiatric screening center and or affiliated emergency service shall be the route of entry for patients in those areas which have a functioning service available;

2. Provisions for accepting children in crisis; and

3. Method for assuring that alternatives to inpatient hospitalization have been fully evaluated and deemed inappropriate or unavailable prior to admission.

(d) The facility, or parts thereof, shall provide assurances that it will request designation as a mental hospital and as a CCIS by the Commissioner of the Department of Human Services for the provision of child and adolescent acute psychiatric services.

(e) The admissions policy shall assure that priority will be given to:

1. Children and adolescents who are at immediate risk of serious physical harm to self or others or of causing serious damage to property due to impaired judgment, and who display severely disruptive behavior, or intentional self-injury, or impulses to assault others or damage property;

2. Children or adolescents who are diagnosed as suffering from a serious psychiatric disorder with acute or severe behavioral disorganization who are unknown to the system and who need a complete diagnostic assessment and evaluation in order to determine the most appropriate range of services to prevent them from being served inappropriately or from going untreated;

3. Children and adolescents who have previously received psychiatric inpatient treatment and/or who have severe, incapacitating psychiatric disorders which require immediate treatment to prevent further deterioration;

4. Children and adolescents who present behavior problems associated with major mental illness which are too severe to be managed at a less intensive level of care. Alternatives to inpatient care shall be evaluated and deemed inappropriate or unavailable prior to admission;

5. Children and adolescents with a secondary diagnosis of chemical dependency or retardation shall be considered for admission only if there is another primary psychiatric diagnosis.

8:33R–4.4 Accessibility of care

(a) Provisions for assigning all admissions, including the medically indigent, to the applicant's psychiatric staff shall be documented.

(b) The following thresholds have been established concerning payment for services:

1. Medicaid participation shall be considered a desirable feature of the certificate of need application and applicants demonstrating such participation shall be given preference during the review process. If an applicant is not presently certified by Medicaid, the applicant shall show evidence that an application for Medicaid participation has been submitted in order to receive such departmental preference.

2. A minimum of 10 percent of the total occupied acute psychiatric bed complement shall be utilized annually for medically indigent patients within all child and adolescent acute psychiatric units. Within the 10 percent, a minimum of five percent must be available for free care to individuals under the Community Services Administration (CSA) poverty guidelines at 42 USC 9902(2) with the balance available to individuals under partial pay arrangements. For existing facilities seeking to add adult, child and/or adolescent psychiatric beds, this requirement shall be met in all licensed psychiatric beds of the facility at the completion of the project and prior to licensure of the new beds. The Department may consider exceptions to this requirement for facilities which demonstrate a significant financial hardship based on the case mix of patients by payer source.

(c) The applicant shall assure that it has a treatment policy whereby no patient will be discharged prior to the completion of treatment as a result of the inability to pay, except based on free choice by the patient or the patient's family. Existing facilities shall document implementation of this policy by providing average length of stay data by payer source and diagnosis.

(d) The applicant shall assure that individuals previously hospitalized in either a State or county psychiatric facility will not be denied admission to the unit solely because of such previous hospitalization.

(e) The applicant shall assure that individuals with a diagnosis of alcoholism and/or drug abuse exclusively (without a primary psychiatric diagnosis) will not be accepted for treatment in the psychiatric unit. Referral agreements with appropriate facilities designated for substance abuse treatment shall be in evidence. Admission of patients with dual diagnoses of substance abuse and a primary psychiatric diagnosis are acceptable for admission where an applicant demonstrates availability of appropriate clinical services for this population.

(f) The applicant shall assure compliance with all applicable civil rights and non-discrimination requirements of Federal and New Jersey law.

8:33R–4.5 Continuity of care

(a) Applicants for acute psychiatric services for children and adolescents shall present evidence that linkages will be established with community mental health agencies offering child and adolescent mental health emergency/screening, crisis intervention, outpatient care, partial hospitalization, case management and residential and group home care; with school systems, youth correction facilities and the local district offices of the Division of Youth and Family Services (DYFS) within the applicant's primary service area. Specific affiliation agreements with specialized facilities for patients who cannot be accommodated on the unit/facility should be established (for example, specialized programs for chemically addicted youth or youth with severe developmental disabilities which may impede their ability to participate in the therapeutic milieu of the inpatient program).

(b) The purpose of the affiliation agreements shall be to assure a full range of community-based services to emotionally distributed youth and to develop a formal mechanism of communication and referral between public and private providers of services to the target population. Applicants shall participate in a system of care and shall have written agreements with other general hospitals, community mental health agencies, DYFS, youth correction facilities and other parts of the juvenile justice system, local education authorities and State or county hospitals (where appropriate) in the applicant's proposed service area. Such affiliation agreements shall clarify admissions, referral, transfer, discharge, and service relationships between agencies. At a minimum, the affiliation agreements shall address the following areas:

1. A description of the psychiatric patient population to be served by the unit;

2. Clear guidelines for admission to the children's acute psychiatric service, for integrating medical care, for handling crises and providing emergency backup support;

3. The development of a referral process for transfer of patients needing aftercare services and/or hospitalization or residential placement in a longer-term facility;

4. Case management responsibilities and treatment services; and

5. Policies regarding third party reimbursement.

(c) Applicants shall provide assurances that they will seek and maintain designation from the Department of Human Services as a CCIS.

