By: Representative Holland

To: Public Health and Welfare; Appropriations

HOUSE BILL NO. 567

- AN ACT TO AMEND SECTIONS 43-11-1, 43-11-7, 43-11-9, 43-11-13, 1
- 41-7-191, 41-49-3, 43-7-55 AND 73-17-5, MISSISSIPPI CODE OF 1972, TO CHANGE REFERENCES TO "PERSONAL CARE" AND "PERSONAL CARE HOMES" TO "PERSONAL CARE/ASSISTED LIVING" AND "PERSONAL CARE HOMES/ASSISTED LIVING FACILITIES"; AND FOR RELATED PURPOSES. 2
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- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:
- 7 SECTION 1. Section 43-11-1, Mississippi Code of 1972, is
- amended as follows: 8
- 9 43-11-1. When used in this chapter, the following words
- shall have the following meaning: 10
- "Institutions for the aged or infirm" means a place 11 (a)
- either governmental or private that provides group living 12
- arrangements for four (4) or more persons who are unrelated to the 13
- 14 operator and who are being provided food, shelter and personal
- care/assisted living, whether any such place is organized or 15
- operated for profit or not. The term "institution for aged or 16
- infirm" includes nursing homes, pediatric skilled nursing 17
- facilities, psychiatric residential treatment facilities, 18
- 19 convalescent homes and homes for the aged, provided that these
- institutions fall within the scope of the definitions set forth 20
- above. The term "institution for the aged or infirm" does not 21
- 22 include hospitals, clinics or mental institutions devoted
- primarily to providing medical service. 23
- "Person" means any individual, firm, partnership, 24
- corporation, company, association or joint stock association, or 25
- any licensee herein or the legal successor thereof. 26
- 27 "Personal care/assisted living" means assistance
- rendered by personnel of the home to aged or infirm residents in 28

- 29 performing one or more of the activities of daily living, which
- 30 includes, but is not limited to, the bathing, walking, excretory
- 31 functions, feeding, personal grooming and dressing of the
- 32 residents.
- 33 (d) "Psychiatric residential treatment facility" means
- 34 any nonhospital establishment with permanent facilities which
- 35 provides a 24-hour program of care by qualified therapists
- 36 including, but not limited to, duly licensed mental health
- 37 professionals, psychiatrists, psychologists, psychotherapists and
- 38 licensed certified social workers, for emotionally disturbed
- 39 children and adolescents referred to the facility by a court,
- 40 local school district or by the Department of Human Services, who
- 41 are not in an acute phase of illness requiring the services of a
- 42 psychiatric hospital, and are in need of those restorative
- 43 treatment services. For purposes of this paragraph, the term
- 44 "emotionally disturbed" means a condition exhibiting one or more
- 45 of the following characteristics over a long period of time and to
- 46 a marked degree, which adversely affects educational performance:
- 1. An inability to learn that cannot be explained
- 48 by intellectual, sensory or health factors;
- 2. An inability to build or maintain satisfactory
- 50 relationships with peers and teachers;
- 3. Inappropriate types of behavior or feelings
- 52 under normal circumstances;
- 4. A general pervasive mood of unhappiness or
- 54 depression; or
- 5. A tendency to develop physical symptoms or
- 56 fears associated with personal or school problems. An
- 57 establishment furnishing primarily domiciliary care is not within
- 58 this definition.
- (e) "Pediatric skilled nursing facility" means an
- 60 institution or a distinct part of an institution that is primarily
- 61 engaged in providing to inpatients skilled nursing care and

