

HOUSE BILL NO. 211

INTRODUCED BY BROOKE, KLAMPE, KENNEDY,
FRANKLIN, HARPER, WYATT, WINSLOW,
PETERSON, SMITH, S. RICE, DOWELL

IN THE HOUSE

JANUARY 16, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT. FIRST READING.
JANUARY 19, 1993	ON MOTION, REREFERRED TO COMMITTEE ON HUMAN SERVICES & AGING.
JANUARY 28, 1993	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
JANUARY 29, 1993	PRINTING REPORT.
FEBRUARY 1, 1993	SECOND READING, DO PASS.
FEBRUARY 2, 1993	ENGROSSING REPORT.
FEBRUARY 10, 1993	THIRD READING, PASSED. AYES, 89; NOES, 7.
FEBRUARY 11, 1993	TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 12, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON PUBLIC HEALTH, WELFARE, & SAFETY. FIRST READING.
MARCH 9, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 10, 1993	SECOND READING, CONCURRED IN.
MARCH 11, 1993	THIRD READING, CONCURRED IN. AYES, 38; NOES, 10. RETURNED TO HOUSE.

IN THE HOUSE

MARCH 12, 1993	RECEIVED FROM SENATE.
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SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 House BILL NO. 211
 2 INTRODUCED BY Barak Klump Kennedy Jacobse
 3 Wayne Wyatt Wynne Peterson Smith
 4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING LICENSURE FOR
 5 RESIDENTIAL AND INPATIENT HOSPICE FACILITIES; AMENDING
 6 SECTIONS 50-5-101 AND 50-5-210, MCA; AND PROVIDING AN
 7 IMMEDIATE EFFECTIVE DATE."
 8

9 STATEMENT OF INTENT

10 A statement of intent is necessary for this bill because
 11 it grants the department of health and environmental
 12 sciences the authority to adopt by rule specific licensing
 13 standards for residential hospice and inpatient hospice
 14 facilities.

15 It is the intent of the legislature that the department
 16 adopt rules for licensure of residential and inpatient
 17 hospice facilities to ensure that:

18 (1) hospice facilities are constrained to a certain
 19 standard of care;

20 (2) hospice facilities are managed and operated by
 21 hospice-trained staff or volunteers; and

22 (3) policies and procedures are in keeping with the
 23 hospice approach to care and with current trends in hospice
 24 care.

25 It is the intent of the legislature that the department

1 adopt rules for inpatient hospice facilities that reflect
 2 applicable, current federal regulations and that the
 3 department go beyond adoption of existing relevant federal
 4 regulations for inpatient hospice facilities and provide for
 5 two levels of site-based hospice services. It is the intent
 6 of the legislature to ensure that residential and inpatient
 7 hospice facilities are integrated within a comprehensive,
 8 licensed hospice program.
 9

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

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

12 "50-5-101. Definitions. As used in parts 1 through 4 of
 13 this chapter, unless the context clearly indicates
 14 otherwise, the following definitions apply:

15 (1) "Accreditation" means a designation of approval.

16 (2) "Adult day-care center" means a facility,
 17 freestanding or connected to another health care facility,
 18 which provides adults, on an intermittent basis, with the
 19 care necessary to meet the needs of daily living.

20 (3) "Affected person" means an applicant for
 21 certificate of need, a member of the public who will be
 22 served by the proposal, a health care facility located in
 23 the geographic area affected by the application, an agency
 24 which establishes rates for health care facilities, a
 25 third-party payer who reimburses health care facilities in

1 the area affected by the proposal, or an agency which plans
2 or assists in planning for such facilities.

3 (4) "Ambulatory surgical facility" means a facility,
4 not part of a hospital, which provides surgical treatment to
5 patients not requiring hospitalization. This type of
6 facility may include observation beds for patient recovery
7 from surgery or other treatment.

8 (5) "Batch" means those letters of intent to seek
9 approval for new beds or major medical equipment that are
10 accumulated during a single batching period.

11 (6) "Batching period" means a period, not exceeding 1
12 month, established by department rule during which letters
13 of intent to seek approval for new beds or major medical
14 equipment are accumulated pending further processing of all
15 letters of intent within the batch.

16 (7) "Board" means the board of health and environmental
17 sciences, provided for in 2-15-2104.

18 (8) "Capital expenditure" means:

19 (a) an expenditure made by or on behalf of a health
20 care facility that, under generally accepted accounting
21 principles, is not properly chargeable as an expense of
22 operation and maintenance; or

23 (b) a lease, donation, or comparable arrangement that
24 would be a capital expenditure if money or any other
25 property of value had changed hands.

1 (9) "Certificate of need" means a written authorization
2 by the department for a person to proceed with a proposal
3 subject to 50-5-301.

4 (10) "Challenge period" means a period, not exceeding 1
5 month, established by department rule during which any
6 person may apply for comparative review with an applicant
7 whose letter of intent has been received during the
8 preceding batching period.

9 (11) "Chemical dependency facility" means a facility
10 whose function is the treatment, rehabilitation, and
11 prevention of the use of any chemical substance, including
12 alcohol, which creates behavioral or health problems and
13 endangers the health, interpersonal relationships, or
14 economic function of an individual or the public health,
15 welfare, or safety.

16 (12) "Clinical laboratory" means a facility for the
17 microbiological, serological, chemical, hematological,
18 radiobioassay, cytological, immuno-hematological,
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.

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

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

4 (14) "Comparative review" means a joint review of two or
5 more certificate of need applications which are determined
6 by the department to be competitive in that the granting of
7 a certificate of need to one of the applicants would
8 substantially prejudice the department's review of the other
9 applications.

10 (15) "Construction" means the physical erection of a
11 health care facility and any stage thereof, including ground
12 breaking, or remodeling, replacement, or renovation of an
13 existing health care facility.

14 (16) "Department" means the department of health and
15 environmental sciences provided for in Title 2, chapter 15,
16 part 21.

17 (17) "Federal acts" means federal statutes for the
18 construction of health care facilities.

19 (18) "Governmental unit" means the state, a state
20 agency, a county, municipality, or political subdivision of
21 the state, or an agency of a political subdivision.