8:33R–4.6 Aftercare services

(a) The applicant shall demonstrate how all patients, regardless of the ability to pay, shall have arrangements provided for follow-up care on an outpatient basis to reduce recidivism and to prevent further deterioration which would require a more restrictive level of care. Aftercare services may be provided by the applicant directly or by referral to agencies with which the applicant has affiliated. At a minimum, aftercare services shall provide linkages for clinical case management, partial hospitalization, crisis intervention, and respite care.

(b) The applicant shall describe the mechanism by which the need for residential or other specialized services are procured. The applicant shall assure availability of those services necessary to meet the needs of patients who are unable to utilize community mental health centers or private practitioners.

(c) In order to assure that the child receives the necessary aftercare services, a case management system shall be provided while the child is an inpatient, and shall be continued upon discharge. The application shall fully describe the case management function.

8:33R–4.7 Impact on area psychiatric units

(a) Occupancy rates in all existing child and adolescent acute psychiatric units impacted by the proposed new units or facility shall meet or exceed the following percentages in relation to unit size prior to the approval of additional child and adolescent acute psychiatric beds:

16 to 20 beds—80 percent

12 to 15 beds—75 percent

11 beds or less—70 percent.

(b) The applicant shall demonstrate that the proposed bed addition will not negatively impact utilization of existing child adolescent psychiatric units in the proposed service area. In reviewing impact, the review process may consider such issues as geographic accessibility, economic and financial efficiencies, referral patterns, commitment to serve the indigent, the demonstration of innovative financing mechanisms for the provision of indigent care, and the quality of services offered. Submission of statements from affected hospitals indicating support or no projected impact shall be considered evidence in demonstrating compliance with this standard.

8:33R–4.8 Treatment program, staffing pattern, and discharge planning; compliance with applicable standards

The proposed treatment program, staffing pattern, and discharge planning process shall be identified within the certificate of need application. All applicants for child and adolescent acute psychiatric beds shall demonstrate the ability to comply with State psychiatric licensure standards, as well as the current Joint Committee on Accreditation of Healthcare Organizations (JCAHO) Standards applicable to psychiatric facilities and units, Title XIX (Medicaid) licensing and staffing standards, and appropriate seclusion and restraint standards. The treatment program and staffing pattern shall be fully described and their clinical appropriateness justified. All applicants shall also demonstrate the clinical appropriateness of programs and staffing for the population to be served.

8:33R–4.9 Treatment program

(a) The inpatient program shall provide a full range of psychiatric diagnostic and therapeutic interventions including, but not limited to, individual, group, psychopharmacological, family, and milieu therapy. The unit shall also make provisions for education, peer interaction/play and recreational activities. The applicant shall discuss the therapeutic rationale and the role of the various program components. The framework which will be used in organizing the daily activities shall be described. Further, the applicant shall discuss those measures which will be instituted to assure the availability of an ongoing and active treatment program.

(b) The applicant shall discuss the provisions which will be made for the patient's non-psychiatric care (that is, medical, dental).

(c) The treatment program shall, at a minimum, focus on the following goals:

1. To protect the child or adolescent from harming himself or others;

2. To conduct a detailed evaluation of the child or adolescent's family for the purpose of providing a comprehensive diagnostic picture. This evaluation should take into consideration all the factors contributing to the child's emotional status (that is, developmental issues, cognitive functioning, sociocultural and familial factors, interpersonal relationships and physical health). The assessment should include an identification of the child or adolescent's strengths as well as his or her deficiencies. Both of these sources of data shall be used as the basis for the development of the child or adolescent's treatment plan;

3. To use interdisciplinary assessment as the basis for the development of an individualized treatment plan which includes the coordination of service needs upon discharge; and

4. To stabilize and treat the child or adolescent's acute disorder and to prepare the child or adolescent for the next phase of treatment at either a less intensive or more intensive level of care.

8:33R–4.10 Staffing

(a) The application shall describe the management, organization, and staff that will be available on the unit during specific hours of operations, including evenings, nights, and weekends. The applicant shall present the criteria which will be used in organizing staff into the various service delivery components.

(b) Until licensure standards are adopted by the Department of Health, the child or adolescent's acute psychiatric program should be staffed with a multidisciplinary team which should include the following: a board certified or eligible child psychiatrist and a board certified or eligible pediatrician, child psychologist, social worker, special education teacher, occupational, nursing and child care staff, and availability of other consultants as required to meet the special needs of the patients served (for example, pediatric neurologist, speech and language specialists). A case manager is a critical member of the treatment team and shall be included as part of the staffing complement. A case manager should have working knowledge not only of child and adolescent development and mental health programs but of related health, education and social service resources in order to facilitate the child or adolescent's treatment plan.

