



Reprinted
March 2, 2018

ENGROSSED SENATE BILL No. 243

DIGEST OF SB 243 (Updated March 1, 2018 3:00 pm - DI 104)

Citations Affected: Noncode.

Synopsis: Hospital licensure task force. Establishes a task force to review state regulations regarding the licensure of acute care hospitals, sub-acute care hospitals, and recovery centers in Indiana. Requires the task force to provide recommendations to the public health, behavioral health, and human services interim study committee before July 1, 2018.

Effective: Upon passage.

**Charbonneau, Bray,
Randolph Lonnie M**

(HOUSE SPONSORS — BROWN T, BROWN C)

January 3, 2018, read first time and referred to Committee on Health and Provider Services.

February 1, 2018, amended, reported favorably — Do Pass.

February 5, 2018, read second time, amended, ordered engrossed.

February 6, 2018, engrossed. Read third time, passed. Yeas 48, nays 0.

HOUSE ACTION

February 12, 2018, read first time and referred to Committee on Public Health.

February 26, 2018, amended, reported — Do Pass.

March 1, 2018, read second time, amended, ordered engrossed.

ES 243—LS 6730/DI 104



Reprinted
March 2, 2018

Second Regular Session 120th General Assembly (2018)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2017 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 243

A BILL FOR AN ACT concerning health.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. [EFFECTIVE UPON PASSAGE] (a) **The hospital**
2 **licensure task force is established for the purpose of reviewing state**
3 **regulations regarding the licensure of acute care hospitals,**
4 **sub-acute care hospitals, and recovery centers in Indiana. Before**
5 **July 1, 2018, the task force shall make any recommendations for**
6 **changes to the licensure regulations to the public health, behavioral**
7 **health, and human services interim study committee (IC 2-5-1.3-4).**
8 **(b) The task force consists of the following members:**
9 **(1) The state health commissioner or the commissioner's**
10 **designee, acting as the chairperson of the task force.**
11 **(2) One (1) member of the state department with experience**
12 **in licensure of acute care hospitals, appointed by the**
13 **commissioner.**
14 **(3) Three (3) representatives of the Indiana Hospital**
15 **Association, appointed by the chairperson of the Indiana**
16 **Hospital Association Board.**
17 **(4) One (1) representative of the Indiana State Medical**
18 **Association, appointed by the president of the Indiana State**

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- 1 **Medical Association.**
- 2 **(5) One (1) representative of the National Federation of**
- 3 **Independent Business (NFIB) who has a least three (3) years**
- 4 **of direct business experience with a hospital, appointed by the**
- 5 **National Federation of Independent Business Indiana state**
- 6 **director.**
- 7 **(6) One (1) member appointed by the governor from a**
- 8 **recommendation list submitted to the governor by AARP, Inc.**
- 9 **(7) The secretary of family and social services appointed**
- 10 **under IC 12-8-1.5-2 or the secretary's designee.**
- 11 **(8) One (1) member appointed by the governor from a**
- 12 **recommendation list submitted to the governor by the Indiana**
- 13 **Minority Health Coalition.**
- 14 **(c) The affirmative votes of at least a majority of the task force**
- 15 **members is necessary for any action to be taken by the task force,**
- 16 **including making any recommendations to the public health,**
- 17 **behavioral health, and human services interim study committee.**
- 18 **(d) The task force shall issue its recommendations to the public**
- 19 **health, behavioral health, and human services interim study**
- 20 **committee in an electronic format under IC 5-14-6.**
- 21 **(e) This SECTION expires July 1, 2018.**
- 22 **SECTION 2. An emergency is declared for this act.**



COMMITTEE REPORT

Madam President: The Senate Committee on Health and Provider Services, to which was referred Senate Bill No. 243, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Replace the effective dates in SECTIONS 1 through 2 with "[EFFECTIVE UPON PASSAGE]".

Page 1, between lines 7 and 8, begin a new line single block indented and insert:

"(3) A hospital designated by the Medicaid program as a long term care hospital.

(4) A Medicare certified freestanding rehabilitation hospital."

Page 2, line 17, delete "a license" and insert "**an initial license**".

Page 2, line 18, delete "is primarily engaged in providing".

Page 2, line 19, delete "inpatient services by demonstrating" and insert "**meets**".

Page 2, delete lines 26 through 29.

Page 2, line 30, delete "(f)" and insert "**(e)**".

Page 2, line 37, delete "(g)" and insert "**(f)**".

Page 2, line 37, delete "deny, suspend, or revoke" and insert "**deny**".

Page 2, between lines 39 and 40, begin a new paragraph and insert:

"(g) This section expires July 1, 2019."

Page 3, delete lines 4 through 27, begin a new line block indented and insert:

"(3) A hospital designated by the Medicaid program as a long term care hospital.

(4) A Medicare certified freestanding rehabilitation hospital.

(b) Except as provided in subsection (c), the state department may only issue a new license under this article to an entity that is applying under this article to be included under an already existing acute care license.

(c) If an applicant is seeking a separate acute care license under this article, the applicant must either:

(1) be owned and operated by an entity; or

(2) be owned and operated by an entity that owns another facility;

that already holds an acute care license under this article.

(d) This section expires July 1, 2019.

SECTION 3. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "commissioner" refers to the state health commissioner under IC 16-19-4.**



(b) As used in this SECTION, "executive board" refers to the executive board of the state department of health established by IC 16-19-2-1.

