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House BILL NO. *359*
INTRODUCED BY *Zastan* *Pat Dammit* *Cobb* *Feland* *Resk*
McCum *Richardson* *Bussard* *John Johnson*

A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO HEALTH CARE FACILITIES; ALLOWING A MEDICAL ASSISTANCE FACILITY TO PROVIDE INPATIENT CARE TO PERSONS FOR MORE THAN 96 HOURS IN CERTAIN CASES; PROVIDING THAT THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES MAY LICENSE ONLY HOSPITALS WITHIN THE STATE ON THE BASIS OF ACCREDITATION BY THE JOINT COMMISSION ON ACCREDITATION OF HEALTH CARE ORGANIZATIONS; AMENDING SECTIONS 50-5-101 AND 50-5-103, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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, that provides adults, on a regularly scheduled basis, with the care necessary to meet the needs of daily living but that does not provide overnight care.
- (3) (a) "Adult foster care home" means a private home that offers light personal care or custodial care to four or fewer disabled adults or aged persons who are not related by blood or marriage to the owner of the home.
- (b) As used in this subsection (3), the following definitions apply:
 - (i) "Aged person" means a person as defined by department rule as aged.
 - (ii) "Custodial care" means providing a sheltered, family-type setting for an aged person or disabled adult so as to provide for the person's basic needs of food and shelter and to ensure that a specific person is available to meet those basic needs.
 - (iii) "Disabled adult" means a person who is 18 years of age or older and who is defined by department rule as disabled.
 - (iv) "Light personal care" means assisting the aged person or disabled adult in accomplishing such

1 personal hygiene tasks as bathing, dressing, hair grooming, and supervision of prescriptive medicine
2 administration. The term does not include the administration of prescriptive medications.

3 (4) "Affected person" means an applicant for a certificate of need, a health care facility located
4 in the geographic area affected by the application, an agency that establishes rates for health care facilities,
5 or a third-party payer who reimburses health care facilities in the area affected by the proposal.

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

9 (6) "Capital expenditure" means:

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

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

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

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

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

24 (10) "College of American pathologists" means the organization nationally recognized by that name,
25 with headquarters in Traverse City, Michigan, that surveys clinical laboratories upon their requests and
26 accredits clinical laboratories that it finds meet its standards and requirements.

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

30 (12) "Construction" means the physical erection of a health care facility and any stage of the

1 physical erection, including groundbreaking, or remodeling, replacement, or renovation of an existing health
2 care facility.

3 (13) "Department" means the department of public health and human services provided for in
4 2-15-2201.

5 (14) "End-stage renal dialysis facility" means a facility that specializes in the treatment of kidney
6 diseases and includes freestanding hemodialysis units.

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

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

10 (17) "Health care facility" or "facility" means all or a portion of an institution, building, or agency,
11 private or public, excluding federal facilities, whether organized for profit or not, that is used, operated, or
12 designed to provide health services, medical treatment, or nursing, rehabilitative, or preventive care to any
13 individual. The term does not include offices of private physicians or dentists. The term includes ambulatory
14 surgical facilities, chemical dependency facilities, end-stage renal dialysis facilities, health maintenance
15 organizations, home health agencies, home infusion therapy agencies, hospices, hospitals, infirmaries,
16 long-term care facilities, medical assistance facilities, mental health centers, outpatient facilities, public
17 health centers, rehabilitation facilities, residential care facilities, and residential treatment facilities.

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

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

25 (20) "Home infusion therapy agency" means a health care facility that provides home infusion
26 therapy services.

27 (21) "Home infusion therapy services" means the preparation, administration, or furnishing of
28 parenteral medications or parenteral or enteral nutritional services to an individual in that individual's
29 residence. The services include an educational component for the patient, the patient's caregiver, or the
30 patient's family member.

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

- 6 (a) an inpatient hospice facility, which is a facility managed directly by a medicare-certified hospice
7 that meets all medicare certification regulations for freestanding inpatient hospice facilities; and
8 (b) a residential hospice facility, which is a facility managed directly by a licensed hospice program
9 that can house three or more hospice patients.

10 (23) "Hospital" means a facility providing, by or under the supervision of licensed physicians,
11 services for medical diagnosis, treatment, rehabilitation, and care of injured, disabled, or sick individuals.
12 Services provided may or may not include obstetrical care, emergency care, or any other service allowed
13 by state licensing authority. A hospital has an organized medical staff that is on call and available within
14 20 minutes, 24 hours per day, 7 days per week, and provides 24-hour nursing care by licensed registered
15 nurses. The term includes hospitals specializing in providing health services for psychiatric, mentally
16 retarded, and tubercular patients.

