SENATE BILL NO. 208

INTRODUCED BY JACOBSON, VINCENT, MENAHAN, ECK, NORMAN, KEENAN, HIMSL, FABREGA, STEPHENS, REGAN, BERGENE, MARBUT, MAZUREK

IN THE SENATE

January 19, 1963	Introduced and referred to Committee on Public Health, Welfare and Safety.
February 12, 1983	Committee recommend bill do pass as amended. Report adopted.
	Statement of Intent attached.
February 14, 1983	Bill printed and placed on members' desks.
February 15, 1983	Second reading, do pass.
February 16, 1983	Correctly engrossed.
February 17, 1983	Third reading, passed. Ayes, 50; Noes, 0. Transmitted to House.

IN THE HOUSE

March 1, 1983	Introduced and referred to Committee on Human Services.
March 21, 1983	Committee recommend bill be concurred in. Report adopted.
March 22, 1983	Second reading, concurred in.
March 23, 1983	Third reading, concurred in.

IN THE SENATE

March 24, 1983

Returned to Senate. Sent to enrolling.

Reported correctly enrolled.

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INTRODUCED BY

Jestimon Vimum Menekan Color Norman

A BILL FOR AN ACT ENTITLED: "AN ACT DEFINING A HOSPICE FOR LICENSING PURPOSES; REQUIRING THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES TO ADOPT RULES SETTING STANDARDS FOR LICENSING A HOSPICE; REQUIRING THE DEPARTMENT TO LICENSE A HOSPICE APPROVED BY THE COMMISSION ON ACCREDITATION OF HOSPITALS; AMENDING SECTION 50-5-101, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 50-5-101, MCA, is amended to read:

"50-5-101. Definitions. As used in parts 1 through 4

of this chapter, unless the context clearly indicates

otherwise, the following definitions apply:

- (1) "Accreditation" means a designation of approval.
- (2) "Adult day-care center" means a facility, free-standing or connected to another health care facility, which provides adults, on an intermittent basis, with the care necessary to meet the needs of daily living.
- (3) "Affected persons" means the applicant, members of the public who are to be served by the proposal, health care facilities located in the geographic area affected by the application, agencies which establish rates for health care facilities, and agencies which plan or assist in planning

1 for such facilities, including any agency qualifying as a 2 health systems agency pursuant to Title XV of the Public 3 Health Service Act.

- (4) "Ambulatory surgical facility" means a facility, not part of a hospital, which provides surgical treatment to patients not requiring hospitalization. This type of facility may include observation beds for patient recovery from surgery or other treatment.
- 9 (5) "Board" means the board of health and 10 environmental sciences, provided for in 2-15-2104.
- 11 (6) "Certificate of need" means a written

 12 authorization by the department for a person to proceed with

 13 a proposal subject to 50-5-301.
- 14 [7] "Clinical laboratory" means a facility for the 15 microbiological, serological, chemical, hematological, 16 radiobioassay. cytological, immunohematological, 17 pathological, or other examination of materials derived from 18 the human body for the purpose of providing information for 19 the diagnosis, prevention, or treatment of any disease or 20 assessment of a medical condition.
 - (8) "College of American pathologists" means the organization nationally recognized by that name with headquarters in Traverse City, Michigan, that surveys clinical laboratories upon their requests and accredits clinical laboratories that it finds meet its standards and

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requirements.

- (9) "Construction" means the physical erection of a health care facility and any stage thereofy including ground breaking.
- 5 (10) "Department" means the department of health and 6 environmental sciences provided for in Title 2, chapter 15, 7 part 21.
- 8 (11) "Federal acts" means federal statutes for the
 9 construction of health care facilities.
 - (12) "Governmental unit" means the state, a state agency, a county, municipality, or political subdivision of the state, or an agency of a political subdivision.
 - (13) "Health care facility" means any institution, building, or agency or portion thereof, private or public, excluding federal facilities, whether organized for profit or not, used, operated, or designed to provide health services, medical treatment, or nursing, rehabilitative, or preventive care to any person or persons. The term does not include offices of private physicians or dentists. The term includes but is not limited to ambulatory surgical facilities, health maintenance organizations, home health agencies, hospices, hospitals, infirmaries, kidney treatment centers, long-term care facilities, mental health centers, outpatient facilities, public health centers, rehabilitation facilities, and adult day-care centers.

- 1 (14) "Health maintenance organization" means a public
 2 or private organization organized as defined in 42 U.S.C.
 3 300e, as amended.
 - (15) "Home health agency" means a public agency or private organization or subdivision thereof which is engaged in providing home health services to individuals in the places where they live. Home health services must include the services of a licensed registered nurse and at least one other therapeutic service and may include additional support services.
 - (16) "Hospice" means a coordinated program of home and impatient health care that provides or coordinates palliative and supportive care to meet the needs of a terminally ill patient and his family arising out of physical, psychological, spiritual, social, and economic stresses experienced during the final stages of illness and dying, and that includes formal bereavement programs as an essential component.
 - tt6)(17) "Hospital" means a facility providing, by or under the supervision of licensed physicians, services for medical diagnosis, treatment, rehabilitation, and care of injured, disabled, or sick persons. Services provided may or may not include obstetrical care, emergency care, or any other service as allowed by state licensing authority. A hospital has an organized medical staff which is on call and

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available within 20 minutes, 24 hours per day, 7 days per week, and provides 24-hour nursing care by licensed registered nurses. This term includes hospitals specializing in providing health services for psychiatric, mentally retarded, and tubercular patients.

