



MARK B HORTON, MD, MSPH
Director

State of California—Health and Human Services Agency
California Department of Public Health



ARNOLD SCHWARZENEGGER
Governor

September 7, 2007

AFL 07-15

TO: ALL FACILITIES LICENSED BY THE CALIFORNIA DEPARTMENT OF PUBLIC HEALTH (CDPH) LICENSING AND CERTIFICATION PROGRAM (L&C) UNDER CALIFORNIA HEALTH AND SAFETY (H&S) CODE SECTIONS

SUBJECT: **FY 07 - 08 LICENSE RENEWAL FEE SCHEDULE**

The purpose of this memo is to inform you of the FY 07/08 license renewal fee as approved by the California Legislature on August 24, 2007 (Attachment A). In addition this memo outlines significant changes to the license renewal and fee collection process in compliance with amendments to Health and Safety Code (H&S) Section 1266 implemented last year and denotes current changes. These changes included:

- Establishment of the L&C Program Special Fund (H&S 1266.9).
- Change in the annual fee setting methodology (H&S 1266).
- Establishment of FY 07/08 License Fees. (Attachment A).
- Establishment of late payment penalties for license renewals (H&S 1266.5. [Attachment B])

July 1, 2007 the California Department of Public Health was established by Senate Bill 162 within the existing Health and Human Services Agency. At the same time, the California Department of Health Services was renamed as the Department of Health Care Services. L&C is now in the California Department of Public Health.

Alignment of Licensing Fees

As authorized by H&S 1266(g), L&C has realigned license renewal dates with the Budget Act cycle to improve efficiencies in the operational process. In order to implement this change those licenses that had an expiration date between June 30, 2007 and October 30, 2007 have been extended into November 2007. This alignment also applies to facilities who receive initial licensure, Change of Ownership (CHOW) and provisionals who receive permanent licensure with effective dates between June 30 through October 31, 2007. An official notice of extension was mailed in May 2007 to the facilities affected by the alignment. Now that the budget has passed the affected

facilities will receive a renewal notice in approximately two weeks. The license fee will be based on the rates approved in the 2007-08 Budget Act and will include a prorated fee for the extended months. This realignment eliminates the need to annually send adjustment notices to collect or refund fees paid prior to the passage of the budget.

Renewal Reminders

Those facilities whose license is due to expire beginning in December, should receive their license renewal notice approximately 90 days prior to their new license effective date. To prevent delays in obtaining the renewed license, all license renewal fees and the remittance must be mailed to the L&C Fee Development & Grant Management Unit* at the P.O. Box below:

Standard Delivery

California Department of Public Health
Licensing & Certification
Fee Development & Grant Management Unit
MS 3202
P. O. Box 997434
Sacramento, CA 95899-7434

Overnight Delivery

California Department of Public Health
Licensing & Certification
Fee Development & Grant Management Unit
MS 3202
1615 Capitol Ave., Suite 73.481
Sacramento, CA 95899-7434

- ***Facilities are to continue to send the two page renewal application form with facility and ownership information to the local District Office as noted at the bottom of the application form.*** The District Office will continue to be responsible for determining if all licensure conditions (other than fee payment) are met before issuing the license.
- From the date we receive the payment please allow 4-6 weeks total processing time. If you do not receive your license and have confirmed the check has cleared the bank, please contact your local District Office.
- If a license renewal notice has not been received at least 90 days prior to the license expiration date, you should contact the Fee Development & Grant Management Unit* for a duplicate copy of the renewal notice. Licensees are responsible for payment by the license expiration date regardless of receiving a renewal notice.

*** Denotes name change**

Late Payment Penalties

H&S Code Section 1266.5 requires L&C to impose late payment penalties for health facilities and agencies for delinquent license renewal payments. Attachment B is the language for Section 1266.5 that details the penalty percentages by delinquency period. L&C may, upon written notification to the licensee, offset against any moneys owed to the licensee by the Medi-Cal program or any other payment program administered by the California Department of Public Health, to recoup the license renewal fee and any associated late payment penalties. Late payment penalties are statutorily set and can not be waived.

Contact Information for the Fee Development & Grant Management Unit

Main Phone Number 916-552-8700

Email: rcollection@dhs.ca.gov,

OR

Patricia Ibarra (916) 650-6731, patricia.ibarra@cdph.ca.gov

Jerry Carpenter (916) 324-2181, jerry.carpenter@cdph.ca.gov

The 2007-08 fee schedule will be posted by September 7, 2007 on the L&C website, along with current license renewal information and questions and answers on the L&C website: www.cdph.ca.gov/lnc.

Sincerely,

Original Signed by Pamela Dickfoss for Kathleen Billingsley, R.N.

Kathleen Billingsley, R.N.
Deputy Director
Center for Healthcare Quality

Attachments

ATTACHMENT A

LICENSING & CERTIFICATION PROGRAM LICENSE FEES 2007-2008

<u>Type of Facility/Agency</u>	<u>Fee</u>
General Acute Care Hospitals	\$309.07 per bed
Acute Psychiatric Hospitals	\$309.07 per bed
Specials Hospitals	\$309.07 per bed
District Hospitals less then <100 beds	\$142.10 per bed
Chemical Dependency Recovery Hospitals	\$200.29 per bed
Skilled Nursing Facilities	\$250.77 per bed
Intermediate Care Facilities	\$250.77 per bed
Intermediate Care Facilities- Developmentally Disabled	\$469.81 per bed
Intermediate Care Facilities-Developmentally Disabled Habilitative	\$469.81 per bed
Intermediate Care Facilities-Developmentally Disabled-Nursing	\$469.81 per bed
Home Health Agencies	\$3,867.14 per facility
Referral Agencies	\$6,787.11 per facility
Adult Day Health Centers	\$4,383.14 per facility
Congregate Living Health Facilities	\$250.77 per bed
Psychology Clinics	\$2,296.58 per facility
Primary Clinics-Community and Free	\$871.13 per facility
Specialty Clinics-Rehabilitation Clinics	\$402.20 per facility
Specialty Clinics-Surgical Clinics	\$2,842.08 per facility
Specialty Clinics-Chronic Dialysis Clinics	\$3,238.98 per facility
Pediatric Day Health/Respite Care	\$138.30 per bed
Alternative Birthing Centers	\$1,710.20 per facility
Hospice (2 year license)	\$723.86 per facility/per year
Correctional Treatment Centers	\$806.53 per bed

ATTACHMENT B

DELINQUENT PENALTY FEES – HEALTH & SAFETY CODE SECTION 1266.5

1266.5. (a) Whenever any entity required to pay fees pursuant to Section 1266 continues to operate beyond its license expiration date, without the Licensing and Certification Program renewal fees first having been paid as required by this division, those fees are delinquent.

(b) A late payment penalty shall be added to any delinquent fees due with an application for license renewal made later than midnight of the license expiration date.

The late payment penalty shall be computed as follows:

(1) For a delinquency period of 30 days or less, the penalty shall be 10 percent of the fee.

(2) For a delinquency period of more than 30 days to and including 60 days, the penalty shall be 20 percent of the fee.

(3) For a delinquency period of more than 60 days, the penalty shall be 60 percent of the fee.

(c) The department may, upon written notification to the licensee, offset any moneys owed to the licensee by the Medi-Cal program or any other payment program administered by the department, to recoup the license renewal fee and any associated late payment penalties.

(d) No license may be renewed without payment of the Licensing and Certification Program fee plus any late payment penalty.