22 (19) "Health care facility" or "facility" means any
23 institution, building, or agency or portion thereof, private
24 or public, excluding federal facilities, whether organized
25 for profit or not, used, operated, or designed to provide

1 health services, medical treatment, or nursing,
2 rehabilitative, or preventive care to any person or persons.
3 The term does not include offices of private physicians or
4 dentists. The term includes but is not limited to ambulatory
5 surgical facilities, health maintenance organizations, home
6 health agencies, hospices, hospitals, infirmaries, kidney
7 treatment centers, long-term care facilities, medical
8 assistance facilities, mental health centers, outpatient
9 facilities, public health centers, rehabilitation
10 facilities, residential treatment facilities, and adult
11 day-care centers.

12 (20) "Health maintenance organization" means a public or
13 private organization which provides or arranges for health
14 care services to enrollees on a prepaid or other financial
15 basis, either directly through provider employees or through
16 contractual or other arrangements with a provider or group
17 of providers.

18 (21) "Home health agency" means a public agency or
19 private organization or subdivision thereof which is engaged
20 in providing home health services to individuals in the
21 places where they live. Home health services must include
22 the services of a licensed registered nurse and at least one
23 other therapeutic service and may include additional support
24 services.

25 (22) "Hospice" means a coordinated program of home and

1 inpatient health care that provides or coordinates
 2 palliative and supportive care to meet the needs of a
 3 terminally ill patient and his the patient's family arising
 4 out of physical, psychological, spiritual, social, and
 5 economic stresses experienced during the final stages of
 6 illness and dying and that includes formal bereavement
 7 programs as an essential component. The term includes:

8 (a) an inpatient hospice facility, which is a facility
 9 managed directly by a medicare-certified hospice that meets
 10 all medicare certification regulations for freestanding
 11 inpatient hospice facilities; and

12 (b) a residential hospice facility, which is a facility
 13 managed directly by a licensed hospice program that can
 14 house three or more hospice patients.

15 (23) "Hospital" means a facility providing, by or under
 16 the supervision of licensed physicians, services for medical
 17 diagnosis, treatment, rehabilitation, and care of injured,
 18 disabled, or sick persons. Services provided may or may not
 19 include obstetrical care, emergency care, or any other
 20 service as allowed by state licensing authority. A hospital
 21 has an organized medical staff which is on call and
 22 available within 20 minutes, 24 hours per day, 7 days per
 23 week, and provides 24-hour nursing care by licensed
 24 registered nurses. This term includes hospitals specializing
 25 in providing health services for psychiatric, mentally

1 retarded, and tubercular patients.

2 (24) "Infirmiry" means a facility located in a
 3 university, college, government institution, or industry for
 4 the treatment of the sick or injured, with the following
 5 subdefinitions:

6 (a) an "infirmiry--A" provides outpatient and inpatient
 7 care;

8 (b) an "infirmiry--B" provides outpatient care only.

9 (25) "Joint commission on accreditation of hospitals"
 10 means the organization nationally recognized by that name
 11 with headquarters in Chicago, Illinois, that surveys health
 12 care facilities upon their requests and grants accreditation
 13 status to any health care facility that it finds meets its
 14 standards and requirements.

15 (26) "Kidney treatment center" means a facility which
 16 specializes in treatment of kidney diseases, including
 17 freestanding hemodialysis units.

18 (27) (a) "Long-term care facility" means a facility or
 19 part thereof which provides skilled nursing care,
 20 intermediate nursing care, or intermediate developmental
 21 disability care to a total of two or more persons or
 22 personal care to more than four persons who are not related
 23 to the owner or administrator by blood or marriage. The term
 24 does not include adult foster care licensed under 52-3-303,
 25 community homes for the developmentally disabled licensed

1 under 53-20-305, community homes for persons with severe
 2 disabilities licensed under 52-4-203, youth care facilities
 3 licensed under 41-3-1142, hotels, motels, boardinghouses,
 4 roominghouses, or similar accommodations providing for
 5 transients, students, or persons not requiring institutional
 6 health care, or juvenile and adult correctional facilities
 7 operating under the authority of the department of
 8 corrections and human services.

9 (b) "Skilled nursing care" means the provision of
 10 nursing care services, health-related services, and social
 11 services under the supervision of a licensed registered
 12 nurse on a 24-hour basis.

13 (c) "Intermediate nursing care" means the provision of
 14 nursing care services, health-related services, and social
 15 services under the supervision of a licensed nurse to
 16 patients not requiring 24-hour nursing care.

17 (d) "Intermediate developmental disability care" means
 18 the provision of nursing care services, health-related
 19 services, and social services for the developmentally
 20 disabled, as defined in 53-20-102(4), or persons with
 21 related problems.

22 (e) "Personal care" means the provision of services and
 23 care which do not require nursing skills to residents
 24 needing some assistance in performing the activities of
 25 daily living.

1 (28) "Major medical equipment" means a single unit of
 2 medical equipment or a single system of components with
 3 related functions which is used to provide medical or other
 4 health services and costs a substantial sum of money.

5 (29) "Medical assistance facility" means a facility
 6 that:

7 (a) provides inpatient care to ill or injured persons
 8 prior to their transportation to a hospital or provides
 9 inpatient medical care to persons needing that care for a
 10 period of no longer than 96 hours; and

11 (b) either is located in a county with fewer than six
 12 residents per square mile or is located more than 35 road
 13 miles from the nearest hospital.

14 (30) "Mental health center" means a facility providing
 15 services for the prevention or diagnosis of mental illness,
 16 the care and treatment of mentally ill patients or the
 17 rehabilitation of such persons, or any combination of these
 18 services.

19 (31) "Nonprofit health care facility" means a health
 20 care facility owned or operated by one or more nonprofit
 21 corporations or associations.

22 (32) "Observation bed" means a bed occupied for not more
 23 than 6 hours by a patient recovering from surgery or other
 24 treatment.

25 (33) "Offer" means the holding out by a health care

1 facility that it can provide specific health services.