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- (17)(18) "Infirmary" means a facility located in a university, college, government institution, or industry for the treatment of the sick or injured, with the following subdefinitions:
- 10 (a) an "infirmary--A" provides outpatient and 11 inpatient care;
 - (b) an "infirmary—B" provides outpatient care only. #18+(19) "Joint commission on accreditation hospitals" means the organization nationally recognized by that name with headquarters in Chicago, Illinois, that surveys health care facilities upon their requests and grants accredidation status to any health care facility that it finds weets its standards and requirements.
 - f197(20) "Kidney treatment center" means a facility which specializes in treatment of kidney diseases, including freestanding hemodialysis units.
 - t2011211 (a) "Long-term care facility" means a facility or part thereof which provides skilled nursing care or intermediate nursing care to a total of two or more persons or personal care to more than three persons who are not

- 1 related to the owner or administrator by blood or marriage, 2 with these degrees of care defined as follows:
 - (i) "Skilled nursing care" means the provision of nursing care services, health-related services, and social services under the supervision of a licensed registered nurse on a 24-hour basis.
 - (ii) "Intermediate nursing care" means the provision of nursing care services, health-related services, and social services under the supervision of a licensed nurse to patients not requiring 24-hour nursing care.
 - (iii) "Personal care" means the provision of services and care which do not require nursing skills to residents needing some assistance in performing the activities of daily living.
 - (b) Hotels, motels, boarding homes, roominghouses, or similar accommodations providing for transients, students, or persons not requiring institutional health care are not long-term care facilities.
- 19 1211(22) "Mental health center" means a facility providing services for the prevention or diagnosis of mental 20 21 illness, the care and treatment of mentally Ill patients or the rehabilitation of such persons, or any combination of 23 these services.
- (22) (23) "New institutional health services" means: 24
- 25 construction. development. other (a) the

establishment of a health care facility which did not previously exist:

- (b) any expenditure by or on behalf of a health care facility within a 12-month period in excess of \$150.000, which, under generally accepted accounting principles consistently applied, is a capital expenditure. Whenever a health care facility or a person on behalf of a health care facility makes an acquisition under lease or comparable arrangement or through donation, which would have required review if the acquisition had been by purchase, such acquisition shall be considered a capital expenditure subject to review.
- (c) a change in bed capacity of a health care facility which increases or decreases the total number of beds, redistributes beds among various service categories, or relocates such beds from one physical facility or site to another over a 2-year period by more than 10 beds or 10% of the total licensed bed capacity, whichever is less;
- (d) health services which are offered in or through a health care facility and which were not offered on a regular basis in or through such health care facility within the 12-month period prior to the time such services would be offered or the deletion by a health care facility of a service previously offered;
 - (e) the expansion of a geographic service area of a

1 home health agency.

2 (23) (24) *Nonprofit health care facility* means a
3 health care facility owned or operated by one or more
4 nonprofit corporations or associations.

#241(25) **Observation bed** means a bed occupied for not
more than 6 hours by a patient recovering from surgery or
other treatment.

f25f(26) "Offer" means the holding out by a health care
facility that it can provide specific health services.

10 (26)(27) "Outpatient facility" means a facility,
11 located in or apart from a hospital, providing, under the
12 direction of a licensed physician, either diagnosis or
13 treatment, or both, to ambulatory patients in need of
14 medical, surgical, or mental care. An outpatient facility
15 may have observation beds.

16 t27)(28) "Patient" means an individual obtaining
17 services, including skilled nursing care; from a health care
18 facility.

19 †28†(29) *Person* means any individual. firm.
20 partnership, association, organization, agency, institution.
21 corporation, trust, estate, or governmental unit, whether
22 organized for profit or not.

23 (29)(30) "Public health center" means a publicly owned
24 facility providing health services, including laboratories,
25 clinics, and administrative offices.

+30+1311 "Rehabilitation facility" means a facility 1 which is operated for the primary purpose of assisting in the rehabilitation of disabled persons by providing comprehensive medical evaluations services. and psychological and social services, or vocational evaluation and training or any combination of these services and in which the major portion of the services is furnished within the facility.

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- 9 (31) (32) "Resident" means a person who is in a 10 long-term care facility for intermediate or personal care. 11 (32)(33) "State plan" means the state medical facility 12 plan provided for in part 4.*
 - NEW SECTION. Section 2. Department to make rules -standards for skilled care. (1) The department shall by rule establish standards for the licensure of a hospice. These standards must consider the terminally ill patient and his family as a unit and require service delivery through a medically directed interdisciplinary team of professionals and volunteers acting under a defined hospice administration.
- 21 (2) A hospice must meet the standards of care defined 22 by law for any skilled care it provides that normally would 23 be provided by a licensed facility such as a hospital, skilled nursing facility, or home health agency. 24
- 25 NEW_SECTION. Section 3. Licensure based on approval

- of commission. A hospice accredited by the joint commission
- 2 on accreditation of hospitals must be granted deemed status
- 3 licensure by the department based upon ioint
- commission's survey and approval.
- NEW SECTION. Section 4. Codification instruction.
- Sections 2 and 3 are intended to be codified as an integral
- 7 part of Title 50, chapter 5, and the provisions of Title 50,
- chapter 5, apply to sections 2 and 3.

