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GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF COMMUNITY & HEALTH SYSTEMS

SHELLY EDGERTON
DIRECTOR

August 16, 2017

Narconon Freedom Center, SA0130110
Josh Sowers, Program Director
505 Keefer Drive
Albion, MI 49224

SUBJECT: Substance Use Disorder Licensure Survey Findings for Narconon Freedom Center – Follow-Up Survey and proposed Informal Conference

Dear Mr. Sowers:

A follow-up state licensure inspection was conducted on May 2, 2017 at Narconon Freedom Center pursuant to Michigan Public Health Code, Act 368 of 1978, Part 62, Section 333.6238, which obligates the department to make at least one visit to each licensed health facility or agency every three years for survey and evaluation for the purpose of licensure. The May 2, 2017 inspection was preceded by a state licensure inspection on February 27, 2017 that identified Narconon Freedom Center as not in substantial compliance on multiple items required for state licensure (see attached).

Based on the follow-up state licensure inspection findings of May 2, 2017, the Department has determined that Narconon Freedom Center is still not in substantial compliance with the following requirements:

R325.14901(2) Counselor

The equivalent of one full-time counselor shall be available for every ten residents.

R325.14905 Treatment Plan

(1) A client's social and psychological needs shall be assessed. The areas of concern shall include a determination of all of the following: (a) Current emotional state, (b) Cultural background, (c) Vocational history, (d) Family relationships, (e) Educational background, (f) Socioeconomic status, (g) Any legal problems that may affect the treatment plan.

(2) A written treatment plan based upon the assessment made of a client's needs shall be developed and recorded in the client's case record. A treatment plan shall be developed as soon after the client's admission as feasible, but before the client is engaged in extensive therapeutic activities. The written treatment plan shall comply with all of the following: (a) Be individualized based upon the assessment of the client's needs and, if applicable, the medical evaluation, (b) Specify those services planned for meeting the client's needs, (c) Include referrals for services that are not provided by

the residential program, (d) Contain clear and concise statements of the objectives the client will be attempting, to achieve, together with a realistic time schedule for their achievement, (e) Define the services to be provided to the client, the therapeutic activities in which the client is expected to participate, and the sequence in which services will be provided.

(3) The client shall participate in the development of the treatment plan and its objectives. The nature of this participation shall be described in the client's record.

R325.14906 Patient Activities

Ten or more hours per week of scheduled activities shall be available to a client. Included in these activities shall be two or more hours of formalized individual, group, or family counseling for each client. The hours of counseling actually provided should vary according to the needs of the client. There shall be documentation of planned social, educational, and recreational activities consistent with the needs of the client. Activities shall include all clients and shall take place days, evenings, and weekends if clients are present during these times.

R325.14907 Residential Progress Notes

A client's progress and current status in meeting the objectives established in the treatment plan, together with a statement of the efforts by staff members to help the client achieve these stated objectives, shall be recorded in the client's case record for every formal client counseling session. A progress note shall be dated and signed by the individual who makes the entry.

(2) All progress notes shall be dated and signed by the individual who makes the entry.

(3) If a client is receiving services at an outside resource, the program shall attempt to secure a written case summary, case evaluation, and other client records from that resource. These records shall be added to the client's case record.

(4) The ongoing assessment of the client's progress with respect to achieving treatment plan objectives shall be used to update the treatment plan.

Additionally, after speaking with the program director the program advised that they are no longer administering outpatient services at their facility. Therefore, failure to no longer provide this service has resulted in removal of outpatient from their license as of May 2, 2017.

A third inspection visit was conducted on June 7, 2017 to determine the status of the non-compliance items identified at the February 27 and May 2, 2017 inspections. The June 7th inspection verified continued non-compliance with the prior findings as well as identifying building conditions and safety concerns including, but not limited to, door locks missing, staff identification not clear, exit and safety lighting questions and gaps, combustibles found stored in the basement of the residential facility, medical records not properly stored, and other safety concerns.