2 (34) "Outpatient facility" means a facility, located in
3 or apart from a hospital, providing, under the direction of
4 a licensed physician, either diagnosis or treatment, or
5 both, to ambulatory patients in need of medical, surgical,
6 or mental care. An outpatient facility may have observation
7 beds.

8 (35) "Patient" means an individual obtaining services,
9 including skilled nursing care, from a health care facility.

10 (36) "Person" means any individual, firm, partnership,
11 association, organization, agency, institution, corporation,
12 trust, estate, or governmental unit, whether organized for
13 profit or not.

14 (37) "Public health center" means a publicly owned
15 facility providing health services, including laboratories,
16 clinics, and administrative offices.

17 (38) "Rehabilitation facility" means a facility which is
18 operated for the primary purpose of assisting in the
19 rehabilitation of disabled persons by providing
20 comprehensive medical evaluations and services,
21 psychological and social services, or vocational evaluation
22 and training or any combination of these services and in
23 which the major portion of the services is furnished within
24 the facility.

25 (39) "Resident" means a person who is in a long-term

1 care facility for intermediate or personal care.

2 (40) "Residential psychiatric care" means active
3 psychiatric treatment provided in a residential treatment
4 facility to psychiatrically impaired individuals with
5 persistent patterns of emotional, psychological, or
6 behavioral dysfunction of such severity as to require
7 24-hour supervised care to adequately treat or remedy the
8 individual's condition. Residential psychiatric care must be
9 individualized and designed to achieve the patient's
10 discharge to less restrictive levels of care at the earliest
11 possible time.

12 (41) "Residential treatment facility" means a facility
13 operated for the primary purpose of providing residential
14 psychiatric care to persons under 21 years of age.

15 (42) "State health plan" means the plan prepared by the
16 department to project the need for health care facilities
17 within Montana and approved by the statewide health
18 coordinating council and the governor."

19 **Section 2.** Section 50-5-210, MCA, is amended to read:

20 **"50-5-210. Department to make rules -- standards for**
21 **hospices.** (1) The department shall by rule establish
22 standards for the licensure of a hospice. These standards
23 must consider the terminally ill patient and his the
24 patient's family as a unit and require service delivery
25 through a medically directed interdisciplinary team of

1 professionals and volunteers acting under a defined hospice
2 administration.

3 (2) A hospice must meet the standards of care defined
4 by law for any skilled care it provides that normally would
5 be provided by a licensed facility such as a hospital,
6 skilled nursing facility, or home health agency.

7 (3) The department shall by rule establish standards
8 for the licensure of a residential hospice facility.

9 (4) The department shall by rule establish standards
10 for the licensure of a freestanding inpatient hospice
11 facility in accordance with medicare certification
12 regulations contained in 42 CFR, part 418, subparts C
13 through E, as adopted by the department. To be licensed by
14 the department, the facility must be managed directly by a
15 medicare-certified hospice."

16 NEW SECTION. Section 3. Effective date. [This act] is
17 effective on passage and approval.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0211, as amended.

DESCRIPTION OF PROPOSED LEGISLATION: An act providing licensure for residential and inpatient hospice facilities.

ASSUMPTIONS:

Department of Health and Environmental Sciences (DHES):

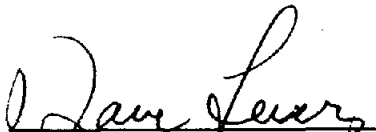
1. Rulemaking for this legislation, as amended, will impact the Licensure Bureau during the expected time period of promulgation during fiscal year 1994.
2. It remains unknown at this time how many facilities will attempt to secure this type of licensure during the 1995 biennium. However, it is assumed that the number of facilities qualifying during the biennium will not exceed three. If this assumption is correct, the Licensure Bureau would assume regulatory responsibilities with minimal fiscal impact.
3. Costs are typically associated with writing, promulgating, and adopting rules. However, because of the expectations of little or no controversy, and the assistance to be provided to DHES by the Montana Hospice Association, DHES projects little or no fiscal impact.
4. The Licensure Bureau does not receive specific general fund appropriations for rulemaking. If this bill passes, the timeline for rulemaking is unknown, but will be accommodated within existing resources.


Department of Corrections and Human Services (DCHS):

5. DCHS does not provide hospice services.

FISCAL IMPACT:

No Fiscal Impact.

 2-5-93
DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

 2/6/93
VIVIAN M. BROOKE, PRIMARY SPONSOR DATE
Fiscal Note for HB0211, as introduced **HB 211**

APPROVED BY COMM. ON
HUMAN SERVICES AND AGING

HOUSE BILL NO. 211

INTRODUCED BY BROOKE, KLAMPE, KENNEDY,
FRANKLIN, HARPER, WYATT, WINSLOW,
PETERSON, SMITH, S. RICE, DOWELL

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING LICENSURE FOR
RESIDENTIAL AND INPATIENT HOSPICE FACILITIES; AND AMENDING
SECTIONS 50-5-101 AND 50-5-210, MCA; ~~AND PROVIDING AN~~
~~IMMEDIATE EFFECTIVE DATE.~~"

STATEMENT OF INTENT

A statement of intent is necessary for this bill because
it grants the department of health and environmental
sciences the authority to adopt by rule specific licensing
standards for residential hospice and inpatient hospice
facilities.

It is the intent of the legislature that the department
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standard of care;

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18 (12) "Clinical laboratory" means a facility for the
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23 the state, or an agency of a political subdivision.

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25 institution, building, or agency or portion thereof, private

1 or public, excluding federal facilities, whether organized
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3 health services, medical treatment, or nursing,
4 rehabilitative, or preventive care to any person or persons.
5 The term does not include offices of private physicians or
6 dentists. The term includes but is not limited to ambulatory
7 surgical facilities, health maintenance organizations, home
8 health agencies, hospices, hospitals, infirmaries, kidney
9 treatment centers, long-term care facilities, medical
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11 facilities, public health centers, rehabilitation
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23 places where they live. Home health services must include
24 the services of a licensed registered nurse and at least one
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1 services.