-End-

STATEMENT OF INTENT

SENATE BILL 208

Senate Public Health, Welfare & Safety Committee

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Section 2 authorizes the department of health and environmental sciences to adopt rules setting standards for hospica programs. It is anticipated that the department will draw on the Hospice Project Standards being formulated by the Joint Commission on Accreditation of Hospitals (JCAH), which cover hospice programs operated both with and without hospital affiliation. The JCAH standards expand on areas mentioned in section 2 (patient and family as unit, continuity of care, management and administration) and touch on additional areas when standards are contemplated (such as symptom management, medical records, and quality assurance). The department should bear in mind that many of the JCAH standards are optimum standards or goals and that these should not be promulgated as minimum standards. Where minimum standards or weighted averages exist, these should be taken into account.

The bill is not intended as a vehicle to qualify hospice programs for medicare reimbursement. Such program standards as the federal government may establish to qualify medicare providers are not to be considered a source of state licensing criteria, except as an alternative standard

for programs which choose to pursue medicare reimbursement.

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Approved by Committee on Public Health, Welfare & Safety

1	SENATE BILL NO. 208
2	INTRODUCED BY JACOBSON, VINCENT, MENAHAN, ECK,
3	NORMAN, KEENAN, HIMSL, FABREGA, STEPHENS,
4	REGAN, BERGENE, MARBUT, MAZUREK
5	
6	A BILL FOR AN ACT ENTITLED: "AN ACT DEFINING A HOSPICE FO
7	LICENSING PURPOSES; REQUIRING THE DEPARTMENT OF HEALTH AN
8	ENVIRONMENTAL SCIENCES TO ADOPT RULES SETTING STANDARDS FO
9	LICENSING A HOSPICE; REQUIRING-THE-DEPARTMENT-TO-LIGENSE-
10	H85Pice-Approve0BYTheCommissionBNAccreditation8
11	HBSPITALS+ AMENDING SECTION 50-5-101. MCA.M
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13	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HONTANA:
14	Section 1. Section 50-5-101, MCA, is amended to read
15	#50-5-101. Definitions. As used in parts 1 through
16	of this chapter, unless the context clearly indicates
17	otherwise, the following definitions apply:
18	 #Accreditation* means a designation of approval
19	(2) "Adult day-care center" means a facility
20	free-standing or connected to another health care facility
21	which provides adults, on an intermittent basis, with the
22	care necessary to meet the needs of daily living.
23	(3) MAffected persons means the applicant, members o
24	the public who are to be served by the proposal, health care
25	facilities located in the geographic area affected by th

application, agencies which establish rates for health care 1 facilities, and agencies which plan or assist in planning 2 for such facilities, including any agency qualifying as a 3 health systems agency pursuant to Title XV of the Public Health Service Act. (4) "Ambulatory surgical facility" means a facility: not part of a hospital, which provides surgical treatment to 7 patients not requiring hospitalization. This type of 8 9 facility may include observation beds for patient recovery 10 from surgery or other treatment. 11 (5) #Board* means the board of health and

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(8) "College of American pathologists" means the organization nationally recognized by that name with headquarters in Traverse City, Michigan, that surveys

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- clinical laboratories upon their requests and accredits
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- 7 (10) *Department* means the department of health and 8 environmental sciences provided for in Title 2. chapter 15. 9 part 21.
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 14 the state, or an agency of a political subdivision.

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(13) "Health care facility" means any institution, building, or agency or portion thereof, private or public, excluding federal facilities, whether organized for profit or not, used, operated, or designed to provide health services, medical treatment, or nursing, rehabilitative, or preventive care to any person or persons. The term does not include offices of private physicians or dentists. The term includes but is not limited to ambulatory surgical facilities, health maintenance organizations, home health agencies, https://documen

- outpatient facilities, public health centers, rehabilitation facilities, and adult day-care centers.
- 3 (14) "Health maintenance organization" means a public 4 or private organization organized as defined in 42 U-S-C-5 300er as amended.
- 6 (15) "Home health agency" means a public agency or
 7 private organization or subdivision thereof which is engaged
 8 in providing home health services to individuals in the
 9 places where they live. Home health services must include
 10 the services of a licensed registered nurse and at least one
 11 other therapeutic service and may include additional support
 12 services.
 - inpatient health care that provides or coordinates palliative and supportive care to meet the needs of a terminally ill patient and his family arising out of physical, psychological, spiritual, social, and economic stresses experienced during the final stages of illness and dying, and that includes formal bereavement programs as an essential component.
 - ##67[17] "Hospital" means a facility providing, by or under the supervision of licensed physicians, services for medical diagnosis, treatment, rehabilitation, and care of injured, disabled, or sick persons. Services provided may or may not include obstetrical care, emergency care, or any

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+19+(20) "Kidney treatment center" means a facility which specializes in treatment of kidney diseases, including freestanding hemodialysis units.