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

- 19 (a) an "infirmiry--A" provides outpatient and inpatient care;
20 (b) an "infirmiry--B" provides outpatient care only.

21 (25) "Joint commission on accreditation of hospitals" means the organization nationally recognized
22 by that name with headquarters in Chicago, Illinois, that surveys health care facilities upon their requests
23 and grants accreditation status to a health care facility that it finds meets its standards and requirements.

24 (26) (a) "Long-term care facility" means a facility or part of a facility that provides skilled nursing
25 care, residential care, intermediate nursing care, or intermediate developmental disability care to a total of
26 two or more individuals or that provides personal care. The term does not include community homes for
27 persons with developmental disabilities licensed under 53-20-305; community homes for persons with
28 severe disabilities, licensed under 52-4-203; youth care facilities, licensed under 41-3-1142; hotels, motels,
29 boardinghouses, roominghouses, or similar accommodations providing for transients, students, or
30 individuals who do not require institutional health care; or juvenile and adult correctional facilities operating

1 under the authority of the department of corrections.

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

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

7 (d) "Intermediate developmental disability care" means the provision of nursing care services,
8 health-related services, and social services for persons with developmental disabilities, as defined in
9 53-20-102(4), or for individuals with related problems.

10 (e) "Personal care" means the provision of services and care for residents who need some
11 assistance in performing the activities of daily living.

12 (27) "Major medical equipment" means a single unit of medical equipment or a single system of
13 components with related functions that is used to provide medical or other health services and that costs
14 a substantial sum of money.

15 (28) "Medical assistance facility" means a facility that meets both of the following:

16 (a) provides inpatient care to ill or injured individuals ~~prior to~~ before their transportation to a hospital
17 or that provides inpatient medical care to individuals needing that care for a period of no longer than 96
18 hours unless a longer period is required because transfer to a hospital is precluded because of inclement
19 weather or emergency conditions. The department or its designee may, upon request, waive the 96-hour
20 restriction on a case-by-case basis; ~~and~~

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

23 (29) "Mental health center" means a facility providing services for the prevention or diagnosis of
24 mental illness, the care and treatment of mentally ill patients, the rehabilitation of mentally ill individuals,
25 or any combination of these services.

26 (30) "Nonprofit health care facility" means a health care facility owned or operated by one or more
27 nonprofit corporations or associations.

28 (31) "Observation bed" means a bed occupied by a patient recovering from surgery or other
29 treatment.

30 (32) "Offer" means the representation by a health care facility that it can provide specific health

1 services.

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

5 (34) "Patient" means an individual obtaining services, including skilled nursing care, from a health
6 care facility.

7 (35) "Person" means an individual, firm, partnership, association, organization, agency, institution,
8 corporation, trust, estate, or governmental unit, whether organized for profit or not.

9 (36) "Personal-care facility" means a facility in which personal care is provided for residents in either
10 a category A facility or a category B facility as provided in 50-5-227.

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

13 (38) "Rehabilitation facility" means a facility that is operated for the primary purpose of assisting
14 in the rehabilitation of disabled individuals by providing comprehensive medical evaluations and services,
15 psychological and social services, or vocational evaluation and training or any combination of these services
16 and in which the major portion of the services is furnished within the facility.

17 (39) "Resident" means an individual who is in a long-term care facility or in a residential care facility.

18 (40) "Residential care facility" means an adult day-care center, an adult foster care home, a
19 personal-care facility, or a retirement home.

20 (41) "Residential psychiatric care" means active psychiatric treatment provided in a residential
21 treatment facility to psychiatrically impaired individuals with persistent patterns of emotional, psychological,
22 or behavioral dysfunction of such severity as to require 24-hour supervised care to adequately treat or
23 remedy the individual's condition. Residential psychiatric care must be individualized and designed to
24 achieve the patient's discharge to less restrictive levels of care at the earliest possible time.

25 (42) "Residential treatment facility" means a facility operated for the primary purpose of providing
26 residential psychiatric care to individuals under 21 years of age.

27 (43) "Retirement home" means a building or buildings in which separate living accommodations are
28 rented or leased to individuals who use those accommodations as their primary residence.

29 (44) "State health plan" means the plan prepared by the department to project the need for health
30 care facilities within Montana and approved by the statewide health coordinating council and the governor."