- 62 related services for persons under twenty-one (21) years of age
- 63 who require medical or nursing care or rehabilitation services for
- 64 the rehabilitation of injured, disabled or sick persons.
- (f) "Licensing agency" means the State Department of
- 66 Health.
- 67 **SECTION 2.** Section 43-11-7, Mississippi Code of 1972, is
- 68 amended as follows:
- 69 43-11-7. An application for a license shall be made to the
- 70 licensing agency upon forms provided by it and shall contain such
- 71 information as the licensing agency reasonably requires, which may
- 72 include affirmative evidence of ability to comply with such
- 73 reasonable standards, rules and regulations as are lawfully
- 74 prescribed hereunder. Each application for a license for an
- 75 institution for the aged or infirm, except for personal care
- 76 homes/assisted living facilities, shall be accompanied by a
- 77 license fee of Twenty Dollars (\$20.00) for each bed in the
- 78 institution, with a minimum fee per institution of Two Hundred
- 79 Dollars (\$200.00), which shall be paid to the licensing agency.
- 80 Each application for a license for a personal care home/assisted
- 81 living facility shall be accompanied by a license fee of Fifteen
- 82 Dollars (\$15.00) for each bed in the institution, with a minimum
- 83 fee per institution of One Hundred Dollars (\$100.00), which shall
- 84 be paid to the licensing agency.
- No governmental entity or agency shall be required to pay the
- 86 fee or fees set forth in this section.
- 87 **SECTION 3.** Section 43-11-9, Mississippi Code of 1972, is
- 88 amended as follows:
- 43-11-9. (1) Upon receipt of an application for license and
- 90 the license fee, the licensing agency shall issue a license if the
- 91 applicant and the institutional facilities meet the requirements
- 92 established under this chapter and the requirements of Section
- 93 41-7-173 et seq., where determined by the licensing agency to be
- 94 applicable. A license, unless suspended or revoked, shall be

renewable annually upon payment by (a) the licensee of an 95 institution for the aged or infirm, except for personal care 96 homes/assisted living facilities, of a renewal fee of Twenty 97 98 Dollars (\$20.00) for each bed in the institution, with a minimum 99 fee per institution of Two Hundred Dollars (\$200.00), or (b) the 100 licensee of a personal care home/assisted living facility of a 101 renewal fee of Fifteen Dollars (\$15.00) for each bed in the 102 institution, with a minimum fee per institution of One Hundred 103 Dollars (\$100.00), which shall be paid to the licensing agency, and upon filing by the licensee and approval by the licensing 104 105 agency of an annual report upon such uniform dates and containing 106 such information in such form as the licensing agency prescribes 107 by regulation. Each license shall be issued only for the premises and person or persons or other legal entity or entities named in 108 109 the application and shall not be transferable or assignable except

be posted in a conspicuous place on the licensed premises. A fee known as a "User Fee" shall be applicable and 112 shall be paid to the licensing agency as set out in subsection (1) 113 114 hereof. This user fee shall be assessed for the purpose of the required reviewing and inspections of the proposal of any 115 116 institution in which there are additions, renovations, 117 modernizations, expansion, alterations, conversions, modifications or replacement of the entire facility involved in such proposal. 118 119 This fee includes the reviewing of architectural plans in all steps required. There shall be a minimum user fee of Fifty 120 Dollars (\$50.00) and a maximum user fee of Five Thousand Dollars 121 (\$5,000.00). 122

with the written approval of the licensing agency. Licenses shall

(3) No governmental entity or agency shall be required to 123 pay the fee or fees set forth in this section. 124

SECTION 4. Section 43-11-13, Mississippi Code of 1972, is 125 126 amended as follows:

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promulgate and enforce such rules, regulations and standards, 128 including classifications, with respect to all institutions for 129 130 the aged or infirm to be licensed under this chapter as may be 131 designed to further the accomplishment of the purpose of this chapter in promoting adequate care of individuals in those 132 institutions in the interest of public health, safety and welfare. 133 Those rules, regulations and standards shall be adopted and 134 135 promulgated by the licensing agency and shall be recorded and indexed in a book to be maintained by the licensing agency in its 136 137 main office in the State of Mississippi, entitled "Rules, Regulations and Minimum Standards for Institutions for the Aged or 138 Infirm" and the book shall be open and available to all 139 140 institutions for the aged or infirm and the public generally at all reasonable times. Upon the adoption of those rules, 141 142 regulations and standards, the licensing agency shall mail copies thereof to all those institutions in the state that have filed 143 144 with the agency their names and addresses for this purpose, but the failure to mail the same or the failure of the institutions to 145 146 receive the same shall in no way affect the validity thereof. rules, regulations and standards may be amended by the licensing 147 148 agency, from time to time, as necessary to promote the health, 149 safety and welfare of persons living in those institutions. The licensee shall keep posted in a conspicuous place on 150 151 the licensed premises all current rules, regulations and minimum standards applicable to fire protection measures as adopted by the 152 licensing agency. The licensee shall furnish to the licensing 153 agency at least once each six (6) months a certificate of approval 154 and inspection by state or local fire authorities. Failure to 155 156 comply with state laws and/or municipal ordinances and current rules, regulations and minimum standards as adopted by the 157 158 licensing agency, relative to fire prevention measures, shall be 159 prima facie evidence for revocation of license.

(1) The licensing agency shall adopt, amend,

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43-11-13.

The State Board of Health shall promulgate rules and 160 161 regulations restricting the storage, quantity and classes of drugs allowed in personal care homes/assisted living facilities. 162 163 Residents requiring administration of Schedule II Narcotics as 164 defined in the Uniform Controlled Substances Law may be admitted 165 to a personal care home/assisted living facility. Schedule drugs 166 may only be allowed in a personal care home/assisted living facility if they are administered or stored utilizing proper 167 168 procedures under the direct supervision of a licensed physician or 169 nurse.

170 (4) Notwithstanding any determination by the licensing agency that skilled nursing services would be appropriate for a 171 172 resident of a personal care home/assisted living facility, that resident, the resident's guardian or the legally recognized 173 responsible party for the resident may consent in writing for the 174 175 resident to continue to reside in the personal care home/assisted 176 living facility, if approved in writing by a licensed 177 physician. * * * However, * * * no personal care home/assisted living facility shall allow more than two (2) residents, or ten 178 179 percent (10%) of the total number of residents in the home/facility, whichever is greater, to remain in the * * * 180 181 home/facility under the provisions of this subsection (4). This consent shall be deemed to be appropriately informed consent as 182 described in the regulations promulgated by the licensing agency. 183 184 After that written consent has been obtained, the resident shall have the right to continue to reside in the personal care 185 home/assisted living facility for as long as the resident meets 186 the other conditions for residing in the * * * home/facility. A 187 copy of the written consent and the physician's approval shall be 188 forwarded by the personal care home/assisted living facility to 189 190 the licensing agency.

(b) The State Board of Health shall promulgate rules and regulations restricting the handling of a resident's personal H. B. No. 567 02/HR03/R183 PAGE 6 (RF\LH)

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deposits by the director of a personal care home/assisted living 193 194 facility. Any funds given or provided for the purpose of 195 supplying extra comforts, conveniences or services to any resident 196 in any personal care home/assisted living facility, and any funds 197 otherwise received and held from, for or on behalf of any such resident, shall be deposited by the director or other proper 198 officer of the * * * home/facility to the credit of that resident 199 in an account that shall be known as the Resident's Personal 200 201 Deposit Fund. No more than one (1) month's charge for the care, 202 support, maintenance and medical attention of the resident shall 203 be applied from the account at any one time. After the death, discharge or transfer of any resident for whose benefit any such 204 205 fund has been provided, any unexpended balance remaining in his 206 personal deposit fund shall be applied for the payment of care, 207 cost of support, maintenance and medical attention that is 208 If any unexpended balance remains in that resident's accrued. 209 personal deposit fund after complete reimbursement has been made 210 for payment of care, support, maintenance and medical attention, and the director or other proper officer of the personal care 211 212 home/assisted living facility has been or shall be unable to locate the person or persons entitled to the unexpended balance, 213 214 the director or other proper officer may, after the lapse of one (1) year from the date of that death, discharge or transfer, 215 deposit the unexpended balance to the credit of the personal care 216 217 home/assisted living facility's operating fund. (C) The State Board of Health shall promulgate rules 218 and regulations requiring personal care homes/assisted living

and regulations requiring personal care homes/assisted living

facilities to maintain records relating to health condition,

medicine dispensed and administered, and any reaction to that

medicine. The director of the personal care home/assisted living

facility shall be responsible for explaining the availability of

those records to the family of the resident at any time upon

reasonable request.