#201(21) (a) "Long-term care facility" means a facility or part thereof which provides skilled nursing care or intermediate nursing care to a total of two or more persons or personal care to more than three persons who are not related to the owner or administrator by blood or warriage. with these degrees of care defined as follows:

- (i) "Skilled nursing care" means the provision of nursing care services, health-related services, and social services under the supervision of a licensed registered nurse on a 24-hour basis.
- (ii) "Intermediate nursing care" means the provision of nursing care services, health-related services, and social services under the supervision of a licensed nurse to patients not requiring 24-hour nursing care.
- (iii) "Personal care" means the provision of services and care which do not require nursing skills to residents needing some assistance in performing the activities of daily living.
- (b) Hotels, motels, boarding homes, roominghouses, or similar accommodations providing for transients, students, or persons not requiring institutional health care are not long-term care facilities.
- (21)[22] "Mental health center" means a facility 21 22 providing services for the prevention or diagnosis of mental illness, the care and treatment of mentally ill patients or 23 the rehabilitation of such persons, or any combination of 25 these services.

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SB 208 -6+22+1231 "New institutional health services" means:

- (a) the construction, development, or other establishment of a health care facility which did not previously exist;
- (b) any expenditure by or on behalf of a health care facility within a 12-month period in excess of \$150,000, which, under generally accepted accounting principles consistently applied, is a capital expenditure. Whenever a health care facility or a person on behalf of a health care facility makes an acquisition under lease or comparable arrangement or through donation, which would have required review if the acquisition had been by purchase, such acquisition shall be considered a capital expenditure subject to review.
- (c) a change in bed capacity of a health care facility which increases or decreases the total number of beds, redistributes beds among various service categories, or relocates such beds from one physical facility or site to another over a 2-year period by more than 10 beds or 10% of the total licensed bed capacity, whichever is less;
- (d) health services which are offered in or through a health care facility and which were not offered on a regular basis in or through such health care facility within the 12-month period prior to the time such services would be offered or the deletion by a health care facility of a

1 service previously offered;

2 (e) the expansion of a geographic service area of a 3 home health agency.

4 †23†[24] *Nonprofit health care facility* means a
5 health care facility owned or operated by one or more
6 nonprofit corporations or associations.

t24)1251 "Observation bed" means a bed occupied for not more than 6 hours by a patient recovering from surgery or other treatment.

f25f(26) **Offer* means the holding out by a health care
facility that it can provide specific health services.

teo;[27] "Outpatient facility" means a facility.

located in or apart from a hospital, providing, under the direction of a licensed physician, either diagnosis or treatment, or both, to ambulatory patients in need of medical, surgical, or mental care. An outpatient facility may have observation beds.

18 te7t(28) "Patient" means an individual obtaining
19 services, including skilled nursing care, from a health care
20 facility.

21 t201(22) *Person* means any individual, firm,
22 partnership, association, organization, agency, institution,
23 corporation, trust, estate, or governmental unit, whether
24 organized for profit or not.

#29+[30] "Public health center" means a publicly owned

facility providing health services, including laboratories, clinics, and administrative offices.

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the rehabilitation of the primary purpose of assisting in the rehabilitation of disabled persons by providing comprehensive medical evaluations and services, psychological and social services, or vocational evaluation and training or any combination of these services and in which the major portion of the services is furnished within the facility.

t317(32) "Resident" means a person who is in a long-term care facility for intermediate or personal care.

t327(32) "State plan" means the state medical facility plan provided for in part 4."

NEW_SECTION. Section 2. Department to make rules — standards for skilled care. (1) The department shall by rule establish standards for the licensure of a hospice. These standards must consider the terminally ill patient and his family as a unit and require service delivery through a medically directed interdisciplinary team of professionals and volunteers acting under a defined hospice administration.

(2) A hospice must meet the standards of care defined by law for any skilled care it provides that normally would be provided by a licensed facility such as a hospital,

skilled nursing facility, or home health agency.

46M_466f18Nm--Section-3*--Licensure--based--on-approvat

of-commission---A-hospice-accredited-by-the-joint-commission

on-accreditation-of-hospitals-must-be-granted-deamed--status

ticensure---by---the---department---based---upon--the---joint

commission*s-survey-and-approvals

THERE IS A NEW MCA SECTION THAT READS:

Section 3. Hospitals hospice programs — exemptions from separate licensure. A hospice program provided by a hospital need not be separately licensed if the department finds that such program meets the standards of [section 2].

YEN_SECTION: Section 4. Codification instruction.

Sections 2 and 3 are intended to be codified as an integral part of Title 50, chapter 5, and the provisions of Title 50, chapter 5, apply to sections 2 and 3.

-End-

STATEMENT OF INTENT

SENATE BILL 208

Senate Public Health, Welfare & Safety Committee

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Section 2 authorizes the department of health and environmental sciences to adopt rules setting standards for hospice programs. It is anticipated that the department will draw on the Hospice Project Standards being formulated by the Joint Commission on Accreditation of Hospitals (JCAH), which cover hospice programs operated both with and without hospital affiliation. The JCAH standards expand on areas mentioned in section 2 (patient and family as unit: continuity of care, management and administration) and touch on additional areas when standards are contemplated (such as symptom management, medical records, and quality assurance). The department should bear in mind that many of the JCAH standards are optimum standards or goals and that these should not be promulgated as minimum standards. Where minimum standards or weighted averages exist, these should be taken into account.

