



1 HOUSE BILL NO. 700  
 2 INTRODUCED BY Sam McLean  
 3 BY REQUEST OF THE GOVERNOR  
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE DEPARTMENT  
 6 OF HEALTH AND ENVIRONMENTAL SCIENCES TO ISSUE HEALTH CARE  
 7 FACILITY LICENSES FOR A PERIOD OF 1 TO 3 YEARS IN DURATION;  
 8 ALLOWING THE DEPARTMENT TO INSPECT HEALTH CARE FACILITIES  
 9 LESS OFTEN THAN ANNUALLY; AND AMENDING SECTIONS 50-5-201,  
 10 50-5-203, AND 50-5-204, MCA."  
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12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 **Section 1.** Section 50-5-201, MCA, is amended to read:

14 "50-5-201. License requirements. (1) A licensee who  
 15 contemplates construction of or alteration or addition to a  
 16 health care facility shall submit plans and specifications  
 17 to the department for preliminary inspection and approval  
 18 prior to commencing construction.

19 (2) No person may operate a health care facility unless  
 20 the facility is licensed by the department. Licenses ~~shall~~  
 21 ~~be--for--1--year--unless--issued--for--a--shorter--period~~ may be  
 22 issued for a period of 1 to 3 years in duration. A license  
 23 is valid only for the person and premises for which it was  
 24 issued. A license may not be sold, assigned, or transferred.

25 (3) Upon discontinuance of the operation or upon

1 transfer of ownership of a facility, the license must be  
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3 (4) Licenses shall be displayed in a conspicuous place  
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5 **Section 2.** Section 50-5-203, MCA, is amended to read:

6 "50-5-203. Application for license. The procedure to  
 7 apply for a license is as follows:

8 (1) At least 30 days prior to the opening of a facility  
 9 and ~~annually--thereafter~~ after that no later than the  
 10 expiration date of the license, application is made to the  
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12 (2) The application shall contain:

13 (a) the name and address of the applicant if an  
 14 individual, the name and address of each member if a firm,  
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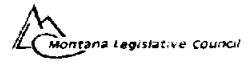
17 (b) the location of the facility;

18 (c) the name of the person or persons who will manage  
 19 or supervise the facility;

20 (d) the number and type of patients or residents for  
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22 (e) any information which the department may require  
 23 pertaining to the number, experience, and training of  
 24 employees;

25 (f) information on ownership, contract, or lease



1 agreement if operated by a person other than the owner."

2 **Section 3.** Section 50-5-204, MCA, is amended to read:

3 "50-5-204. Issuance and renewal of licenses --  
4 inspections. (1) After receipt of a new or--renewal  
5 application, the department or its authorized agent shall  
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7 ~~staff~~ conduct an initial inspection of the facility within  
8 45 days.

9 (2) After receipt of an application for renewal of a  
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12 staff.

13 ~~(2)(3)~~ (3) If the department determines that the facility  
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16 year a period of 1 to 3 years in duration.

17 ~~(3)(4)~~ (4) If minimum standards are not met, the department  
18 may issue a provisional license for less than 1 year if  
19 operation will not result in undue hazard to patients or  
20 residents or if the demand for accommodations offered is not  
21 met in the community.

22 ~~(4)(5)~~ (5) The minimum standards which home health agencies  
23 must meet in order to be licensed must be as outlined in 42  
24 U.S.C. 1395 x(o), as amended, and in rules implementing it  
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1 ~~(5)(6)~~ (6) The department may inspect a licensed health  
2 care facility whenever it considers it necessary. The entire  
3 premises of a licensed facility must be open to inspection,  
4 and access to all records must be granted at all reasonable  
5 times."

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0700, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

A bill to allow the Department of Health and Environmental Sciences to issue health care facility licenses for a period of one to three years in duration, allowing the department to inspect health care facilities less often than annually.

ASSUMPTIONS:


1. DHES would continue to inspect facilities with approximately the same average frequency as under current law. Some facilities may have the term for licensure lengthened while those with deficiencies would be given more intensive review.

FISCAL IMPACT:

None.

 2-13-91

ROD SUNDSTED, BUDGET DIRECTOR                      DATE  
Office of Budget and Program Planning

 2/18/91

THOMAS E. NELSON, PRIMARY SPONSOR                      DATE

Fiscal Note for HB0700, as introduced. **HB 700**

APPROVED BY COMM. ON  
HUMAN SERVICES AND AGING

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22 (e) any information which the department may require  
23 pertaining to the number, experience, and training of  
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SECOND READING

HB 700



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