1 **Section 2.** Section 50-5-103, MCA, is amended to read:

2 "**50-5-103. Rules and standards -- accreditation by joint commission.** (1) The department shall
3 ~~promulgate and~~ adopt rules and minimum standards for implementation of parts 1 and 2.

4 (2) Any facility covered by this chapter ~~shall~~ must comply with the state and federal requirements
5 relating to construction, equipment, and fire and life safety.

6 (3) The department shall extend a reasonable time for compliance with rules for parts 1 and 2 upon
7 adoption.

8 (4) Any hospital located in this state that furnishes written evidence required by the department,
9 including the recommendation for future compliance statements to the department of its accreditation
10 granted by the joint commission on accreditation of health care organizations, is eligible for licensure in the
11 state for the accreditation period and may not be subjected to an inspection by the department for purposes
12 of the licensing process. The department may, in addition to its inspection authority in 50-5-116, inspect
13 any licensed health care facility to answer specific complaints made in writing by any person against the
14 facility when the complaints pertain to licensing requirements. Inspection by the department upon a specific
15 complaint made in writing pertaining to licensing requirements is limited to the specific area or condition
16 of the health care facility to which the complaint pertains.

17 (5) The department may consider as eligible for licensure during the accreditation period any health
18 care facility located in this state, other than a hospital, that furnishes written evidence, including the
19 recommendation for future compliance statements, of its accreditation by the joint commission on
20 accreditation of health care organizations. The department may inspect a health care facility considered
21 eligible for licensure under this section to ensure compliance with state licensure standards."
22

23 **NEW SECTION. Section 3. Effective date.** [This act] is effective on passage and approval.
24

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0359, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

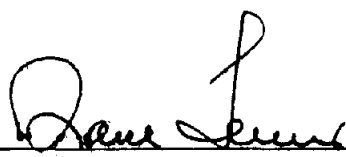
An act relating to health care facilities; allowing a medical assistance facility to provide inpatient care to persons for more than 96 hours in certain cases; providing that the Department of Public Health and Human Services may license only hospitals within the state on the basis of accreditation by the Joint Commission on Accreditation of Health Care Organizations.

ASSUMPTIONS:

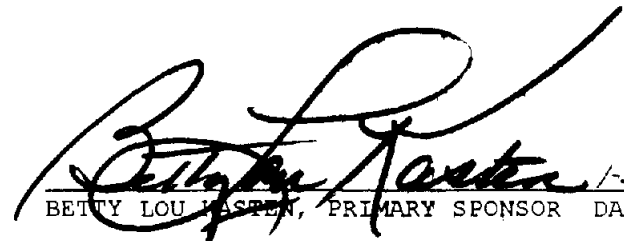
1. This proposal adds to the definition of a "medical assistance facility" that this facility provides inpatient care before transportation to a hospital for a period in excess of 96 hours when required because of inclement weather or emergency conditions.
2. This proposal allows the Department of Public Health and Human Services or its designee to waive the 96-hour limitation for inpatient care by a medical assistance facility on a case-by-case basis.

FISCAL IMPACT:

There is no fiscal impact to DPHHS as a result of HB 359.

 1-29-97

DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

 1-30-97

BETTY LOU MASTEN, PRIMARY SPONSOR DATE

Fiscal Note for HB0359, as introduced

HB 359

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INTRODUCED BY

House BILL NO. *359*
Zetter *24 Bennett* *Cobb* *Feland* *Peck*
McCann *McIntyre* *Burgess* *John Johnson*

A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO HEALTH CARE FACILITIES; ALLOWING A MEDICAL ASSISTANCE FACILITY TO PROVIDE INPATIENT CARE TO PERSONS FOR MORE THAN 96 HOURS IN CERTAIN CASES; PROVIDING THAT THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES MAY LICENSE ONLY HOSPITALS WITHIN THE STATE ON THE BASIS OF ACCREDITATION BY THE JOINT COMMISSION ON ACCREDITATION OF HEALTH CARE ORGANIZATIONS; AMENDING SECTIONS 50-5-101 AND 50-5-103, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

THERE ARE NO CHANGES IN THIS BILL AND IT WILL NOT BE REPRINTED. PLEASE REFER TO INTRODUCED COPY (WHITE) FOR COMPLETE TEXT.