The State Board of Health shall evaluate the 226 (d) effects of this section as it promotes adequate care of 227 individuals in personal care homes/assisted living facilities in 228 229 the interest of public health, safety and welfare. 230 report its findings to the Chairmen of the Public Health and Welfare Committees of the House and Senate by January 1, 2003. 231 232 This subsection (4) shall stand repealed June 30, 2003. (5) (a) Pursuant to regulations promulgated by the State 233 Department of Health, the licensing agency shall require to be 234 performed a criminal history record check on every new employee of 235 236 a licensed institution for the aged or infirm or care facility who provides direct patient care or services and who is employed after 237 July 1, 2001. Except as otherwise provided, no such new employee 238 shall be permitted to provide direct patient care or services 239 until the results of the criminal history record check have 240 revealed no disqualifying record. Every such new employee shall 241 provide a valid current social security number and/or driver's 242 243 license number, which shall be furnished to the licensing agency or to the private entity designated by the licensing agency to 244 conduct the criminal history record check. The institution for 245 the aged or infirm or care facility applying for the criminal 246 247 history record check will be promptly notified of any disqualifying record found by the criminal history record check. 248 In order to determine the applicant's suitability for employment, 249 250 the applicant shall be fingerprinted. If no disqualifying record is identified at the state level, the fingerprints shall be 251 forwarded by the Department of Public Safety to the Federal Bureau 252 253 of Investigation for a national criminal history record check. 254 (b) A licensed institution for the aged or infirm or 255 care facility may make an offer of temporary employment to a prospective employee pending the results of a criminal history 256 257 record check on the person. In such instances, the licensed

institution for the aged or infirm or care facility shall provide

259 to the licensing agency, or to the designated private entity, the

260 name and relevant information relating to the person within

261 seventy-two (72) hours after the date the person accepts temporary

262 employment.

263 (c) All fees incurred in compliance with this section

264 shall be borne by the institution or facility requesting the

265 criminal history record check. The licensing agency, or the

266 designated private entity, is authorized to charge the institution

for the aged or infirm or care facility a fee, which shall include

268 the amount required by the Mississippi Department of Public

269 Safety, the Federal Bureau of Investigation or any other agency

270 designated by the licensing agency for the national criminal

271 history record check, in addition to any necessary costs incurred

272 by the licensing agency or the designated private entity for the

273 handling and administration of the criminal history record checks.

274 Costs incurred by a nursing home provider implementing this act

275 shall be reimbursed as an allowable cost under Section 43-13-116.

276 (d) The licensing agency, care facility, and their

277 agents, officers, employees, attorneys and representatives shall

278 be presumed to be acting in good faith for any employment decision

279 or action taken under paragraphs (a) and (b) of this subsection.

280 The presumption of good faith may be overcome by a preponderance

281 of the evidence in any civil action.

(e) The licensing agency shall promulgate regulations

283 to implement this subsection (5).

SECTION 5. Section 41-7-191, Mississippi Code of 1972, is

285 amended as follows:

286 41-7-191. (1) No person shall engage in any of the

287 following activities without obtaining the required certificate of

288 need:

289 (a) The construction, development or other

290 establishment of a new health care facility;