2 (22) "Hospice" means a coordinated program of home and
3 inpatient health care that provides or coordinates
4 palliative and supportive care to meet the needs of a
5 terminally ill patient and ~~his~~ the patient's family arising
6 out of physical, psychological, spiritual, social, and
7 economic stresses experienced during the final stages of
8 illness and dying and that includes formal bereavement
9 programs as an essential component. The term includes:

10 (a) an inpatient hospice facility, which is a facility
11 managed directly by a medicare-certified hospice that meets
12 all medicare certification regulations for freestanding
13 inpatient hospice facilities; and

14 (b) a residential hospice facility, which is a facility
15 managed directly by a licensed hospice program that can
16 house three or more hospice patients.

17 (23) "Hospital" means a facility providing, by or under
18 the supervision of licensed physicians, services for medical
19 diagnosis, treatment, rehabilitation, and care of injured,
20 disabled, or sick persons. Services provided may or may not
21 include obstetrical care, emergency care, or any other
22 service as allowed by state licensing authority. A hospital
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24 available within 20 minutes, 24 hours per day, 7 days per
25 week, and provides 24-hour nursing care by licensed

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2 in providing health services for psychiatric, mentally
3 retarded, and tubercular patients.

4 (24) "Infirmary" means a facility located in a
5 university, college, government institution, or industry for
6 the treatment of the sick or injured, with the following
7 subdefinitions:

8 (a) an "infirmary--A" provides outpatient and inpatient
9 care;

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18 specializes in treatment of kidney diseases, including
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1 does not include adult foster care licensed under 52-3-303,
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 9 operating under the authority of the department of
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 12 nursing care services, health-related services, and social
 13 services under the supervision of a licensed registered
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 17 services for the prevention or diagnosis of mental illness,
 18 the care and treatment of mentally ill patients or the
 19 rehabilitation of such persons, or any combination of these
 20 services.

21 (31) "Nonprofit health care facility" means a health
 22 care facility owned or operated by one or more nonprofit
 23 corporations or associations.

24 (32) "Observation bed" means a bed occupied for not more
 25 than 6 hours by a patient recovering from surgery or other

1 treatment.

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

4 (34) "Outpatient facility" means a facility, located in
5 or apart from a hospital, providing, under the direction of
6 a licensed physician, either diagnosis or treatment, or
7 both, to ambulatory patients in need of medical, surgical,
8 or mental care. An outpatient facility may have observation
9 beds.

10 (35) "Patient" means an individual obtaining services,
11 including skilled nursing care, from a health care facility.

12 (36) "Person" means any individual, firm, partnership,
13 association, organization, agency, institution, corporation,
14 trust, estate, or governmental unit, whether organized for
15 profit or not.

16 (37) "Public health center" means a publicly owned
17 facility providing health services, including laboratories,
18 clinics, and administrative offices.

19 (38) "Rehabilitation facility" means a facility which is
20 operated for the primary purpose of assisting in the
21 rehabilitation of disabled persons by providing
22 comprehensive medical evaluations and services,
23 psychological and social services, or vocational evaluation
24 and training or any combination of these services and in
25 which the major portion of the services is furnished within

1 the facility.

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

4 (40) "Residential psychiatric care" means active
5 psychiatric treatment provided in a residential treatment
6 facility to psychiatrically impaired individuals with
7 persistent patterns of emotional, psychological, or
8 behavioral dysfunction of such severity as to require
9 24-hour supervised care to adequately treat or remedy the
10 individual's condition. Residential psychiatric care must be
11 individualized and designed to achieve the patient's
12 discharge to less restrictive levels of care at the earliest
13 possible time.

14 (41) "Residential treatment facility" means a facility
15 operated for the primary purpose of providing residential
16 psychiatric care to persons under 21 years of age.

17 (42) "State health plan" means the plan prepared by the
18 department to project the need for health care facilities
19 within Montana and approved by the statewide health
20 coordinating council and the governor."

21 **Section 2.** Section 50-5-210, MCA, is amended to read:

22 "50-5-210. Department to make rules -- standards for
23 hospices. (1) The department shall by rule establish
24 standards for the licensure of a hospice. These standards
25 must consider the terminally ill patient and his the

1 patient's family as a unit and require service delivery
2 through a medically directed interdisciplinary team of
3 professionals and volunteers acting under a defined hospice
4 administration.

5 (2) A hospice must meet the standards of care defined
6 by law for any skilled care it provides that normally would
7 be provided by a licensed facility such as a hospital,
8 skilled nursing facility, or home health agency.

9 (3) The department shall by rule establish standards
10 for the licensure of a residential hospice facility.

11 (4) The department shall by rule establish standards
12 for the licensure of a freestanding inpatient hospice
13 facility in accordance with medicare certification
14 regulations contained in 42 CFR, part 418, subparts C
15 through E, as adopted by the department. To be licensed by
16 the department, the facility must be managed directly by a
17 medicare-certified hospice."

18 ~~NEW SECTION. Section 3. Effective date. {This act} is~~
19 ~~effective on passage and approval~~

-End-

HOUSE BILL NO. 211

INTRODUCED BY BROOKE, KLAMPE, KENNEDY,
FRANKLIN, HARPER, WYATT, WINSLOW,
PETERSON, SMITH, S. RICE, DOWELL

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING LICENSURE FOR
RESIDENTIAL AND INPATIENT HOSPICE FACILITIES; AND AMENDING
SECTIONS 50-5-101 AND 50-5-210, MCA; ~~AND PROVIDING AN
IMMEDIATE EFFECTIVE DATE.~~"

STATEMENT OF INTENT

A statement of intent is necessary for this bill because
it grants the department of health and environmental
sciences the authority to adopt by rule specific licensing
standards for residential hospice and inpatient hospice
facilities.

It is the intent of the legislature that the department
adopt rules for licensure of residential and inpatient
hospice facilities to ensure that:

(1) hospice facilities are constrained to a certain
standard of care;

(2) hospice facilities are managed and operated by
hospice-trained staff or volunteers; and

(3) policies and procedures are in keeping with the
hospice approach to care and with current trends in hospice

care.