(c) The program should have adequate personnel and outreach capacity to evaluate the child's family and to work with the family on an ongoing basis while the child is in treatment.

8:33R–4.11 Discharge planning

(a) The structure of the discharge planning process shall be described in the certificate of need application. Discharge planning should be viewed as an integral part of the child or adolescent's treatment plan and should, therefore, begin at intake.

(b) Referral/affiliation agreements for follow-up care shall be in evidence. Referral/affiliation agreements shall address the basic areas identified in N.J.A.C. 8:33R–4.5.

(c) The applicant shall describe the mechanism which will be employed to assure that the aftercare services which are deemed to be clinically necessary for each patient upon discharge are made available.

8:33R–4.12 Physical environment

Services should be provided in an identifiable unit with areas for: sleeping; dining; education; recreation; occupational/recreational therapy; quiet, non-stimulating activities; personal privacy; evaluation and treatment; and non-therapeutic social activities. Provisions should also be made for outdoor space. The unit should reflect a home-like environment to the extent possible; the design of the unit and its furnishings should be age appropriate. The relationship of the unit to other services and other factors designed to enhance the program should be considered in determining the location of the unit.

8:33R–4.13 Local endorsement

The applicant shall document adequate evidence of local support for the project in the proposed service area by submitting letters of endorsement from recognized mental health service delivery agencies, including State and/or county funded community mental health agencies, and general hospitals providing psychiatric inpatient services, as well as endorsement from local schools, local office of DYFS and the juvenile justice system.

8:33R–4.14 County mental health board review

The county mental health board(s) of the service area proposed to be served by the applicant shall be provided with a copy of the certificate of need application, for their formal action, at the time of submission to the Department. A letter of endorsement from the board(s) or its administrator reflecting such action shall be considered a significant factor in assessing local need for the project. County mental health board comments should be forwarded to the Department of Health, local advisory boards, and to the Division of Mental Health Services in a timely manner consistent with the certificate of need requirements of N.J.A.C. 8:33. Applicants are encouraged to consult with their county mental health board(s) during the planning stages and prior to submission of the application to ensure that local needs are being met.

8:33R–4.15 New Jersey Department of Human Services endorsement

(a) The New Jersey Department of Human Services will review every application for adult closed acute psychiatric beds. A statement of non-endorsement by the Department of Human Services, due to the applicant's inability to meet the criteria for designation as a CCIS or as a mental hospital, shall be considered a reason for denial by the Department of Health.

(b) Applicants are encouraged to consult with the Division of Mental Health Services staff during the planning stage. Technical assistance is available from the Division of Mental Health Services regarding program, architectural standards, affiliation agreements and designation process.

8:33R–4.16 Data

(a) Each applicant shall provide the utilization data required by the Department of Health in (b) below in order to implement the planning assessments necessary under the rules as part of an ongoing process of collecting, analyzing, and evaluating data pertaining to the psychiatric treatment of children and adolescents, as well as data required by the Department of Human Services for designation as a CCIS.

(b) The applicant shall collect and maintain data and information concerning length of stay, referral sources and discharge data, patient diagnosis and characteristics, payer mix and quality assurance.

8:33R–4.17 Competitive review

(a) Where the need in a service area for additional child and adolescent acute psychiatric beds has been demonstrated, and more than one applicant has filed a certificate of need to establish such services, the Department may approve only the number of applicants necessary to provide the estimated number of beds needed in the area. In making a determination, the Department shall give priority to the applicant or applicants who, relative to all other projects, demonstrate the fullest level of compliance with the following criteria:

1. Full compliance with all standards and guidelines in these rules;

2. The highest level of access to services by the medically indigent and by persons under cost-based insurances;

3. Projects which can be implemented in the most cost effective and efficient manner, measured by capital costs, projected per diem charges, and reduction of excess acute care bed capacity in the area;

4. Projects which most closely conform to bed need for child and adolescent acute psychiatric beds in the area;

5. Projects which meet the standard for geographic accessibility, where one could reach the unit from any point in the applicant's primary service area within one hour of travel time;

6. Projects which are determined to provide the highest level of quality in the proposed services based on staffing, program, and linkages to assure aftercare services;

7. Projects which demonstrate the greatest local endorsement, including letters of support from: local advisory boards, county mental health board(s), mental health providers and other entities in the applicant's proposed service area;

8. Projects which have the endorsement of local school districts, local DYFS district offices, local jurisdictions of the Family Court, Family Crisis Intervention Units, and local detention centers; and

9. Projects which demonstrate affiliation with residential and other ambulatory services including partial hospitalization, local schools, outpatient services, and crisis intervention services for the purpose of linking the child and family to the appropriate aftercare services.