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House BILL NO. *359*
INTRODUCED BY *Zastan* *Pat Bennett* *Cobb* *Feland* *Peck*
McCum *Richardson* *Bugwood* *Johnson*

A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO HEALTH CARE FACILITIES; ALLOWING A MEDICAL ASSISTANCE FACILITY TO PROVIDE INPATIENT CARE TO PERSONS FOR MORE THAN 96 HOURS IN CERTAIN CASES; PROVIDING THAT THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES MAY LICENSE ONLY HOSPITALS WITHIN THE STATE ON THE BASIS OF ACCREDITATION BY THE JOINT COMMISSION ON ACCREDITATION OF HEALTH CARE ORGANIZATIONS; AMENDING SECTIONS 50-5-101 AND 50-5-103, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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APPROVED BY COM ON PUBLIC HEALTH, WELFARE & SAFETY

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House BILL NO. *359*
INTRODUCED BY *Zetser* *Pat Bennett* *Cobb* *Feland* *Peck*
McCann *Richardson* *Bugwood* *John Johnson*

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1 HOUSE BILL NO. 359

2 INTRODUCED BY KASTEN, MCNUTT, BARNHART, COBB, FELAND, PECK, MCCANN, DEBRUYCKER,
3 BERSAGEL, J. JOHNSON

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO HEALTH CARE FACILITIES; ALLOWING A
6 MEDICAL ASSISTANCE FACILITY TO PROVIDE INPATIENT CARE TO PERSONS FOR MORE THAN 96
7 HOURS IN CERTAIN CASES; PROVIDING THAT THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN
8 SERVICES MAY LICENSE ONLY HOSPITALS WITHIN THE STATE ON THE BASIS OF ACCREDITATION BY
9 THE JOINT COMMISSION ON ACCREDITATION OF HEALTH CARE ORGANIZATIONS; AMENDING
10 SECTIONS 50-5-101 AND 50-5-103, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

11
12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13
14 **Section 1.** Section 50-5-101, MCA, is amended to read:

15 **"50-5-101. Definitions.** As used in parts 1 through 4 of this chapter, unless the context clearly
16 indicates otherwise, the following definitions apply:

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

18 (2) "Adult day-care center" means a facility, freestanding or connected to another health care
19 facility, that provides adults, on a regularly scheduled basis, with the care necessary to meet the needs of
20 daily living but that does not provide overnight care.

21 (3) (a) "Adult foster care home" means a private home that offers light personal care or custodial
22 care to four or fewer disabled adults or aged persons who are not related by blood or marriage to the owner
23 of the home.

24 (b) As used in this subsection (3), the following definitions apply:

25 (i) "Aged person" means a person as defined by department rule as aged.

26 (ii) "Custodial care" means providing a sheltered, family-type setting for an aged person or disabled
27 adult so as to provide for the person's basic needs of food and shelter and to ensure that a specific person
28 is available to meet those basic needs.

29 (iii) "Disabled adult" means a person who is 18 years of age or older and who is defined by
30 department rule as disabled.

1 (iv) "Light personal care" means assisting the aged person or disabled adult in accomplishing such
2 personal hygiene tasks as bathing, dressing, hair grooming, and supervision of prescriptive medicine
3 administration. The term does not include the administration of prescriptive medications.

4 (4) "Affected person" means an applicant for a certificate of need, a health care facility located
5 in the geographic area affected by the application, an agency that establishes rates for health care facilities,
6 or a third-party payer who reimburses health care facilities in the area affected by the proposal.

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

10 (6) "Capital expenditure" means:

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

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

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24 prevention, or treatment of a disease or assessment of a medical condition.

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27 accredits clinical laboratories that it finds meet its standards and requirements.

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14 individual. The term does not include offices of private physicians or dentists. The term includes ambulatory
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30 residence. The services include an educational component for the patient, the patient's caregiver, or the

1 patient's family member.

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4 family arising out of physical, psychological, spiritual, social, and economic stresses experienced during the
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6 The term includes:

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9 (b) a residential hospice facility, which is a facility managed directly by a licensed hospice program
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30 boardinghouses, roominghouses, or similar accommodations providing for transients, students, or

1 individuals who do not require institutional health care; or juvenile and adult correctional facilities operating
2 under the authority of the department of corrections.

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5 (c) "Intermediate nursing care" means the provision of nursing care services, health-related
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7 nursing care.

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10 53-20-102(4), or for individuals with related problems.

11 (e) "Personal care" means the provision of services and care for residents who need some
12 assistance in performing the activities of daily living.