It is the intent of the legislature that the department
adopt rules for inpatient hospice facilities that reflect
applicable, current federal regulations and that the
department go beyond adoption of existing relevant federal
regulations for inpatient hospice facilities and provide for
two levels of site-based hospice services. It is the intent
of the legislature to ensure that residential and inpatient
hospice facilities are integrated within a comprehensive,
licensed hospice program.

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,
freestanding 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 person" means an applicant for
certificate of need, a member of the public who will be
served by the proposal, a health care facility located in
the geographic area affected by the application, an agency



1 which establishes rates for health care facilities, a
2 third-party payer who reimburses health care facilities in
3 the area affected by the proposal, or an agency which plans
4 or assists in planning for such facilities.

5 (4) "Ambulatory surgical facility" means a facility,
6 not part of a hospital, which provides surgical treatment to
7 patients not requiring hospitalization. This type of
8 facility may include observation beds for patient recovery
9 from surgery or other treatment.

10 (5) "Batch" means those letters of intent to seek
11 approval for new beds or major medical equipment that are
12 accumulated during a single batching period.

13 (6) "Batching period" means a period, not exceeding 1
14 month, established by department rule during which letters
15 of intent to seek approval for new beds or major medical
16 equipment are accumulated pending further processing of all
17 letters of intent within the batch.

18 (7) "Board" means the board of health and environmental
19 sciences, provided for in 2-15-2104.

20 (8) "Capital expenditure" means:

21 (a) an expenditure made by or on behalf of a health
22 care facility that, under generally accepted accounting
23 principles, is not properly chargeable as an expense of
24 operation and maintenance; or

25 (b) a lease, donation, or comparable arrangement that

1 would be a capital expenditure if money or any other
2 property of value had changed hands.

3 (9) "Certificate of need" means a written authorization
4 by the department for a person to proceed with a proposal
5 subject to 50-5-301.

6 (10) "Challenge period" means a period, not exceeding 1
7 month, established by department rule during which any
8 person may apply for comparative review with an applicant
9 whose letter of intent has been received during the
10 preceding batching period.

11 (11) "Chemical dependency facility" means a facility
12 whose function is the treatment, rehabilitation, and
13 prevention of the use of any chemical substance, including
14 alcohol, which creates behavioral or health problems and
15 endangers the health, interpersonal relationships, or
16 economic function of an individual or the public health,
17 welfare, or safety.

18 (12) "Clinical laboratory" means a facility for the
19 microbiological, serological, chemical, hematological,
20 radiobiology, cytological, immuno-hematological,
21 pathological, or other examination of materials derived from
22 the human body for the purpose of providing information for
23 the diagnosis, prevention, or treatment of any disease or
24 assessment of a medical condition.

25 (13) "College of American pathologists" means the

1 organization nationally recognized by that name with
2 headquarters in Traverse City, Michigan, that surveys
3 clinical laboratories upon their requests and accredits
4 clinical laboratories that it finds meet its standards and
5 requirements.

6 (14) "Comparative review" means a joint review of two or
7 more certificate of need applications which are determined
8 by the department to be competitive in that the granting of
9 a certificate of need to one of the applicants would
10 substantially prejudice the department's review of the other
11 applications.

12 (15) "Construction" means the physical erection of a
13 health care facility and any stage thereof, including ground
14 breaking, or remodeling, replacement, or renovation of an
15 existing health care facility.

16 (16) "Department" means the department of health and
17 environmental sciences provided for in Title 2, chapter 15,
18 part 21.

19 (17) "Federal acts" means federal statutes for the
20 construction of health care facilities.

21 (18) "Governmental unit" means the state, a state
22 agency, a county, municipality, or political subdivision of
23 the state, or an agency of a political subdivision.

24 (19) "Health care facility" or "facility" means any
25 institution, building, or agency or portion thereof, private

1 or public, excluding federal facilities, whether organized
2 for profit or not, used, operated, or designed to provide
3 health services, medical treatment, or nursing,
4 rehabilitative, or preventive care to any person or persons.
5 The term does not include offices of private physicians or
6 dentists. The term includes but is not limited to ambulatory
7 surgical facilities, health maintenance organizations, home
8 health agencies, hospices, hospitals, infirmaries, kidney
9 treatment centers, long-term care facilities, medical
10 assistance facilities, mental health centers, outpatient
11 facilities, public health centers, rehabilitation
12 facilities, residential treatment facilities, and adult
13 day-care centers.

14 (20) "Health maintenance organization" means a public or
15 private organization which provides or arranges for health
16 care services to enrollees on a prepaid or other financial
17 basis, either directly through provider employees or through
18 contractual or other arrangements with a provider or group
19 of providers.

20 (21) "Home health agency" means a public agency or
21 private organization or subdivision thereof which is engaged
22 in providing home health services to individuals in the
23 places where they live. Home health services must include
24 the services of a licensed registered nurse and at least one
25 other therapeutic service and may include additional support

1 services.

2 (22) "Hospice" means a coordinated program of home and
3 inpatient health care that provides or coordinates
4 palliative and supportive care to meet the needs of a
5 terminally ill patient and his the patient's family arising
6 out of physical, psychological, spiritual, social, and
7 economic stresses experienced during the final stages of
8 illness and dying and that includes formal bereavement
9 programs as an essential component. The term includes:

10 (a) an inpatient hospice facility, which is a facility
11 managed directly by a medicare-certified hospice that meets
12 all medicare certification regulations for freestanding
13 inpatient hospice facilities; and

14 (b) a residential hospice facility, which is a facility
15 managed directly by a licensed hospice program that can
16 house three or more hospice patients.

17 (23) "Hospital" means a facility providing, by or under
18 the supervision of licensed physicians, services for medical
19 diagnosis, treatment, rehabilitation, and care of injured,
20 disabled, or sick persons. Services provided may or may not
21 include obstetrical care, emergency care, or any other
22 service as allowed by state licensing authority. A hospital
23 has an organized medical staff which is on call and
24 available within 20 minutes, 24 hours per day, 7 days per
25 week, and provides 24-hour nursing care by licensed

1 registered nurses. This term includes hospitals specializing
2 in providing health services for psychiatric, mentally
3 retarded, and tubercular patients.