The relocation of a health care facility or portion 291 thereof, or major medical equipment, unless such relocation of a 292 health care facility or portion thereof, or major medical 293 294 equipment, which does not involve a capital expenditure by or on 295 behalf of a health care facility, is within five thousand two hundred eighty (5,280) feet from the main entrance of the health 296 care facility; 297 A change over a period of two (2) years' time, as 298

established by the State Department of Health, in existing bed complement through the addition of more than ten (10) beds or more than ten percent (10%) of the total bed capacity of a designated licensed category or subcategory of any health care facility, whichever is less, from one physical facility or site to another; the conversion over a period of two (2) years' time, as established by the State Department of Health, of existing bed complement of more than ten (10) beds or more than ten percent (10%) of the total bed capacity of a designated licensed category or subcategory of any such health care facility, whichever is less; or the alteration, modernizing or refurbishing of any unit or department wherein such beds may be located; provided, however, that from and after July 1, 1994, no health care facility shall be authorized to add any beds or convert any beds to another category of beds without a certificate of need under the authority of subsection (1)(c) of this section unless there is a projected need for such beds in the planning district in which the facility is located, as reported in the most current State Health Plan;

- (d) Offering of the following health services if those services have not been provided on a regular basis by the proposed provider of such services within the period of twelve (12) months prior to the time such services would be offered:
- 321 (i) Open heart surgery services;
- 322 (ii) Cardiac catheterization services;

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323	(iii) Comprehensive inpatient rehabilitation
324	services;
325	(iv) Licensed psychiatric services;
326	(v) Licensed chemical dependency services;
327	(vi) Radiation therapy services;
328	(vii) Diagnostic imaging services of an invasive
329	nature, i.e. invasive digital angiography;
330	(viii) Nursing home care as defined in
331	subparagraphs (iv), (vi) and (viii) of Section 41-7-173(h);
332	(ix) Home health services;
333	(x) Swing-bed services;
334	(xi) Ambulatory surgical services;
335	(xii) Magnetic resonance imaging services;
336	(xiii) Extracorporeal shock wave lithotripsy
337	services;
338	(xiv) Long-term care hospital services;
339	(xv) Positron Emission Tomography (PET) Services;
340	(e) The relocation of one or more health services from
341	one physical facility or site to another physical facility or
342	site, unless such relocation, which does not involve a capital
343	expenditure by or on behalf of a health care facility, (i) is to a
344	physical facility or site within one thousand three hundred twenty
345	(1,320) feet from the main entrance of the health care facility
346	where the health care service is located, or (ii) is the result of
347	an order of a court of appropriate jurisdiction or a result of
348	pending litigation in such court, or by order of the State
349	Department of Health, or by order of any other agency or legal
350	entity of the state, the federal government, or any political
351	subdivision of either, whose order is also approved by the State
352	Department of Health;
353	(f) The acquisition or otherwise control of any major
354	medical equipment for the provision of medical services; provided,
355	however, (i) the acquisition of any major medical equipment used

only for research purposes, and (ii) the acquisition of major 356 medical equipment to replace medical equipment for which a 357 facility is already providing medical services and for which the 358 359 State Department of Health has been notified before the date of 360 such acquisition shall be exempt from this paragraph; an acquisition for less than fair market value must be reviewed, if 361 362 the acquisition at fair market value would be subject to review; Changes of ownership of existing health care 363 364

- facilities in which a notice of intent is not filed with the State Department of Health at least thirty (30) days prior to the date such change of ownership occurs, or a change in services or bed capacity as prescribed in paragraph (c) or (d) of this subsection as a result of the change of ownership; an acquisition for less than fair market value must be reviewed, if the acquisition at fair market value would be subject to review;
- The change of ownership of any health care facility 371 (h) defined in subparagraphs (iv), (vi) and (viii) of Section 372 41-7-173(h), in which a notice of intent as described in paragraph 373 374 (g) has not been filed and if the Executive Director, Division of 375 Medicaid, Office of the Governor, has not certified in writing that there will be no increase in allowable costs to Medicaid from 376 revaluation of the assets or from increased interest and 377 depreciation as a result of the proposed change of ownership; 378
- (i) Any activity described in paragraphs (a) through

 (h) if undertaken by any person if that same activity would

 require certificate of need approval if undertaken by a health

 care facility;
- (j) Any capital expenditure or deferred capital
 expenditure by or on behalf of a health care facility not covered
 by paragraphs (a) through (h);
- 386 (k) The contracting of a health care facility as
 387 defined in subparagraphs (i) through (viii) of Section 41-7-173(h)
 388 to establish a home office, subunit, or branch office in the space

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operated as a health care facility through a formal arrangement with an existing health care facility as defined in subparagraph (ix) of Section 41-7-173(h).