The bill is not intended as a vehicle to qualify hospice programs for medicare reimbursement. Such program standards as the federal government may establish to qualify medicare providers are not to be considered a source of state licensing criteria, except as an alternative standard

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1	SENATE BILL NO. 208
2	INTRODUCED BY JACOBSON, VINCENT, MENAHAN, ECK.
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A BILL FOR AN ACT ENTITLED: "AN ACT DEFINING A HOSPICE FOR LICENSING PURPOSES; REQUIRING THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES TO ADOPT RULES SETTING STANDARDS FOR LICENSING A HOSPICE: REQUIRENG-THE-DEPARTMENT-TO-LEGENSE-A HOSPEEC-APPROVED--BY--THE--COMMISSION--ON--ACCREDITATION--OF HBSPTTALS+ AMENDING SECTION 50-5-101, MCA."

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Section 1. Section 50-5-101, MCA, is amended to read: #50-5-101. Definitions. As used in parts 1 through 4

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

of this chapter, unless the context clearly indicates otherwise, the following definitions apply:

- (1) "Accreditation" means a designation of approval.
- (2) "Adult day-care center" means a facility, free-standing or connected to another health care facility. which provides adults, on an intermittent basis, with the care necessary to meet the needs of daily living.
- (3) "Affected persons" means the applicant, members of the public who are to be served by the proposal, health care facilities located in the geographic area affected by the

application, agencies which establish rates for a health care 1 facilities, and agencies which plan or assist in planning 2 for such facilities, including any agency qualifying as a 3 health systems agency pursuant to Title XV of sthe Public Health Service Act.

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- 11 (5) "Board" means the board of health 12 environmental sciences, provided for in 2-15-2104.
- 13 (6) "Certificate need# means written authorization by the department for a person to proceed with 14 a proposal subject to 50-5-301. 15
 - (7) "Clinical laboratory" means a facility for the microbiological, serological, chemical, hematological, radiobioassay. cytological. immunohematological, pathological, or other examination of materials derived from the human body for the purpose of providing information for the diagnosis, prevention, or treatment of any disease or assessment of a medical condition.
- (8) "College of American pathologists" means the 23 24 organization nationally recognized by that name headquarters In Traverse City, Michigan, that surveys 25

clinical laboratories upon their requests and accredits clinical laboratories that it finds meet its standards and requirements.

- 4 (9) **Construction** means the physical erection of a
 5 health care facility and any stage thereof, including ground
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- 7 (10) "Department" means the department of health and 6 environmental sciences provided for in Title 2+ chapter 15+ 9 part 21-
 - (11) "Federal acts" means federal statutes for the construction of health care facilities.
 - (12) "Governmental unit" means the state, a state agency, a county, municipality, or political subdivision of the state, or an agency of a political subdivision.
 - (13) "Mealth care facility" means any institutional buildings or agency or portion thereof, private or publicated and federal facilities, whether organized for profit or not, used, operated, or designed to provide health services, medical treatment, or nursing, rehabilitative, or preventive care to any person or persons. The term does not include offices of private physicians or dentists. The term includes but is not limited to ambulatory surgical facilities, health maintenance organizations, howe health agencies, hospices, hospitals, infirmeries, kidney treatment centers. Tong-term care facilities, mental health centers,

outpatient facilities, public health centers, rehabilitation facilities, and adult day-care centers.

- (14) "Health maintenance organization" means a public or private organization organized as defined in 42 U-S-C-
- (15) "Home health agency" means a public agency or private organization or subdivision thereof which is engaged in providing home health services to individuals in the places where they live. Home health services must include the services of a licensed registered nurse and at least one other therapeutic service and may include additional support services.
- (16) "Hospice" means a coordinated program of bome and impatient health care that provides or coordinates malliative and supportive care to meet the needs of a terminally ill patient and his family arising out of physicals psychologicals spirituals socials and economic stresses experienced during the final stages of illness and dvings and that includes formal hereexement programs as an essential component.
- tion the supervision of licensed physicians, services for medical diagnosis, treatment, rehabilitation, and care of injured, disabled, or sick persons. Services provided may or may not include obstetrical care, emergency care, or any

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1 other service as allowed by state licensing authority. A hospital has an organized medical staff which is on call and 2 available within 20 minutes, 24 hours per day, 7 days per week, and provides 24-hour nursing care by licensed registered nurses. This term includes hospitals specializing in providing health services for psychiatric, mentally retarded, and tubercular patients.

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- ++7+1181 "Infirmary" means a facility located in a 8 9 university, college, government institution, or industry for the treatment of the sick or injured, with the following 10 11 subdefinitions:
- 12 (a) an "infirmary--A" provides outpatient and 13 inpatient care:
 - (b) an "infirmary--8" provides outpatient care only. #18/1191 "Joint commission on accreditation hospitals* means the organization nationally recognized by that name with headquarters in Chicago, Illinois, that surveys health care facilities upon their requests and grants accredidation status to any health care facility that it finds meets its standards and requirements.
 - +191(20) "Kidney treatment center" means a facility which specializes in treatment of kidney diseases, including freestanding hemodialysis units.

