

**Michigan Office of Administrative Hearings and Rules**  
**Administrative Rules Division (ARD)**

MOAHR-Rules@michigan.gov

**REQUEST FOR RULEMAKING (RFR)**

**1. Department:**

Licensing and Regulatory Affairs

**2. Bureau:**

Bureau of Community and Health Systems

**3. Promulgation type:**

Full Process

**4. Title of proposed rule set:**

Licensing Psychiatric Hospitals and Units

**5. Rule numbers or rule set range of numbers:**

R 330.1301 to R 330.1450

**6. Estimated time frame:**

12 months

**Name of person filling out RFR:**

Tammy Bagby

**E-mail of person filling out RFR:**

BagbyT@michigan.gov

**Phone number of person filling out RFR:**

517-243-9351

**Address of person filling out RFR:**

611 W. Ottawa, 1st Floor

**7. Describe the general purpose of these rules, including any problems the changes are intended to address.**

The new proposed Licensing Psychiatric Hospitals and Units administrative rules will provide for the licensing regulation of psychiatric hospitals/units, including establishing the standard of quality care requirements. The rules will comport with today's practice standards, comply with current law and regulations, and reflect the current organization of state licensing functions.

The current rule set, Licensing Facilities (2023-32 LR) will be rescinded.

**8. Please cite the specific promulgation authority for the rules (i.e. department director, commission, board, etc.).**

Sections 114 and 136 of 1974 PA 258, the mental health code, authorize the Department of Licensing and Regulatory Affairs to promulgate the rules.

**A. Please list all applicable statutory references (MCLs, Executive Orders, etc.).**

By authority conferred on the department of licensing and regulatory affairs by sections 114 and 136 of the mental health code, 1974 PA 258, as amended MCL 330.1114, MCL 330.1136 and Executive Reorganization Order Nos. 1996-1, 1996-2, 2003-1, 2008-4 and 2011-4, MCL 330.3101, 445.2001, 445.2011, 445.2025 and 445.2030 of the Michigan Compiled Laws.

**B. Are the rules mandated by any applicable constitutional or statutory provision? If so, please explain.**

Section 136, MCL 330.1136 requires the director to promulgate rules to implement specified sections of the code for the maintenance and operation of psychiatric hospitals and psychiatric units as necessary to enable state or private facilities, or both to qualify for federal funds available for patient care or for construction and remodeling of facilities.

**9. Please describe the extent to which the rules conflict with or duplicate similar rules, compliance requirements, or other standards adopted at the state, regional, or federal level.**

The department is not aware of any rules, compliance requirements, or other standards adopted at the state, regional, or federal level that these rules would conflict with or duplicate.

**10. Is the subject matter of the rules currently contained in any guideline, handbook, manual, instructional bulletin, form with instructions, or operational memoranda?**

The subject matter is not currently contained in any guidance, handbook, manual, instruction bulletin, form with instructions or operational memoranda.

**11. Are the rules listed on the department's annual regulatory plan as rules to be processed for the current year?**

The rules are listed in the department's annual regulatory plan.

**12. Will the proposed rules be promulgated under Section 44 of the Administrative Procedures Act, 1969 PA 306, MCL 24.244, or under the full rulemaking process?**

Full Process

**13. Please describe the extent to which the rules exceed similar regulations, compliance requirements, or other standards adopted at the state, regional, or federal level.**

This rule set does not exceed similar regulations, compliance requirements, or other standards adopted at the state, regional, or federal level.

**14. Do the rules incorporate the recommendations received from the public regarding any complaints or comments regarding the rules? If yes, please explain.**

Promulgation of a new rule set is proposed because the current rule set (2025-32 LR) needs to be updated to comport with today's practice standards and to reflect the current licensing organizational structure. The proposed rules are based on input from current state licensed providers and applicable professional associations covered by these rules, along with advocacy groups, and other state agencies. Input has been received and compiled from the Michigan Department of Health and Human Services Office of Recipient Rights and Behavioral Health, Michigan Health and Hospital Association, psychiatric associations, Michigan Nurses Association, and more than 14 covered hospitals.

**15. If amending an existing rule set, please provide the date of the last evaluation of the rules and the degree, if any, to which technology, economic conditions, or other factors have changed the regulatory activity covered by the rules since the last evaluation.**

The current rule set, Licensing of Facilities (2025-32 LR) will be rescinded and replaced with the proposed rules, Licensing Psychiatric Hospitals and Units (2025-33 LR). The current rules were last updated in 1990. However, most rules have not been revised since 1979. Technology, economic conditions, or other factors have not changed the regulatory activity covered by the rules since the last evaluation.

As for technology changes, the most prominent is the use of electronic medical records and ligature risk reduction for physical plant requirements. These rules still require medical records to be maintained and secured no matter if electronic or in paper form and incorporates ligature risk reduction using the Facility Guidelines Institute (FGI) standards. There have been no significant changes in the economic conditions or reimbursement for these services. The capacity and number of providers has remained relatively stable. Finally, the standard of care as related to regulatory oversight has not changed significantly but the revised rules do put a greater emphasis on infection prevention and control. The primary revisions to these rules relate to having equal standards, processes, and requirements like other health facilities as required by the Public Health Code, MCL 333.20171(2) since most psychiatric licenses issued are for units within an acute care hospital. These proposed rules will bring equivalent standards to freestanding psychiatric hospitals as already applied to psychiatric units within acute care hospitals under the Public Health Code and related administrative rules.

**16. Are there any changes or developments since implementation that demonstrate there is no continued need for the rules, or any portion of the rules?**

There are no changes or developments that demonstrate there is no continued need for the rules or any portion of the rules. The proposed rule set, Licensing Psychiatric Hospitals and Units (2025-33 LR) recodifies the current rules, Licensing Facilities, that are being rescinded under 2025-32 LR. The proposed rules will comport with today's practice standards, comply with current law and regulations, and reflect the current organization of state licensing functions.

**17. Is there an applicable decision record (as defined in MCL 24.203(6) and required by MCL 24.239(2))? If so, please attach the decision record.**

No

**Based on the information provided in this RFR, MOAHR concludes that there are sufficient policy and legal bases for approving the RFR. The RFR satisfies the requirements of the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.201 to 24.328, and Executive Order No. 2019-6.**