- (2) The State Department of Health shall not grant approval for or issue a certificate of need to any person proposing the new construction of, addition to, or expansion of any health care facility defined in subparagraphs (iv) (skilled nursing facility) and (vi) (intermediate care facility) of Section 41-7-173(h) or the conversion of vacant hospital beds to provide skilled or intermediate nursing home care, except as hereinafter authorized:
- (a) The department may issue a certificate of need to any person proposing the new construction of any health care facility defined in subparagraphs (iv) and (vi) of Section 41-7-173(h) as part of a life care retirement facility, in any county bordering on the Gulf of Mexico in which is located a National Aeronautics and Space Administration facility, not to exceed forty (40) beds. From and after July 1, 1999, there shall be no prohibition or restrictions on participation in the Medicaid program (Section 43-13-101 et seq.) for the beds in the health care facility that were authorized under this paragraph (a).
- (b) The department may issue certificates of need in Harrison County to provide skilled nursing home care for Alzheimer's Disease patients and other patients, not to exceed one hundred fifty (150) beds. From and after July 1, 1999, there shall be no prohibition or restrictions on participation in the Medicaid program (Section 43-13-101 et seq.) for the beds in the nursing facilities that were authorized under this paragraph (b).
- (c) The department may issue a certificate of need for the addition to or expansion of any skilled nursing facility that is part of an existing continuing care retirement community located in Madison County, provided that the recipient of the certificate of need agrees in writing that the skilled nursing facility will not at any time participate in the Medicaid program

(Section 43-13-101 et seq.) or admit or keep any patients in the 422 423 skilled nursing facility who are participating in the Medicaid This written agreement by the recipient of the 424 425 certificate of need shall be fully binding on any subsequent owner 426 of the skilled nursing facility, if the ownership of the facility 427 is transferred at any time after the issuance of the certificate of need. Agreement that the skilled nursing facility will not 428 participate in the Medicaid program shall be a condition of the 429 issuance of a certificate of need to any person under this 430 paragraph (c), and if such skilled nursing facility at any time 431 432 after the issuance of the certificate of need, regardless of the ownership of the facility, participates in the Medicaid program or 433 434 admits or keeps any patients in the facility who are participating in the Medicaid program, the State Department of Health shall 435 revoke the certificate of need, if it is still outstanding, and 436 shall deny or revoke the license of the skilled nursing facility, 437 at the time that the department determines, after a hearing 438 439 complying with due process, that the facility has failed to comply with any of the conditions upon which the certificate of need was 440 441 issued, as provided in this paragraph and in the written agreement by the recipient of the certificate of need. The total number of 442 443 beds that may be authorized under the authority of this paragraph 444 (c) shall not exceed sixty (60) beds.

The State Department of Health may issue a 445 (d) 446 certificate of need to any hospital located in DeSoto County for the new construction of a skilled nursing facility, not to exceed 447 448 one hundred twenty (120) beds, in DeSoto County. From and after July 1, 1999, there shall be no prohibition or restrictions on 449 participation in the Medicaid program (Section 43-13-101 et seq.) 450 451 for the beds in the nursing facility that were authorized under 452 this paragraph (d).

(e) The State Department of Health may issue a

454 certificate of need for the construction of a nursing facility or

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the conversion of beds to nursing facility beds at a personal care facility for the elderly in Lowndes County that is owned and operated by a Mississippi nonprofit corporation, not to exceed sixty (60) beds. From and after July 1, 1999, there shall be no prohibition or restrictions on participation in the Medicaid program (Section 43-13-101 et seq.) for the beds in the nursing facility that were authorized under this paragraph (e).