13 (27) "Major medical equipment" means a single unit of medical equipment or a single system of
14 components with related functions that is used to provide medical or other health services and that costs
15 a substantial sum of money.

16 (28) "Medical assistance facility" means a facility that meets both of the following:

17 (a) provides inpatient care to ill or injured individuals ~~prior to~~ before their transportation to a hospital
18 or that provides inpatient medical care to individuals needing that care for a period of no longer than 96
19 hours unless a longer period is required because transfer to a hospital is precluded because of inclement
20 weather or emergency conditions. The department or its designee may, upon request, waive the 96-hour
21 restriction on a case-by-case basis, and

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

24 (29) "Mental health center" means a facility providing services for the prevention or diagnosis of
25 mental illness, the care and treatment of mentally ill patients, the rehabilitation of mentally ill individuals,
26 or any combination of these services.

27 (30) "Nonprofit health care facility" means a health care facility owned or operated by one or more
28 nonprofit corporations or associations.

29 (31) "Observation bed" means a bed occupied by a patient recovering from surgery or other
30 treatment.

1 (32) "Offer" means the representation by a health care facility that it can provide specific health
2 services.

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

6 (34) "Patient" means an individual obtaining services, including skilled nursing care, from a health
7 care facility.

8 (35) "Person" means an individual, firm, partnership, association, organization, agency, institution,
9 corporation, trust, estate, or governmental unit, whether organized for profit or not.

10 (36) "Personal-care facility" means a facility in which personal care is provided for residents in either
11 a category A facility or a category B facility as provided in 50-5-227.

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

14 (38) "Rehabilitation facility" means a facility that is operated for the primary purpose of assisting
15 in the rehabilitation of disabled individuals by providing comprehensive medical evaluations and services,
16 psychological and social services, or vocational evaluation and training or any combination of these services
17 and in which the major portion of the services is furnished within the facility.

18 (39) "Resident" means an individual who is in a long-term care facility or in a residential care facility.

19 (40) "Residential care facility" means an adult day-care center, an adult foster care home, a
20 personal-care facility, or a retirement home.

21 (41) "Residential psychiatric care" means active psychiatric treatment provided in a residential
22 treatment facility to psychiatrically impaired individuals with persistent patterns of emotional, psychological,
23 or behavioral dysfunction of such severity as to require 24-hour supervised care to adequately treat or
24 remedy the individual's condition. Residential psychiatric care must be individualized and designed to
25 achieve the patient's discharge to less restrictive levels of care at the earliest possible time.

26 (42) "Residential treatment facility" means a facility operated for the primary purpose of providing
27 residential psychiatric care to individuals under 21 years of age.

28 (43) "Retirement home" means a building or buildings in which separate living accommodations are
29 rented or leased to individuals who use those accommodations as their primary residence.

30 (44) "State health plan" means the plan prepared by the department to project the need for health

1 care facilities within Montana and approved by the statewide health coordinating council and the governor."

2

3 **Section 2.** Section 50-5-103, MCA, is amended to read:

4 **"50-5-103. Rules and standards -- accreditation by joint commission.** (1) The department shall
5 ~~promulgate and~~ adopt rules and minimum standards for implementation of parts 1 and 2.

6 (2) Any facility covered by this chapter ~~shall~~ must comply with the state and federal requirements
7 relating to construction, equipment, and fire and life safety.

8 (3) The department shall extend a reasonable time for compliance with rules for parts 1 and 2 upon
9 adoption.

10 (4) Any hospital located in this state that furnishes written evidence required by the department,
11 including the recommendation for future compliance statements to the department of its accreditation
12 granted by the joint commission on accreditation of health care organizations, is eligible for licensure in the
13 state for the accreditation period and may not be subjected to an inspection by the department for purposes
14 of the licensing process. The department may, in addition to its inspection authority in 50-5-116, inspect
15 any licensed health care facility to answer specific complaints made in writing by any person against the
16 facility when the complaints pertain to licensing requirements. Inspection by the department upon a specific
17 complaint made in writing pertaining to licensing requirements is limited to the specific area or condition
18 of the health care facility to which the complaint pertains.

19 (5) The department may consider as eligible for licensure during the accreditation period any health
20 care facility located in this state, other than a hospital, that furnishes written evidence, including the
21 recommendation for future compliance statements, of its accreditation by the joint commission on
22 accreditation of health care organizations. The department may inspect a health care facility considered
23 eligible for licensure under this section to ensure compliance with state licensure standards."

24

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

26

-END-