

**481—56.3 (135C) Fines.** Citations which are issued by the director of the department of inspections and appeals for violations of the statutes or rules relating to health care facilities will subject the facility to the following penalties.

**56.3(1) Citation for a class I violation.** The penalty shall not be less than \$2,000 nor more than \$10,000. The penalty for a class I violation shall be doubled when the violation is due to an intentional act by the facility in violation of a provision of Iowa Code chapter 135C or a rule adopted pursuant thereto.

**56.3(2) Citation for a class II violation.** The penalty shall not be less than \$100 nor more than \$500. Using the criteria established in paragraph 56.3(2)“a,” the director of the department of inspections and appeals may, upon written request, waive the penalty if the class II violation is corrected within the time specified in the citation. The director shall not waive penalties related to the items listed in subrule 56.3(4).

*a. Criteria for waiving the penalty for a class II violation.* The director shall consider the following criteria, among others, when deciding whether to grant a waiver of a class II penalty.

(1) The past history of the facility within the last 24 months of the violation as it relates to the nature of the violation;

(2) The rights of residents to make informed decisions with their doctor(s) and family/legal representative(s); and

(3) The financial hardship the fine will cause the facility.

*b. Process for requesting a waiver of the penalty for a class II violation.*

(1) A facility shall submit documentation that supports the waiver request.

(2) If the facility has requested a waiver based on financial hardship, the facility must provide proof of the hardship for the individual facility, along with the parent corporation, if any. Supporting documentation shall, at minimum, include the facility’s, and the parent corporation’s, if any, most recent profit and loss statement and balance sheet.

(3) Requests for a waiver shall be submitted within ten working days of receipt by the facility of the notice that the violation has been corrected.

(4) The department shall make a decision on the waiver request or request additional information, if necessary, within ten working days of receipt of a waiver request and shall notify the facility in writing of the department’s determination by personal service, by electronic mail, or by certified mail. If additional information is requested, such information shall be provided by the facility within five working days. If additional information is necessary, the department shall make a decision on the waiver request within ten working days of receipt of the additional information requested by the department.

(5) If the waiver request is granted and the facility has paid the penalty, the facility shall be refunded the amount of the penalty paid that was subject to the approved waiver request.

*c. Denial of penalty waiver request for a class II violation.* The director’s decision to deny a waiver request is not subject to appeal. The underlying citation or state statement of deficiencies is eligible for appeal.

**56.3(3) Citation for a class III violation.** No penalty shall be assessed for a class III violation except as provided in rule 481—56.5(135C).

**56.3(4) Self-identification and correction of a class II or class III violation prior to the on-site inspection.** If a facility self-identifies a deficient practice prior to the on-site visit inspection, there has been no complaint filed with the department related to that specific deficient practice, and the facility corrects such practice prior to an inspection, no citation shall be issued or fine assessed for class II or III violations except for those penalties arising pursuant to paragraphs “a” to “f”:

*a. Abuse.*

(1) Rule 481—57.39(135C);

(2) Rule 481—58.43(135C);

(3) 481—subrules 62.23(23) to 62.23(25);

- (4) Rule 481—63.37(135C);
- (5) Rule 481—64.33(235B);
- (6) Rule 481—65.15(135C);
- (7) 481—subrules 65.25(3) to 65.25(5); and
- (8) 42 CFR Section 483.420(d).

*b.* Personnel histories.

- (1) Iowa Code section 135C.33;
- (2) 481—subrule 57.12(3);
- (3) 481—subrule 58.11(3);
- (4) 481—subrule 62.9(5);
- (5) 481—subrule 63.11(3);
- (6) Rule 481—64.34(135C); and
- (7) 481—subrule 65.9(5).

*c.* Failure to implement physician's orders as required.

- (1) 481—paragraph 57.12(2)“*d*”;
- (2) 481—paragraph 58.19(2)“*h*”;
- (3) 481—paragraph 62.15(1)“*a*”;
- (4) 481—paragraph 63.11(2)“*d*”; and
- (5) 42 CFR Section 483.460(c)(4).

*d.* Failure to notify the physician of any accident, injury, or adverse change in a resident's condition.

- (1) 481—subrule 57.15(5);
- (2) 481—subrule 58.14(5); and
- (3) 481—paragraph 62.19(2)“*c.*”

*e.* Failure to administer all medications as ordered by the resident's physician.

- (1) 481—paragraph 57.12(2)“*d*”;
- (2) 481—paragraph 58.19(2)“*a*”;
- (3) 481—paragraph 63.11(2)“*d*”;
- (4) 481—subrule 64.4(9); and
- (5) 42 CFR Section 483.460(c)(4).

*f.* Failure to meet the fire safety rules and regulations promulgated by the state fire marshal.

- (1) 481—paragraph 58.28(1)“*a*”;
- (2) 481—subrule 62.19(7);
- (3) 481—paragraph 63.23(1)“*a*”; and
- (4) 42 CFR Section 483.470(j).

*g.* Process for documenting self-identification. If, during the inspection, an area of concern is identified to the facility that was self-identified and corrected by the facility prior to the inspection, no complaint has been filed, and the violation does not fall in the exemptions listed in 481—paragraphs 56.3(4)“*a*” to “*f*,” the facility shall complete a “Self-Identification and Correction Form” and submit it to the inspector(s) prior to the conclusion of the inspection, or to the department within two working days of the exit interview via E-mail, facsimile, or overnight courier. The documentation shall include:

- (1) The nature of the problem;
- (2) The date the problem was identified;
- (3) Who identified the problem, i.e., family, resident, staff, physician, pharmacist;
- (4) Action steps taken to correct the problem;
- (5) Date the facility determined correction was completed; and

(6) All documentation that substantiates the above information.

**56.3(5)** *State penalty dismissed if the corresponding federal deficiency or citation is dismissed or removed.* Any state penalty, including a fine or citation, issued as a result of a joint state and federal survey and certification process shall be dismissed if the corresponding federal deficiency or citation is dismissed or removed.

*a.* If the federal deficiency is dismissed or removed during the federal informal dispute resolution process, the department shall remove any corresponding state fine, citation or deficiency within 20 working days of issuance of the decision.

*b.* If the federal deficiency is dismissed or removed at the conclusion of the federal administrative hearing process, the facility shall submit to the department a copy of the decision, along with a written request for the removal of the corresponding state fine, citation, or deficiency.

*c.* Any state penalty, including a fine or citation, shall be retained or reinstated if the federal deficiency is retained or reinstated.

**56.3(6)** *Reduction of fine amount by 35 percent.* If a facility has been assessed a penalty, does not request a formal hearing pursuant to Iowa Code section 135C.43 and rule 481—56.17(135C), or withdraws its request for a formal hearing within 30 days of the date that the penalty was assessed, and the penalty is paid within 30 days of receipt of notice or service, the amount of the civil penalty shall be reduced by 35 percent.

[ARC 8433B, IAB 12/30/09, effective 2/3/10; ARC 2158C, IAB 9/30/15, effective 11/4/15]