4 (24) "Infirmiry" means a facility located in a
5 university, college, government institution, or industry for
6 the treatment of the sick or injured, with the following
7 subdefinitions:

8 (a) an "infirmiry--A" provides outpatient and inpatient
9 care;

10 (b) an "infirmiry--B" provides outpatient care only.

11 (25) "Joint commission on accreditation of hospitals"
12 means the organization nationally recognized by that name
13 with headquarters in Chicago, Illinois, that surveys health
14 care facilities upon their requests and grants accreditation
15 status to any health care facility that it finds meets its
16 standards and requirements.

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

20 (27) (a) "Long-term care facility" means a facility or
21 part thereof which provides skilled nursing care,
22 intermediate nursing care, or intermediate developmental
23 disability care to a total of two or more persons or
24 personal care to more than four persons who are not related
25 to the owner or administrator by blood or marriage. The term

1 does not include adult foster care licensed under 52-3-303,
 2 community homes for the developmentally disabled licensed
 3 under 53-20-305, community homes for persons with severe
 4 disabilities licensed under 52-4-203, youth care facilities
 5 licensed under 41-3-1142, hotels, motels, boardinghouses,
 6 roominghouses, or similar accommodations providing for
 7 transients, students, or persons not requiring institutional
 8 health care, or juvenile and adult correctional facilities
 9 operating under the authority of the department of
 10 corrections and human services.

11 (b) "Skilled nursing care" means the provision of
 12 nursing care services, health-related services, and social
 13 services under the supervision of a licensed registered
 14 nurse on a 24-hour basis.

15 (c) "Intermediate nursing care" means the provision of
 16 nursing care services, health-related services, and social
 17 services under the supervision of a licensed nurse to
 18 patients not requiring 24-hour nursing care.

19 (d) "Intermediate developmental disability care" means
 20 the provision of nursing care services, health-related
 21 services, and social services for the developmentally
 22 disabled, as defined in 53-20-102(4), or persons with
 23 related problems.

24 (e) "Personal care" means the provision of services and
 25 care which do not require nursing skills to residents

1 needing some assistance in performing the activities of
 2 daily living.

3 (28) "Major medical equipment" means a single unit of
 4 medical equipment or a single system of components with
 5 related functions which is used to provide medical or other
 6 health services and costs a substantial sum of money.

7 (29) "Medical assistance facility" means a facility
 8 that:

9 (a) provides inpatient care to ill or injured persons
 10 prior to their transportation to a hospital or provides
 11 inpatient medical care to persons needing that care for a
 12 period of no longer than 96 hours; and

13 (b) either is located in a county with fewer than six
 14 residents per square mile or is located more than 35 road
 15 miles from the nearest hospital.

16 (30) "Mental health center" means a facility providing
 17 services for the prevention or diagnosis of mental illness,
 18 the care and treatment of mentally ill patients or the
 19 rehabilitation of such persons, or any combination of these
 20 services.

21 (31) "Nonprofit health care facility" means a health
 22 care facility owned or operated by one or more nonprofit
 23 corporations or associations.

24 (32) "Observation bed" means a bed occupied for not more
 25 than 6 hours by a patient recovering from surgery or other

1 treatment.

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

4 (34) "Outpatient facility" means a facility, located in
5 or apart from a hospital, providing, under the direction of
6 a licensed physician, either diagnosis or treatment, or
7 both, to ambulatory patients in need of medical, surgical,
8 or mental care. An outpatient facility may have observation
9 beds.

10 (35) "Patient" means an individual obtaining services,
11 including skilled nursing care, from a health care facility.

12 (36) "Person" means any individual, firm, partnership,
13 association, organization, agency, institution, corporation,
14 trust, estate, or governmental unit, whether organized for
15 profit or not.

16 (37) "Public health center" means a publicly owned
17 facility providing health services, including laboratories,
18 clinics, and administrative offices.

19 (38) "Rehabilitation facility" means a facility which is
20 operated for the primary purpose of assisting in the
21 rehabilitation of disabled persons by providing
22 comprehensive medical evaluations and services,
23 psychological and social services, or vocational evaluation
24 and training or any combination of these services and in
25 which the major portion of the services is furnished within

1 the facility.

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

4 (40) "Residential psychiatric care" means active
5 psychiatric treatment provided in a residential treatment
6 facility to psychiatrically impaired individuals with
7 persistent patterns of emotional, psychological, or
8 behavioral dysfunction of such severity as to require
9 24-hour supervised care to adequately treat or remedy the
10 individual's condition. Residential psychiatric care must be
11 individualized and designed to achieve the patient's
12 discharge to less restrictive levels of care at the earliest
13 possible time.

14 (41) "Residential treatment facility" means a facility
15 operated for the primary purpose of providing residential
16 psychiatric care to persons under 21 years of age.

17 (42) "State health plan" means the plan prepared by the
18 department to project the need for health care facilities
19 within Montana and approved by the statewide health
20 coordinating council and the governor."

21 **Section 2.** Section 50-5-210, MCA, is amended to read:

22 "50-5-210. Department to make rules -- standards for
23 hospices. (1) The department shall by rule establish
24 standards for the licensure of a hospice. These standards
25 must consider the terminally ill patient and his the

1 patient's family as a unit and require service delivery
 2 through a medically directed interdisciplinary team of
 3 professionals and volunteers acting under a defined hospice
 4 administration.

5 (2) A hospice must meet the standards of care defined
 6 by law for any skilled care it provides that normally would
 7 be provided by a licensed facility such as a hospital,
 8 skilled nursing facility, or home health agency.

9 (3) The department shall by rule establish standards
 10 for the licensure of a residential hospice facility.

11 (4) The department shall by rule establish standards
 12 for the licensure of a freestanding inpatient hospice
 13 facility in accordance with medicare certification
 14 regulations contained in 42 CFR, part 418, subparts C
 15 through E, as adopted by the department. To be licensed by
 16 the department, the facility must be managed directly by a
 17 medicare-certified hospice."

