HOUSE BILL NO. 700

INTRODUCED BY T. NELSON BY REQUEST OF THE GOVERNOR

IN THE HOUSE

FEBRUARY 8, 1991 INTRODUCED AND REFERRED TO COMMITTEE ON HUMAN SERVICES & AGING.

FIRST READING.

FEBRUARY 21, 1991 COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.

FEBRUARY 22, 1991 PRINTING REPORT.

FEBRUARY 23, 1991 SECOND READING, DO PASS.

FEBRUARY 25, 1991 ENGROSSING REPORT.

FEBRUARY 26, 1991 THIRD READING, PASSED. AYES, 93; NOES, 6.

TRANSMITTED TO SENATE.

INTRODUCED AND REFERRED TO COMMITTEE

IN THE SENATE

FEBRUARY 27, 1991

ON PUBLIC HEALTH, WELFARE, & SAFETY.

FIRST READING.

MARCH 26, 1991 COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.

MARCH 28, 1991 SECOND READING, CONCURRED IN.

APRIL 1, 1991 THIRD READING, CONCURRED IN. AYES, 49; NOES, 0.

RETURNED TO HOUSE.

IN THE HOUSE

APRIL 1, 1991

RECEIVED FROM SENATE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

5, E. BILL NO. 700 1 2 INTRODUCED BY 3 BY REQUEST OF THE GOVERNOR 4 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO ALLOW THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES TO ISSUE HEALTH CARE 6 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." 11 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--l--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

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transfer of ownership of a facility, the license must be
returned to the department.
(4) Licenses shall be displayed in a conspicuous place
near the admitting office of the facility."
Section 2. Section 50-5-203, MCA, is amended to read:
"50-5-203. Application for license. The procedure to
apply for a license is as follows:
(1) At least 30 days prior to the opening of a facility
and annually-thereafter after that no later than the
expiration date of the license, application is made to the
department accompanied by the license fee.
(2) The application shall contain:
(a) the name and address of the applicant if an
individual, the name and address of each member if a firm,
partnership, or association, or the name and address of each
officer if a corporation;
(b) the location of the facility;
(c) the name of the person or persons who will manage
or supervise the facility;
(d) the number and type of patients or residents for
which care is provided;

(e) any information which the department may require pertaining to the number, experience, and training of employees;

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

INTRODUCED BILL - 2 -HB 700

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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 6 inspect-the-facility-without-prior-notice-to-the-operator-or 7 staff conduct an initial inspection of the facility within 8 45 days.

9 (2) After receipt of an application for renewal of a 10 license, the department or its authorized agent shall 11 inspect the facility without prior notice to the operator or 12 staff.

13 (2)(3) If the department determines that the facility 14 meets minimum standards and the proposed or existing staff 15 is qualified, the department shall issue a license for $\frac{1}{2}$ 16 year a period of 1 to 3 years in duration.

17 (3)(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) 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 25 which add minimum standards. 1 (5)(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 <u>HB0700</u>, <u>as introduced</u>.

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.

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

THOMAS E. NELSON, PRIMARY SPONSOR Fiscal Note for <u>HB0700</u>, as introduced . HB 700

APPROVED BY COMM. ON HUMAN SERVICES AND AGING

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20 the facility is licensed by the department. Licenses shall
21 be--for--l--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 2 returned to the department.

3 (4) Licenses shall be displayed in a conspicuous place
4 near the admitting office of the facility."

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

11 department accompanied by the license fee.

12 (2) The application shall contain:

(a) the name and address of the applicant if an
individual, the name and address of each member if a firm,
partnership, or association, or the name and address of each
officer if a corporation;

17 (b) the location of the facility;

18 (c) the name of the person or persons who will manage19 or supervise the facility;

20 (d) the number and type of patients or residents for21 which care is provided;

(e) any information which the department may require
pertaining to the number, experience, and training of
employees;

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-End-

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18 (c) the name of the person or persons who will manage19 or supervise the facility;

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-2-THIRD READING

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-2- HB 700 REFERENCE BILL

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