- (f) The State Department of Health may issue a certificate of need for conversion of a county hospital facility in Itawamba County to a nursing facility, not to exceed sixty (60) beds, including any necessary construction, renovation or expansion. From and after July 1, 1999, there shall be no prohibition or restrictions on participation in the Medicaid program (Section 43-13-101 et seq.) for the beds in the nursing facility that were authorized under this paragraph (f).
- The State Department of Health may issue a 470 certificate of need for the construction or expansion of nursing 471 472 facility beds or the conversion of other beds to nursing facility beds in either Hinds, Madison or Rankin Counties, not to exceed 473 474 sixty (60) beds. From and after July 1, 1999, there shall be no prohibition or restrictions on participation in the Medicaid 475 476 program (Section 43-13-101 et seq.) for the beds in the nursing 477 facility that were authorized under this paragraph (g).
- The State Department of Health may issue a 478 (h) 479 certificate of need for the construction or expansion of nursing facility beds or the conversion of other beds to nursing facility 480 beds in either Hancock, Harrison or Jackson Counties, not to 481 482 exceed sixty (60) beds. From and after July 1, 1999, there shall 483 be no prohibition or restrictions on participation in the Medicaid 484 program (Section 43-13-101 et seq.) for the beds in the facility that were authorized under this paragraph (h). 485
- 486 (i) The department may issue a certificate of need for
 487 the new construction of a skilled nursing facility in Leake
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County, provided that the recipient of the certificate of need 488 agrees in writing that the skilled nursing facility will not at 489 any time participate in the Medicaid program (Section 43-13-101 et 490 491 seq.) or admit or keep any patients in the skilled nursing 492 facility who are participating in the Medicaid program. written agreement by the recipient of the certificate of need 493 shall be fully binding on any subsequent owner of the skilled 494 nursing facility, if the ownership of the facility is transferred 495 at any time after the issuance of the certificate of need. 496 Agreement that the skilled nursing facility will not participate 497 498 in the Medicaid program shall be a condition of the issuance of a certificate of need to any person under this paragraph (i), and if 499 500 such skilled nursing facility at any time after the issuance of 501 the certificate of need, regardless of the ownership of the facility, participates in the Medicaid program or admits or keeps 502 503 any patients in the facility who are participating in the Medicaid program, the State Department of Health shall revoke the 504 505 certificate of need, if it is still outstanding, and shall deny or revoke the license of the skilled nursing facility, at the time 506 507 that the department determines, after a hearing complying with due process, that the facility has failed to comply with any of the 508 509 conditions upon which the certificate of need was issued, as 510 provided in this paragraph and in the written agreement by the recipient of the certificate of need. The provision of Section 511 512 43-7-193(1) regarding substantial compliance of the projection of need as reported in the current State Health Plan is waived for 513 514 the purposes of this paragraph. The total number of nursing facility beds that may be authorized by any certificate of need 515 issued under this paragraph (i) shall not exceed sixty (60) beds. 516 517 If the skilled nursing facility authorized by the certificate of 518 need issued under this paragraph is not constructed and fully 519 operational within eighteen (18) months after July 1, 1994, the 520 State Department of Health, after a hearing complying with due H. B. No. 567

process, shall revoke the certificate of need, if it is still outstanding, and shall not issue a license for the skilled nursing facility at any time after the expiration of the eighteen-month period.

525 (j) The department may issue certificates of need to 526 allow any existing freestanding long-term care facility in Tishomingo County and Hancock County that on July 1, 1995, is 527 licensed with fewer than sixty (60) beds. For the purposes of 528 this paragraph (j), the provision of Section 41-7-193(1) requiring 529 substantial compliance with the projection of need as reported in 530 531 the current State Health Plan is waived. From and after July 1, 1999, there shall be no prohibition or restrictions on 532 participation in the Medicaid program (Section 43-13-101 et seq.) 533 534 for the beds in the long-term care facilities that were authorized 535 under this paragraph (j).