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1281(21) (a) "Long-term care facility" means a facility 24 or part thereof which provides skilled nursing care or 25

- intermediate nursing care to a total of two or more persons 2 or personal care to more than three persons who are not 3 related to the owner or administrator by blood or warriage. with these degrees of care defined as follows:
 - (i) "Skilled nursing care" means the provision of nursing care services, health-related services, and social services under the supervision of a licensed registered nurse on a 24-hour basis.
- (ii) "Intermediate nursing care" means the provision of 9 10 nursing care services, health-related services, and social services under the supervision of a licensed nurse to 11 12 patients not requiring 24-hour nursing care.
- 13 (iii) "Personal care" means the provision of services 14 and care which do not require nursing skills to residents 15 needing some assistance in performing the activities of 16 daily living.
- 17 (b) Hotels, motels, boarding homes, roominghouses, or similar accommodations providing for transients, students, 18 or persons not requiring institutional health care are not 19 20 long-term care facilities.
- +21+1221 "Mental health center" means a facility 21 22 providing services for the prevention or diagnosis of mental illness, the care and treatment of mentally ill patients or 23 24 the rehabilitation of such persons, or any combination of these services.

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+221231 "New institutional health services" means:

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- (a) the construction, development, or other establishment of a health care facility which did not previously exist;
- (b) any expenditure by or on behalf of a health care facility within a 12-month period in excess of \$150,000, which, under generally accepted accounting principles consistently applied, is a capital expenditure. Whenever a health care facility or a person on behalf of a health care facility makes an acquisition under lease or comparable arrangement or through donation, which would have required review if the acquisition had been by purchase, such acquisition shall be considered a capital expenditure subject to review.
- (c) a change in bed capacity of a health care facility which increases or decreases the total number of beds, redistributes beds among various service categories, or relocates such beds from one physical facility or site to another over a 2-year period by more than 10 beds or 10% of the total licensed bed capacity, whichever is less;
- (d) health services which are offered in or through a health care facility and which were not offered on a regular basis in or through such health care facility within the 12-month period prior to the time such services would be offered or the deletion by a health care facility of a

1 service previously offered;

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2 (e) the expansion of a geographic service area of a home health agency.

te37(24) "Nonprofit health care facility" means a health care facility owned or operated by one or more nonprofit corporations or associations.

10 <u>f25}{261</u> *Offer* means the holding out by a health care 11 facility that it can provide specific health services.

12 (26)(27) *Outpatient facility* means a facility*
13 located in or apart from a hospital, providing, under the
14 direction of a licensed physician, either diagnosis or
15 treatment, or both, to ambulatory patients in need of
16 medical, surgical, or mental care. An outpatient facility
17 may have observation beds.

18 <u>f27f1281</u> "Patient" means an individual obtaining 19 services, including skilled nursing care, from a health care 20 facility.

t2871291 "Person" means any individual+ firm,
partnership, association, organization, agency, institution,
corporation, trust, estate, or governmental unit, whether
organized for profit or not.

25 (29)[30] "Public health center" means a publicly owned

facility providing health services, including laboratories, clinics, and administrative offices. 2

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- (30)(31) "Rehabilitation facility" means a facility 3 which is operated for the primary purpose of assisting in the rehabilitation of disabled persons by providing 5 medical evaluations and services. comprehensive psychological and social services, or vocational evaluation 7 and training or any combination of these services and in 8 which the major portion of the services is furnished within 9 the facility. 10
 - †31†[32] *Resident* means a person who is in a long-term care facility for intermediate or personal care. +32+(33) "State plan" means the state medical facility plan provided for in part 4.*
 - NEW SECTION. Section 2. Department to make rules -standards for skilled care. (1) The department shall by rule establish standards for the licensure of a hospice. These standards must consider the terminally ill patient and his family as a unit and require service delivery through a medically directed interdisciplinary team of professionals a defined volunteers acting under administration.
 - (2) A hospice must meet the standards of care defined by law for any skilled care it provides that normally would be provided by a licensed facility such as a hospital,

- skilled nursing facility, or home health agency.
- <u>\Ew-SEGIIAMe--Section-3---ticensure--based--on-approvat</u> 2 of-commission--A-hospice-secredited-by-the-joint-commission on-accreditation-of-hospitals-must-be-granted-decmed--status ++censure---by---the---department---based---upon--the---joint 5 commission*s-survey-and-approval-

THERE IS A NEW MCA SECTION THAT READS:

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Section 3. Hospitals hospice programs -- exemptions from separate licensure. A hospice program provided by a hospital need not be separately licensed if the department finds that such program meets the standards of [section 2]. YEW_SECTION. Section 4. Codification instruction. Sections 2 and 3 are intended to be codified as an integral part of Title 50, chapter 5, and the provisions of Title 50, chapter 5, apply to sections 2 and 3.

-End-

STATEMENT OF INTENT

SENATE BILL 208

Senate Public Health, Welfare & Safety Committee

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Section 2 authorizes the department of health and environmental sciences to adopt rules setting standards for hospice programs. It is anticipated that the department will draw on the Hospice Project Standards being formulated by the Joint Commission on Accreditation of Hospitals (JCAH), which cover hospice programs operated both with and without hospital affiliation. The JCAH standards expand on areas mentioned in section 2 (patient and family as unit, continuity of care, management and administration) and touch on additional areas when standards are contemplated (such as symptom management, medical records, and quality assurance). The department should bear in mind that many of the JCAH standards are optimum standards or goals and that these should not be promulgated as minimum standards. Where minimum standards or weighted averages exist, these should be taken into account.

