

By: Reynolds

To: Public Health and
Welfare

HOUSE BILL NO. 1386
(As Passed the House)

1 AN ACT TO AMEND SECTION 41-7-187, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT COUNTY-OWNED HOSPITALS SHALL BE GIVEN PRIORITY IN
3 RECEIVING CERTIFICATES OF NEED FOR NURSING HOME BEDS WHENEVER MORE
4 THAN ONE APPLICATION IS MADE FOR NURSING HOME BEDS AND ONE OF THE
5 APPLICANTS IS A COUNTY-OWNED HOSPITAL, IF CERTAIN CONDITIONS ARE
6 MET; AND FOR RELATED PURPOSES.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

8 SECTION 1. Section 41-7-187, Mississippi Code of 1972, is
9 amended as follows:[RF1]

10 41-7-187. (1) The State Department of Health is * * *
11 authorized to develop and implement a statewide health care
12 certificate of need program. The State Department of Health is
13 authorized and empowered to adopt by rule and regulation:

14 (a) Criteria, standards and plans to be used in
15 evaluating applications for certificates of need;

16 (b) Effective standards to determine when a person,
17 facility or organization must apply for a certificate of need;

18 (c) Standards to determine when a change of ownership
19 has occurred or will occur; and

20 (d) Review procedures for conducting reviews of
21 applications for certificates of need.

22 (2) (a) As part of the criteria, standards and plans to be
23 used in evaluating applications for certificates of need that are
24 adopted by the State Department of Health under paragraph (a) of
25 subsection (1), the department shall include the following
26 criteria or standard: Whenever more than one (1) application is
27 made for a certificate of need for nursing facility beds, and one
28 (1) of the applicants is a county-owned hospital located in the

29 county where the nursing facility beds are available, the
30 department shall give priority to the county-owned hospital
31 located in the county where the nursing facility beds are
32 available in granting the certificate of need, if all of the
33 following conditions are met:

34 (i) The county-owned hospital fully meets all
35 applicable criteria and standards required to obtain a certificate
36 of need for the nursing facility beds;

37 (ii) The county-owned hospital's qualifications
38 for the certificate of need, as shown in its application and as
39 determined by the department, are at least equal to the
40 qualifications of the other applicants for the certificate of
41 need; and

42 (iii) The county-owned hospital has fewer than
43 seventy-five (75) nursing facility beds in any nursing facility
44 that is owned or leased by the hospital on July 1, 2000.

45 (b) Any county-owned hospital that obtains a
46 certificate of need for nursing facility beds by being given
47 priority under paragraph (a) of this subsection shall not be
48 allowed to sell or otherwise transfer the certificate of need so
49 obtained to any other person or entity, and shall not be allowed
50 to sell or otherwise transfer the nursing facility in which those
51 nursing facility beds are located to any other person or entity.
52 If a county-owned hospital that has obtained a certificate of need
53 for nursing facility beds by being given priority under paragraph
54 (a) of this subsection is sold or otherwise transferred by the
55 county, the county shall not be allowed to sell or otherwise
56 transfer the nursing facility in which those nursing facility beds
57 are located, but must retain ownership of the nursing facility in
58 the name of the county. No exception shall be allowed to the
59 provisions of this paragraph (b) unless there is an amendment to
60 this section by the Legislature that specifically authorizes such
61 an exception.

62 SECTION 2. This act shall take effect and be in force from
63 and after July 1, 2000.