18 ~~NEW SECTION:--Section 3.--Effective--date--{This-act}-is--~~
 19 ~~effective-on-passage-and-approval-~~

-End-

HOUSE BILL NO. 211

INTRODUCED BY BROOKE, KLANPE, KENNEDY,
FRANKLIN, HARPER, WYATT, WINSLOW,
PETERSON, SMITH, S. RICE, DOWELL

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING LICENSURE FOR
RESIDENTIAL AND INPATIENT HOSPICE FACILITIES; AND AMENDING
SECTIONS 50-5-101 AND 50-5-210, MCA; ~~AND--PROVIDING--AN~~
~~IMMEDIATE-EFFECTIVE-DATE.~~"

STATEMENT OF INTENT

A statement of intent is necessary for this bill because
it grants the department of health and environmental
sciences the authority to adopt by rule specific licensing
standards for residential hospice and inpatient hospice
facilities.

It is the intent of the legislature that the department
adopt rules for licensure of residential and inpatient
hospice facilities to ensure that:

(1) hospice facilities are constrained to a certain
standard of care;

(2) hospice facilities are managed and operated by
hospice-trained staff or volunteers; and

(3) policies and procedures are in keeping with the
hospice approach to care and with current trends in hospice

care.

It is the intent of the legislature that the department
adopt rules for inpatient hospice facilities that reflect
applicable, current federal regulations and that the
department go beyond adoption of existing relevant federal
regulations for inpatient hospice facilities and provide for
two levels of site-based hospice services. It is the intent
of the legislature to ensure that residential and inpatient
hospice facilities are integrated within a comprehensive,
licensed hospice program.

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,
freestanding 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 person" means an applicant for
certificate of need, a member of the public who will be
served by the proposal, a health care facility located in
the geographic area affected by the application, an agency

1 which establishes rates for health care facilities, a
2 third-party payer who reimburses health care facilities in
3 the area affected by the proposal, or an agency which plans
4 or assists in planning for such facilities.

5 (4) "Ambulatory surgical facility" means a facility,
6 not part of a hospital, which provides surgical treatment to
7 patients not requiring hospitalization. This type of
8 facility may include observation beds for patient recovery
9 from surgery or other treatment.

10 (5) "Batch" means those letters of intent to seek
11 approval for new beds or major medical equipment that are
12 accumulated during a single batching period.

13 (6) "Batching period" means a period, not exceeding 1
14 month, established by department rule during which letters
15 of intent to seek approval for new beds or major medical
16 equipment are accumulated pending further processing of all
17 letters of intent within the batch.

18 (7) "Board" means the board of health and environmental
19 sciences, provided for in 2-15-2104.

20 (8) "Capital expenditure" means:

21 (a) an expenditure made by or on behalf of a health
22 care facility that, under generally accepted accounting
23 principles, is not properly chargeable as an expense of
24 operation and maintenance; or

25 (b) a lease, donation, or comparable arrangement that

1 would be a capital expenditure if money or any other
2 property of value had changed hands.

3 (9) "Certificate of need" means a written authorization
4 by the department for a person to proceed with a proposal
5 subject to 50-5-301.

6 (10) "Challenge period" means a period, not exceeding 1
7 month, established by department rule during which any
8 person may apply for comparative review with an applicant
9 whose letter of intent has been received during the
10 preceding batching period.

11 (11) "Chemical dependency facility" means a facility
12 whose function is the treatment, rehabilitation, and
13 prevention of the use of any chemical substance, including
14 alcohol, which creates behavioral or health problems and
15 endangers the health, interpersonal relationships, or
16 economic function of an individual or the public health,
17 welfare, or safety.

18 (12) "Clinical laboratory" means a facility for the
19 microbiological, serological, chemical, hematological,
20 radiobioassay, cytological, immuno-hematological,
21 pathological, or other examination of materials derived from
22 the human body for the purpose of providing information for
23 the diagnosis, prevention, or treatment of any disease or
24 assessment of a medical condition.

25 (13) "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.

(14) "Comparative review" means a joint review of two or more certificate of need applications which are determined by the department to be competitive in that the granting of a certificate of need to one of the applicants would substantially prejudice the department's review of the other applications.

(15) "Construction" means the physical erection of a health care facility and any stage thereof, including ground breaking, or remodeling, replacement, or renovation of an existing health care facility.

(16) "Department" means the department of health and environmental sciences provided for in Title 2, chapter 15, part 21.

(17) "Federal acts" means federal statutes for the construction of health care facilities.

(18) "Governmental unit" means the state, a state agency, a county, municipality, or political subdivision of the state, or an agency of a political subdivision.

(19) "Health care facility" or "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, medical assistance facilities, mental health centers, outpatient facilities, public health centers, rehabilitation facilities, residential treatment facilities, and adult day-care centers.

(20) "Health maintenance organization" means a public or private organization which provides or arranges for health care services to enrollees on a prepaid or other financial basis, either directly through provider employees or through contractual or other arrangements with a provider or group of providers.

(21) "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

1 services.

2 (22) "Hospice" means a coordinated program of home and
3 inpatient health care that provides or coordinates
4 palliative and supportive care to meet the needs of a
5 terminally ill patient and ~~his~~ the patient's family arising
6 out of physical, psychological, spiritual, social, and
7 economic stresses experienced during the final stages of
8 illness and dying and that includes formal bereavement
9 programs as an essential component. The term includes:

10 (a) an inpatient hospice facility, which is a facility
11 managed directly by a medicare-certified hospice that meets
12 all medicare certification regulations for freestanding
13 inpatient hospice facilities; and

14 (b) a residential hospice facility, which is a facility
15 managed directly by a licensed hospice program that can
16 house three or more hospice patients.

17 (23) "Hospital" means a facility providing, by or under
18 the supervision of licensed physicians, services for medical
19 diagnosis, treatment, rehabilitation, and care of injured,
20 disabled, or sick persons. Services provided may or may not
21 include obstetrical care, emergency care, or any other
22 service as allowed by state licensing authority. A hospital
23 has an organized medical staff which is on call and
24 available within 20 minutes, 24 hours per day, 7 days per
25 week, and provides 24-hour nursing care by licensed

1 registered nurses. This term includes hospitals specializing
2 in providing health services for psychiatric, mentally
3 retarded, and tubercular patients.