The bill is not intended as a vehicle to qualify hospice programs for medicare reimbursement. Such program standards as the federal government may establish to qualify medicare providers are not to be considered a source of state licensing criteria, except as an alternative standard

for programs which choose to pursue medicare reimbursement.

1	SENATE BILL NO. 208
2	INTRODUCED BY JACOBSON, VINCENT, MENAHAN, ECK,
3	NORMAN, KEENAN, HIMSL, FABREGA, STEPHENS,
4	REGAN. BERGENE, MARBUT, MAZUREK

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A BILL FOR AN ACT ENTITLED: "AN ACT DEFINING A HOSPICE FOR LICENSING PURPOSES; REQUIRING THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES TO ADOPT RULES SETTING STANDARDS FOR LICENSING A HOSPICE; REQUIRING-THE-DEPARTMENT-TB-LICENSE-A HOSPICE-APPROVED-BY-THE-EGMMISSION-ON-AGGREDITATION-OF HOSPITALS+ AMENDING SECTION 50-5-101, MCA.

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 50-5-101, MCA, is amended to read:

"50-5-101. Definitions. As used in parts 1 through 4

of this chapter, unless the context clearly indicates

otherwise, the following definitions apply:

- (1) "Accreditation" means a designation of approval.
- (2) "Adult day-care center" means a facility, free-standing or connected to another health care facility, which provides adults, on an intermittent basis, with the care necessary to meet the needs of daily living.
- (3) "Affected persons" means the applicant, members of the public who are to be served by the proposal, health care facilities located in the geographic area affected by the

- application, agencies which establish rates for health care
 facilities, and agencies which plan or assist in planning
- 3 for such facilities, including any agency qualifying as a
- 4 health systems agency pursuant to Title XV of the Public
- 5 Health Service Act.

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- 6 (4) "Ambulatory surgical facility" means a facility.
 7 not part of a hospital, which provides surgical treatment to
 8 patients not requiring hospitalization. This type of
 9 facility may include observation bads for patient recovery
 10 from surgery or other treatment.
- 11 (5) "Board" means the board of health and 12 environmental sciences, provided for in 2-15-2104.
- 13 (6) "Certificate of need" means a written
 14 authorization by the department for a person to proceed with
 15 a proposal subject to 50-5-301.
- (1) "Clinical laboratory" means a facility for the 16 17 microbiological, serological, chemical, hematological, radiobioassay. 18 cytological. immunohematological, 19 pathological, or other examination of materials derived from 20 the human body for the purpose of providing information for 21 the diagnosis, prevention, or treatment of any disease or 22 assessment of a medical condition.
 - (8) "College of American pathologists" means the organization nationally recognized by that name with headquarters in Traverse City+ Michigan+ that surveys

clinical laboratories upon their requests and accredits clinical laboratories that it finds meet its standards and requirements.

- (9) "Construction" means the physical erection of a health care facility and any stage thereof, including ground breaking.
- (10) "Department" means the department of health and environmental sciences provided for in Title 2, chapter 15, part 21.
- 10 (11) "Federal acts" means federal statutes for the
 11 construction of health care facilities.
 - (12) "Governmental unit" means the state, a state agency, a county, municipality, or political subdivision of the state, or an agency of a political subdivision.
 - (13) "Health care facility" means any institution, building, or agency or portion thereof, private or public, excluding federal facilities, whether organized for profit or not, used, operated, or designed to provide health services, medical treatment, or nursing, rehabilitative, or preventive care to any person or persons. The term does not include offices of private physicians or dentists. The term includes but is not limited to ambulatory surgical facilities, health maintenance organizations, home health agencies, hospicase hospitals, infirmaries, kidney treatment centers, long-term care facilities, mental health centers,

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- outpatient facilities, public health centers, rehabilitation facilities, and adult day-care centers.
- 3 (14) "Health maintenance organization" means a public 4 or private organization organized as defined in 42 U-S-C-5 3000- as amended.
 - (15) "Home health agency" means a public agency or private organization or subdivision thereof which is engaged in providing home health services to individuals in the places where they live. Home health services must include the services of a licensed registered nurse and at least one other therapeutic service and may include additional support services.
 - (16) "Hospice" means a coordinated program of bome and inpatient health care that provides or coordinates palliative and supportive care to meet the needs of a terminally ill patient and his family arising out of physical, osychological, spiritual, social, and economic stresses experienced during the final stages of illness and dying, and that includes formal hereavement programs as an essential component.

SB 0208/02

other service as allowed by state licensing authority. A hospital has an organized medical staff which is on call and available within 20 minutes, 24 hours per day, 7 days per week, and provides 24-hour nursing care by licensed registered nurses. This term includes hospitals specializing in providing health services for psychiatric, mentally retarded, and tubercular patients.