The June 7, 2017 non-compliance and new findings were conveyed to Narconon via email on June 8, 2017 and contained a request for Narconon administration to appear for an informal hearing in Lansing on June 14, 2017. The informal hearing request included a call for Narconon to provide information and a correction plan in writing for both the open items from the previous on-site inspections as well as the new physical building concerns raised on June 7, 2017.

The letter presented by Narconon at the June 14 informal hearing containing a correction plan failed to address all items from the three prior inspection visits, failed to provide firm dates for corrective plans, and lacked an overall commitment to establishing a corrective action plan and resolution timeline. Missing items included lack of patient progress notes, no discharge summaries, misfiled patient documents in the wrong patient charts, patient file corrections, failure to involve the counselor and gaps in sign-off on treatment plans.

On July 19, 2017, State Licensing visited for a fourth time and noted during the inspection that not all issues previously identified had been addressed or corrected. This included a lack of progress notes, patient files still incomplete, no discharge summaries, still no counselor involvement and sign-off on treatment plans, and physical structure items not finished or addressed.

Under MCL 333.6243 *License; denial, suspension, revocation, or refusal to renew; violation; hearing and appeal*, the Department (Bureau of Community and Health Systems, BCHS) may deny, suspend, revoke, or refuse to renew a license of an applicant or licensee who is in violation of parts or rules promulgated for substance use disorder (SUD) licensing. This action of denial, suspension, revocation, or license renewal refusal can take place only after an opportunity for a hearing. SUD Administrative Rule R 325.14207 *Denial, suspension, or revocation of license*, provides reasons why a license may be denied, suspended, or revoked, including the following:

Rule 207. (1) A license may be denied, suspended, or revoked for 1 or more of the following reasons:

- (a) Violation by the program, its director, or staff of any rule promulgated by the office.
- (b) Permitting, aiding, or abetting the commission of an unlawful act.
- (c) Conduct or practices found by the administrator to be harmful to the welfare of a recipient in the program.
- (d) Deviation by the program from the plan of operation originally licensed which, in the judgment of the administrator, adversely affects the character, quality, or scope of services being provided to recipients.
- (e) Submission of false information to the office which is related and material to the requirements of applying for or holding a license.
- (f) Failure to demonstrate reasonably sufficient honesty and integrity to warrant the operation, or continuing operation, of a program.
- (g) Suspension, revocation, refused renewal, or refused issuance of a federal registration to distribute or dispense methadone or other controlled substances.

(h) Failure of an applicant or licensee to cooperate with the office in connection with a licensing inspection or investigation.

Based upon the previous site visits of February 27, May 2, June 7, and July 19, 2017, as well as the incomplete compliance plan presented by Narconon to the State Licensing Section on June 14, 2017, the Bureau of Community and Health Systems State Licensing Section shall seek a revocation of license Permanent ID # SA0130110 for Narconon Freedom Center. The revocation of the Narconon Freedom Center license is for the following reasons:

Rule 207 alleged violations by Narconon Freedom Center SA0130110:

- (a) Violation by the program, its director, or staff of any rule promulgated by the office.
- (c) Conduct or practices found by the administrator to be harmful to the welfare of a recipient in the program.
- (d) Deviation by the program from the plan of operation originally licensed which, in the judgment of the administrator, adversely affects the character, quality, or scope of services being provided to recipients.
- (f) Failure to demonstrate reasonably sufficient honesty and integrity to warrant the operation, or continuing operation, of a program.

Narconon Freedom Center and its officers are being notified by way of this letter of the intent to revoke the license for the above facility. As such and under Rule R 325.14207, an informal conference shall occur on Tuesday, August 22, 2017 at 1:00pm at the Bureau of Community and Health Systems Office, 611 W. Ottawa Street, Lansing, MI 48909, in the Lake Superior Room. The licensed program will be given an opportunity to show compliance at the informal conference.



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