

## SENATE BILL No. 460

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 12-10; IC 16-18-2; IC 16-28-2.5; IC 16-29-6-9.

**Synopsis:** Elder law matters. Requires the division of aging (division) to meet with stakeholders to assess Indiana's current adult protective services policies and prepare a report for the general assembly not later than November 1, 2015. Expires provisions concerning health facility preadmission screening assessment. Requires the division to meet with stakeholders to collaborate on changes to the health facility preadmission screening assessment process and report back to the general assembly before November 1, 2015. Prohibits the state department of health from approving: (1) the licensure of comprehensive care health facilities; (2) new or converted comprehensive care beds; or (3) the certification of new or converted comprehensive care beds for participation in the state Medicaid program; through June 30, 2018. Makes exceptions for certain facilities that are: (1) under development; (2) small house health facilities; (3) replacement facilities; (4) continuing care retirement communities; and (5) facilities located in counties whose comprehensive care bed occupancy rate exceeds 90%. Limits small house facilities to 100 new licensed or Medicaid certified comprehensive care beds per year.

**Effective:** June 30, 2015; July 1, 2015; July 2, 2015.

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### Miller Patricia

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January 14, 2015, read first time and referred to Committee on Health & Provider Services.

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First Regular Session 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

## SENATE BILL No. 460

A BILL FOR AN ACT to amend the Indiana Code concerning health.

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

- 1 SECTION 1. IC 12-10-3-30 IS AMENDED TO READ AS
- 2 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 30. **(a)** The division
- 3 shall report to the general assembly before February 2 of each year
- 4 concerning the division's activities under this chapter during the
- 5 preceding calendar year. The report must include the recommendations
- 6 of the division relating to the need for continuing care of endangered
- 7 adults under this chapter and must be in an electronic format under
- 8 IC 5-14-6.
- 9 **(b) The division shall meet with stakeholders, including**
- 10 **representatives of the following, to identify through caseload**
- 11 **studies and assess Indiana's current adult protective services**
- 12 **policies:**
  - 13 **(1) Law enforcement.**
  - 14 **(2) Financial institutions.**
  - 15 **(3) Legal associations representing the elderly.**
  - 16 **(4) Elderly advocacy groups.**



- 1           **(5) Hospitals.**  
 2           **(6) Health facilities.**  
 3           **(7) State agencies.**  
 4           **(8) Universities and other academic institutions.**

5           **Not later than November 1, 2015, the division shall submit a**  
 6           **written report to the general assembly in an electronic format**  
 7           **under IC 5-14-6 that provides a summary of the meetings held**  
 8           **under this subsection and any recommendations as a result of the**  
 9           **meetings.**

10           SECTION 2. IC 12-10-12-35 IS ADDED TO THE INDIANA  
 11           CODE AS A NEW SECTION TO READ AS FOLLOWS  
 12           [EFFECTIVE JULY 1, 2015]: **Sec. 35. (a) Before September 1, 2015,**  
 13           **the division shall meet with stakeholders, including representatives**  
 14           **of:**

- 15                   **(1) the area agencies on aging;**  
 16                   **(2) hospitals licensed under IC 16-21;**  
 17                   **(3) health facilities licensed under IC 16-28; and**  
 18                   **(4) other advocacy groups for the elderly;**

19           **to collaborate on the implementation of changes in the health**  
 20           **facility preadmission screening assessment process for individuals.**

21           **(b) Before November 1, 2015, the division shall submit a written**  
 22           **report to the general assembly in an electronic format under**  
 23           **IC 5-14-6 on any recommendations for statutory changes to the**  
 24           **health facility preadmission screening assessment process that**  
 25           **were determined in any meetings held under subsection (a).**

26           SECTION 3. IC 12-10-12-36 IS ADDED TO THE INDIANA  
 27           CODE AS A NEW SECTION TO READ AS FOLLOWS  
 28           [EFFECTIVE JULY 1, 2015]: **Sec. 36. This chapter expires June 30,**  
 29           **2016.**

30           SECTION 4. IC 16-18-2-67, AS AMENDED BY P.L.229-2011,  
 31           SECTION 155, IS AMENDED TO READ AS FOLLOWS  
 32           [EFFECTIVE JULY 2, 2015]: **Sec. 67. (a) "Comprehensive care**  
 33           **bed", for purposes of IC 16-28-2.5, has the meaning set forth in**  
 34           **IC 16-28-2.5-2.**