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t+77(18) "Infirmary" means a facility located in a university, college, government institution, or industry for the treatment of the sick or injured, with the following subdefinitions:

- 12 (a) an "infirmary--A" provides outpatient and inpatient care:
 - (b) an "infirmary--B" provides outpatient care onlytidf(12) "Joint commission on accreditation of
 hospitals" means the organization nationally recognized by
 that name with headquarters in Chicago, Illinois, that
 surveys health care facilities upon their requests and
 grants accreditation status to any health care facility that
 it finds meets its standards and requirements.
 - †±971201 "Kidney treatment center" means a facility which specializes in treatment of kidney diseases, including freestanding hemodialysis units.
- 24 †261221 (a) "Long-term care facility" means a facility
 25 or part thereof which provides skilled nursing care or

- intermediate nursing care to a total of two or more persons
- or personal care to more than three persons who are not
- 3 related to the owner or administrator by blood or marriage.
- 4 with these degrees of care defined as follows:
- 5 (i) "Skilled nursing care" means the provision of
- 6 nursing care services, health-related services, and social
- 7 services under the supervision of a licensed registered
- 8 nurse on a 24-hour basis.
- 9 (ii) "Intermediate nursing care" means the provision of
- 10 nursing care services, health-related services, and social
- 11 services under the supervision of a licensed nurse to
- 12 patients not requiring 24-hour nursing care.
- 13 (iii) "Personal care" means the provision of services
- 14 and care which do not require nursing skills to residents
- 15 needing some assistance in performing the activities of
- 16 daily living.

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- 17 (b) Hotels, motels, boarding homes, roominghouses, or
- 18 similar accommodations providing for transients, students,
- 19 or persons not requiring institutional health care are not
- 20 long-term care facilities.
- 21 t2ty[22] "Mental health center" means a facility
- 22 providing services for the prevention or diagnosis of mental
- 23 illness, the care and treatment of mentally ill patients or
- 24 the rehabilitation of such persons, or any combination of
- 25 these services.

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1 †22†123) "New institutional health services" means:

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- (a) the construction, development, or other establishment of a health care facility which did not previously exist;
 - (b) any expenditure by or on behalf of a health care facility within a 12-month period in excess of \$150,000, which, under generally accepted accounting principles consistently applied, is a capital expenditure. Whenever a health care facility or a person on behalf of a health care facility makes an acquisition under lease or comparable arrangement or through donation, which would have required review if the acquisition had been by purchase, such acquisition shall be considered a capital expenditure subject to review.
 - (c) a change in bed capacity of a health care facility which increases or decreases the total number of beds, redistributes beds among various service categories, or relocates such beds from one physical facility or site to another over a 2-year period by more than 10 beds or 10% of the total licensed bed capacity, whichever is less;
 - (d) health services which are offered in or through a health care facility and which were not offered on a regular basis in or through such health care facility within the 12-month period prior to the time such services would be offered or the deletion by a health care facility of a

- 1 service previously offered;
- 2 (e) the expansion of a geographic service area of a 3 home health agency.
- 4 f237[24] "Nonprofit health care facility" means a
 5 health care facility owned or operated by one or more
 6 nonprofit corporations or associations.
- 7 t2411251 "Observation bed" means a bed occupied for not 8 more than 6 hours by a patient recovering from surgery or 9 other treatment.
- 10 f257(26) "Offer" means the holding out by a health care
 11 facility that it can provide specific health services.
- 12 teatment, or both, to ambulatory patients in need of medical, surgical, or mental care. An outpatient facility may have observation beds.
- 18 f27f(28) "Patient" means an individual obtaining
 19 services, including skilled nursing care, from a health care
 20 facility.
- 21 <u>†2871291</u> **Person** means any individual, firm,
 22 partnership, association, organization, agency, institution,
 23 corporation, trust, estate, or governmental unit, whether
 24 organized for profit or not.
- 25 t291(30) "Public health center" means a publicly owned

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facility providing health services, including laboratories, clinics, and administrative offices.

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+38+1311 "Rehabilitation facility" means a facility which is operated for the primary purpose of assisting in the rahabilitation of disabled persons by providing comprehensive medical evaluations and services. psychological and social services, or vocational evaluation and training or any combination of these services and in which the major portion of the services is furnished within the facility.

+311/321 "Resident" means a person who is in a long-term care facility for intermediate or personal care. (32)[33] "State plan" means the state medical facility

plan provided for in part 4.*

NEW_SECTION. Section 2. Department to make rules -standards for skilled care. (1) The department shall by rule establish standards for the licensure of a hospice. These standards must consider the terminally ill patient and his family as a unit and require service delivery through a medically directed interdisciplinary team of professionals and volunteers acting under a defined hospice administration.

(2) A hospice must meet the standards of care defined by law for any skilled care it provides that normally would be provided by a licensed facility such as a hospital.

2 <u> 164-56611841--5ection-3v--ticensure--based--an-approvat</u> 3 of-commission--A-hospice-accredited-by-the-joint-commission on-accreditation-of-hospitals-must-be-granted-deemed--status ticensure---by---the---department---based---upon--the--ioint commission*s-survey-and-approval-7 THERE IS A NEW MCA SECTION THAT READS: Section 3. Hospitals hospice programs -- exemptions from separate licensure. A hospice program provided by a 10 hospital need not be separately licensed if the department 11 finds that such program meets the standards of [section 2]. 12 YEM_SECTION: Section 4. Codification instruction. 13 Sections 2 and 3 are intended to be codified as an integral

skilled nursing facility, or home health agency.

-End-

chapter 5+ apply to sections 2 and 3.

part of Title 50, chapter 5, and the provisions of Title 50,

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SB 208