4 (24) "Infirmary" means a facility located in a
5 university, college, government institution, or industry for
6 the treatment of the sick or injured, with the following
7 subdefinitions:

8 (a) an "infirmary--A" provides outpatient and inpatient
9 care;

10 (b) an "infirmary--B" provides outpatient care only.

11 (25) "Joint commission on accreditation of hospitals"
12 means the organization nationally recognized by that name
13 with headquarters in Chicago, Illinois, that surveys health
14 care facilities upon their requests and grants accreditation
15 status to any health care facility that it finds meets its
16 standards and requirements.

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

20 (27) (a) "Long-term care facility" means a facility or
21 part thereof which provides skilled nursing care,
22 intermediate nursing care, or intermediate developmental
23 disability care to a total of two or more persons or
24 personal care to more than four persons who are not related
25 to the owner or administrator by blood or marriage. The term

1 does not include adult foster care licensed under 52-3-303,
 2 community homes for the developmentally disabled licensed
 3 under 53-20-305, community homes for persons with severe
 4 disabilities licensed under 52-4-203, youth care facilities
 5 licensed under 41-3-1142, hotels, motels, boardinghouses,
 6 roominghouses, or similar accommodations providing for
 7 transients, students, or persons not requiring institutional
 8 health care, or juvenile and adult correctional facilities
 9 operating under the authority of the department of
 10 corrections and human services.

11 (b) "Skilled nursing care" means the provision of
 12 nursing care services, health-related services, and social
 13 services under the supervision of a licensed registered
 14 nurse on a 24-hour basis.

15 (c) "Intermediate nursing care" means the provision of
 16 nursing care services, health-related services, and social
 17 services under the supervision of a licensed nurse to
 18 patients not requiring 24-hour nursing care.

19 (d) "Intermediate developmental disability care" means
 20 the provision of nursing care services, health-related
 21 services, and social services for the developmentally
 22 disabled, as defined in 53-20-102(4), or persons with
 23 related problems.

24 (e) "Personal care" means the provision of services and
 25 care which do not require nursing skills to residents

1 needing some assistance in performing the activities of
 2 daily living.

3 (28) "Major medical equipment" means a single unit of
 4 medical equipment or a single system of components with
 5 related functions which is used to provide medical or other
 6 health services and costs a substantial sum of money.

7 (29) "Medical assistance facility" means a facility
 8 that:

9 (a) provides inpatient care to ill or injured persons
 10 prior to their transportation to a hospital or provides
 11 inpatient medical care to persons needing that care for a
 12 period of no longer than 96 hours; and

13 (b) either is located in a county with fewer than six
 14 residents per square mile or is located more than 35 road
 15 miles from the nearest hospital.

16 (30) "Mental health center" means a facility providing
 17 services for the prevention or diagnosis of mental illness,
 18 the care and treatment of mentally ill patients or the
 19 rehabilitation of such persons, or any combination of these
 20 services.

21 (31) "Nonprofit health care facility" means a health
 22 care facility owned or operated by one or more nonprofit
 23 corporations or associations.

24 (32) "Observation bed" means a bed occupied for not more
 25 than 6 hours by a patient recovering from surgery or other

1 treatment.

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

4 (34) "Outpatient facility" means a facility, located in
5 or apart from a hospital, providing, under the direction of
6 a licensed physician, either diagnosis or treatment, or
7 both, to ambulatory patients in need of medical, surgical,
8 or mental care. An outpatient facility may have observation
9 beds.

10 (35) "Patient" means an individual obtaining services,
11 including skilled nursing care, from a health care facility.

12 (36) "Person" means any individual, firm, partnership,
13 association, organization, agency, institution, corporation,
14 trust, estate, or governmental unit, whether organized for
15 profit or not.

16 (37) "Public health center" means a publicly owned
17 facility providing health services, including laboratories,
18 clinics, and administrative offices.

19 (38) "Rehabilitation facility" means a facility which is
20 operated for the primary purpose of assisting in the
21 rehabilitation of disabled persons by providing
22 comprehensive medical evaluations and services,
23 psychological and social services, or vocational evaluation
24 and training or any combination of these services and in
25 which the major portion of the services is furnished within

1 the facility.

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

4 (40) "Residential psychiatric care" means active
5 psychiatric treatment provided in a residential treatment
6 facility to psychiatrically impaired individuals with
7 persistent patterns of emotional, psychological, or
8 behavioral dysfunction of such severity as to require
9 24-hour supervised care to adequately treat or remedy the
10 individual's condition. Residential psychiatric care must be
11 individualized and designed to achieve the patient's
12 discharge to less restrictive levels of care at the earliest
13 possible time.

14 (41) "Residential treatment facility" means a facility
15 operated for the primary purpose of providing residential
16 psychiatric care to persons under 21 years of age.

17 (42) "State health plan" means the plan prepared by the
18 department to project the need for health care facilities
19 within Montana and approved by the statewide health
20 coordinating council and the governor."

21 **Section 2.** Section 50-5-210, MCA, is amended to read:

22 "50-5-210. Department to make rules -- standards for
23 hospices. (1) The department shall by rule establish
24 standards for the licensure of a hospice. These standards
25 must consider the terminally ill patient and his the

1 patient's family as a unit and require service delivery
 2 through a medically directed interdisciplinary team of
 3 professionals and volunteers acting under a defined hospice
 4 administration.

5 (2) A hospice must meet the standards of care defined
 6 by law for any skilled care it provides that normally would
 7 be provided by a licensed facility such as a hospital,
 8 skilled nursing facility, or home health agency.

9 (3) The department shall by rule establish standards
 10 for the licensure of a residential hospice facility.

11 (4) The department shall by rule establish standards
 12 for the licensure of a freestanding inpatient hospice
 13 facility in accordance with medicare certification
 14 regulations contained in 42 CFR, part 418, subparts C
 15 through E, as adopted by the department. To be licensed by
 16 the department, the facility must be managed directly by a
 17 medicare-certified hospice."

18 ~~NEW SECTION--Section 3--Effective--date--{This-act}-is--~~
 19 ~~effective-on-passage-and-approval-~~

-End-