(c) As used in this SECTION, "state department" refers to the state department of health established by IC 16-19-1-1.

(d) The hospital licensure task force is established for the purpose of reviewing state regulations regarding the licensure of acute care hospitals in Indiana. Before July 1, 2018, the task force shall make any recommendations for changes to the licensure statutes or regulations to the executive board.

(e) The task force shall consist of four (4) members as follows:

(1) The state health commissioner or the commissioner's designee, acting as the chairperson of the task force.

(2) One (1) member of the state department with experience in licensure of acute care hospitals, appointed by the commissioner.

(3) Two (2) representatives of the Indiana Hospital Association, appointed by the commissioner from a recommendation list submitted to the commissioner by the Indiana Hospital Association.

(f) The affirmative votes of at least three (3) task force members is necessary for any action to be taken by the task force, including making any recommendations to the executive board.

(g) The executive board shall review any recommendation from the task force and either approve or reject the recommendation without modification.

(h) If the executive board approves a recommendation by the task force, the state department may adopt rules under IC 4-22-2 necessary to implement the recommendation.

(i) This SECTION expires June 30, 2019.

SECTION 4. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 243 as introduced.)

CHARBONNEAU, Chairperson

Committee Vote: Yeas 10, Nays 0.



SENATE MOTION

Madam President: I move that Senate Bill 243 be amended to read as follows:

Page 2, line 20, delete "To" and insert "**Beginning March 21, 2018, to**".

Page 2, line 20, delete "chapter," and insert "**chapter and to continue to maintain the initial license,**".

Page 2, line 37, after "expires" insert "**the later of the following:**

(1) If the executive board approves a recommendation by the hospital licensure task force under section 3.9(d) of this chapter, the date on which the rules adopted by the state department under section 3.9(e) take effect.

(2)".

Page 3, delete lines 6 through 24, begin a new paragraph and insert:

"(b) Beginning March 21, 2018, if an applicant with less than twenty (20) inpatient beds is seeking to operate as a hospital under this article, the applicant must be:

(1) listed as an additional location to an acute care license already held by; and

(2) owned and operated by;

an entity permitted to hold an acute care license as authorized under this article.

(c) This section expires the later of the following:

(1) If the executive board approves a recommendation by the hospital licensure task force under section 3.9(d) of this chapter, the date on which the rules adopted by the state department under section 3.9(e) take effect.

(2) July 1, 2019.

SECTION 3. IC 16-21-2-3.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 3.9. (a)".**

Page 3, line 25, delete "(d)".

Page 3, line 29, delete "statutes or".

Page 3, line 30, delete "(e)" and insert "**(b)**".

Page 3, line 40, delete "(f)" and insert "**(c)**".

Page 4, line 1, delete "(g)" and insert "**(d)**".

Page 4, line 4, delete "(h)" and insert "**(e)**".



Page 4, line 5, delete "may" and insert "**shall**".

Page 4, line 7, delete "(i) This SECTION" and insert "**(f) This section**".

(Reference is to SB 243 as printed February 2, 2018.)

CHARBONNEAU

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Senate Bill 243, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT concerning health.

Page 1, delete lines 1 through 17.

Delete page 2.

Page 3, delete lines 1 through 27, begin a new paragraph and insert: "SECTION 1. [EFFECTIVE UPON PASSAGE]".

Page 3, line 28, delete "UPON PASSAGE]; Sec. 3.9.".

Page 3, line 32, delete "executive board." and insert "**public health, behavioral health, and human services interim study committee (IC 2-5-1.3-4)**".

Page 3, delete lines 33 through 42, begin a new paragraph and insert:

"(b) The task force consists of the following members:

(1) The state health commissioner or the commissioner's designee, acting as the chairperson of the task force.

(2) One (1) member of the state department with experience in licensure of acute care hospitals, appointed by the commissioner.

(3) Three (3) representatives of the Indiana Hospital Association, appointed by the chairperson of the Indiana Hospital Association Board.

(4) One (1) representative of the Indiana State Medical Association, appointed by the president of the Indiana State Medical Association.

(5) One (1) representative of the National Federation of Independent Business (NFIB) who has a least three (3) years of direct business experience with a hospital, appointed by the



National Federation of Independent Business Indiana state director.

(c) The affirmative votes of at least a majority of the task force members is necessary for any action to be taken by the task force, including making any recommendations to the public health, behavioral health, and human services interim study committee.

(d) The task force shall issue its recommendations to the public health, behavioral health, and human services interim study committee in an electronic format under IC 5-14-6.

(e) This SECTION expires July 1, 2018."

Page 4, delete lines 1 through 10.

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 243 as reprinted February 6, 2018.)

KIRCHHOFER

Committee Vote: yeas 8, nays 0.

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 243 be amended to read as follows:

Page 1, line 3, delete "hospitals" and insert "**hospitals, sub-acute care hospitals, and recovery centers**".

Page 2, between lines 6 and 7, begin a new line block indented and insert:

"(6) One (1) member appointed by the governor from a recommendation list submitted to the governor by AARP, Inc.

(7) The secretary of family and social services appointed under IC 12-8-1.5-2 or the secretary's designee.

(8) One (1) member appointed by the governor from a recommendation list submitted to the governor by the Indiana Minority Health Coalition."

(Reference is to ESB 243 as printed February 26, 2018.)

BROWN T