35                   **(a) "Comprehensive care bed", for purposes of IC 16-28-16, has the**  
 36                   **meaning set forth in IC 16-28-16-2.**

37                   **(b) "Comprehensive care bed", for purposes of IC 16-29-2, has the**  
 38                   **meaning set forth in IC 16-29-2-1.**

39           SECTION 5. IC 16-18-2-67.1 IS ADDED TO THE INDIANA  
 40           CODE AS A NEW SECTION TO READ AS FOLLOWS  
 41           [EFFECTIVE JULY 2, 2015]: **Sec. 67.1. "Comprehensive care health**  
 42           **facility", for purposes of IC 16-28-2.5, has the meaning set forth in**



1 **IC 16-28-2.5-3.**

2 SECTION 6. IC 16-18-2-316.6 IS ADDED TO THE INDIANA  
3 CODE AS A NEW SECTION TO READ AS FOLLOWS  
4 [EFFECTIVE JULY 2, 2015]: **Sec. 316.6. "Replacement facility", for**  
5 **purposes of IC 16-28-2.5, has the meaning set forth in**  
6 **IC 16-28-2.5-4.**

7 SECTION 7. IC 16-28-2.5 IS ADDED TO THE INDIANA CODE  
8 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
9 JULY 2, 2015]:

10 **Chapter 2.5. Licensure and Certification Limitations**

11 **Sec. 1. This chapter does not apply to the conversion of acute**  
12 **care beds to comprehensive care beds under IC 16-29-3.**

13 **Sec. 2. (a) As used in this chapter, "comprehensive care bed"**  
14 **means a bed that:**

- 15 (1) is within a comprehensive care health facility licensed  
16 under IC 16-28-2;  
17 (2) functions as a bed within a comprehensive care health  
18 facility licensed under IC 16-28-2; or  
19 (3) is otherwise subject to this article.

20 (b) The term does not include a comprehensive care bed that  
21 will be used solely to provide specialized services.

22 **Sec. 3. As used in this chapter, "comprehensive care health**  
23 **facility" means a health facility that provides:**

- 24 (1) nursing care;  
25 (2) room;  
26 (3) food;  
27 (4) laundry;  
28 (5) administration of medications;  
29 (6) special diets; and  
30 (7) treatments;

31 **and that may provide rehabilitative and restorative therapies**  
32 **under the order of an attending physician.**

33 **Sec. 4. As used in this chapter, "replacement facility" means a**  
34 **new comprehensive care health facility licensed under or subject**  
35 **to this article after July 1, 2015, that:**

- 36 (1) is constructed to take the place of an existing  
37 comprehensive care health facility that is licensed before July  
38 2, 2015;  
39 (2) is constructed within the same county of the existing  
40 comprehensive care health facility licensed before July 2,  
41 2015; and  
42 (3) contains no more comprehensive care beds than the



1 existing comprehensive care health facility licensed before  
2 July 2, 2015.

3 **Sec. 5. As used in this chapter, "under development" refers to**  
4 **a health facility license application:**

5 (1) to add, construct, or convert comprehensive care beds in  
6 a comprehensive care health facility that:

7 (A) is licensed under;

8 (B) is to be licensed under;

9 (C) is subject to; or

10 (D) will be subject to;

11 this article; and

12 (2) that meets all the following:

13 (A) Architectural plans have been completed.

14 (B) Funding to construct the comprehensive care health  
15 facility has been secured and is actively being drawn upon  
16 or otherwise used to further and complete construction.

17 (C) Zoning requirements have been met.

18 (D) Construction plans for the comprehensive care health  
19 facility have been submitted to the state department and  
20 the division of fire and building safety.

21 (E) Active and ongoing construction activities progressing  
22 to completion of the project are occurring at the project  
23 site.

24 **Sec. 6. (a) Except as provided in subsection (b), the state**  
25 **department may not approve the following:**

26 (1) The licensure of:

27 (A) comprehensive care health facilities; or

28 (B) new or converted comprehensive care beds.

29 (2) The certification of new or converted comprehensive care  
30 beds for participation in the state Medicaid program unless  
31 the statewide comprehensive care bed occupancy rate is more  
32 than ninety-five percent (95%), as calculated annually on  
33 January 1 by the state department.

34 (3) Transfer between any comprehensive care facilities of  
35 licensed comprehensive care beds or comprehensive care bed  
36 certifications for participation in the state Medicaid program.

37 **Beds in a health facility that provides residential nursing care**  
38 **under IC 16-28 may not be converted to comprehensive care beds.**

39 (b) This section does not apply to the following:

40 (1) A comprehensive care health facility that:

41 (A) is licensed under;

42 (B) is to be licensed under;



- 1           **(C) is subject to; or**  
 2           **(D) will be subject to;**  
 3           **this article and that is under development as of July 1, 2015.**  
 4           **(2) A small house health facility approved under section 7 of**  
 5           **this chapter.**  
 6           **(3) A replacement facility, whether or not the replacement**  
 7           **facility is under development before July 2, 2015. The existing**  
 8           **comprehensive care health facility that is being replaced by**  
 9           **the replacement facility:**  
 10           **(A) must no longer be licensed as a comprehensive care**  
 11           **health facility sixty (60) days after the replacement facility**  
 12           **obtains its license from the state department; and**  
 13           **(B) may transfer any of the comprehensive care beds to the**  
 14           **replacement facility.**  
 15           **(4) A continuing care retirement community that was**  
 16           **registered under IC 23-2 before July 2, 2015, and that**  
 17           **continuously maintains its registration under IC 23-2. If a**  
 18           **continuing care retirement community fails to maintain**  
 19           **registration under IC 23-2 after July 1, 2015, the**  
 20           **comprehensive care beds, including beds certified for use in**  
 21           **the state Medicaid program or the Medicare program, that**  
 22           **the continuing care retirement community previously**  
 23           **operated are not forfeited as long as the continuing care**  
 24           **retirement community continues to comply with the licensure**  
 25           **and certification requirements of this article.**  
 26           **(5) A comprehensive care health facility or a comprehensive**  
 27           **care bed that is to be added or certified in the state Medicaid**  
 28           **program in a county where the county's comprehensive care**  
 29           **bed occupancy rate exceeds ninety percent (90%), as**  
 30           **calculated by the state department on January 1 and July 1 of**  
 31           **each year. The number of comprehensive care beds allowed**  
 32           **under this subdivision may not exceed either:**  
 33           **(A) the number of beds that would cause the county**  
 34           **occupancy rate to fall below the statewide average; or**  
 35           **(B) seventy (70) comprehensive care beds per applicant.**  
 36           **(c) The state department shall make the final determination**  
 37           **concerning whether an entity has met or is meeting the**  
 38           **requirements of this chapter concerning being under development.**  
 39           **Sec. 7. (a) A small house health facility that is applying for**  
 40           **licensure under this article, including an entity related to the small**  
 41           **house health facility through common ownership or control, may**  
 42           **apply to the state department for licensure or Medicaid**



1 certification of not more than fifty (50) comprehensive care beds  
2 for small house health facilities per year.

3 (b) The state department may not approve licensure or  
4 Medicaid certification of more than one hundred (100) new  
5 comprehensive care beds per year that are designated for small  
6 house health facilities.

7 (c) The state department shall approve an application for  
8 licensure or Medicaid certification for a small house health facility:

9 (1) in the order of the completed application date; and

10 (2) if the small house health facility applicant meets the  
11 definition of a small house facility and the requirements of  
12 this section.

13 (d) A person that fails to complete construction and begin  
14 operation of a small house health facility within twelve (12) months  
15 after the state department's approval of a license under this article  
16 forfeit's the person's right to any licensed or Medicaid certified  
17 comprehensive care bed that was previously approved by the state  
18 department if:

19 (1) another person has applied to the state department for  
20 approval of licensed or Medicaid certified comprehensive care  
21 beds for a small house health facility; and

22 (2) the person's application was denied for the sole reason that  
23 the maximum number of Medicaid licensed or certified  
24 comprehensive care beds specified in this section has been  
25 approved by the state department.

26 **Sec. 8. This chapter expires June 30, 2018.**

27 SECTION 8. IC 16-29-6-9, AS ADDED BY P.L.229-2011,  
28 SECTION 164, IS AMENDED TO READ AS FOLLOWS  
29 [EFFECTIVE JUNE 30, 2015]: Sec. 9. This chapter expires at **11:59**  
30 **p.m. July 1, 2016: 2015.**