The department may issue a certificate of need for (k) the construction of a nursing facility at a continuing care retirement community in Lowndes County. The total number of beds that may be authorized under the authority of this paragraph (k) shall not exceed sixty (60) beds. From and after July 1, 2001, the prohibition on the facility participating in the Medicaid program (Section 43-13-101 et seq.) that was a condition of issuance of the certificate of need under this paragraph (k) shall be revised as follows: The nursing facility may participate in the Medicaid program from and after July 1, 2001, if the owner of the facility on July 1, 2001, agrees in writing that no more than thirty (30) of the beds at the facility will be certified for participation in the Medicaid program, and that no claim will be submitted for Medicaid reimbursement for more than thirty (30) patients in the facility in any month or for any patient in the facility who is in a bed that is not Medicaid-certified. written agreement by the owner of the facility shall be a condition of licensure of the facility, and the agreement shall be

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fully binding on any subsequent owner of the facility if the ownership of the facility is transferred at any time after July 1, 2001. After this written agreement is executed, the Division of Medicaid and the State Department of Health shall not certify more than thirty (30) of the beds in the facility for participation in the Medicaid program. If the facility violates the terms of the written agreement by admitting or keeping in the facility on a regular or continuing basis more than thirty (30) patients who are participating in the Medicaid program, the State Department of Health shall revoke the license of the facility, at the time that the department determines, after a hearing complying with due process, that the facility has violated the written agreement. Provided that funds are specifically appropriated therefor by the Legislature, the department may issue a

therefor by the Legislature, the department may issue a certificate of need to a rehabilitation hospital in Hinds County for the construction of a sixty-bed long-term care nursing facility dedicated to the care and treatment of persons with severe disabilities including persons with spinal cord and closed-head injuries and ventilator-dependent patients. The provision of Section 41-7-193(1) regarding substantial compliance with projection of need as reported in the current State Health Plan is hereby waived for the purpose of this paragraph.

(m) The State Department of Health may issue a certificate of need to a county-owned hospital in the Second Judicial District of Panola County for the conversion of not more than seventy-two (72) hospital beds to nursing facility beds, provided that the recipient of the certificate of need agrees in writing that none of the beds at the nursing facility will be certified for participation in the Medicaid program (Section 43-13-101 et seq.), and that no claim will be submitted for Medicaid reimbursement in the nursing facility in any day or for any patient in the nursing facility. This written agreement by the recipient of the certificate of need shall be a condition of

the issuance of the certificate of need under this paragraph, and 587 the agreement shall be fully binding on any subsequent owner of 588 the nursing facility if the ownership of the nursing facility is 589 590 transferred at any time after the issuance of the certificate of 591 After this written agreement is executed, the Division of Medicaid and the State Department of Health shall not certify any 592 of the beds in the nursing facility for participation in the 593 Medicaid program. If the nursing facility violates the terms of 594 595 the written agreement by admitting or keeping in the nursing facility on a regular or continuing basis any patients who are 596 597 participating in the Medicaid program, the State Department of Health shall revoke the license of the nursing facility, at the 598 time that the department determines, after a hearing complying 599 600 with due process, that the nursing facility has violated the condition upon which the certificate of need was issued, as 601 602 provided in this paragraph and in the written agreement. If the certificate of need authorized under this paragraph is not issued 603 604 within twelve (12) months after July 1, 2001, the department shall 605 deny the application for the certificate of need and shall not 606 issue the certificate of need at any time after the twelve-month 607 period, unless the issuance is contested. If the certificate of need is issued and substantial construction of the nursing 608 facility beds has not commenced within eighteen (18) months after 609 July 1, 2001, the State Department of Health, after a hearing 610 611 complying with due process, shall revoke the certificate of need if it is still outstanding, and the department shall not issue a 612 613 license for the nursing facility at any time after the eighteen-month period. Provided, however, that if the issuance of 614 the certificate of need is contested, the department shall require 615 616 substantial construction of the nursing facility beds within six (6) months after final adjudication on the issuance of the 617 618 certificate of need.

619	(n) The department may issue a certificate of need for
620	the new construction, addition or conversion of skilled nursing
621	facility beds in Madison County, provided that the recipient of
622	the certificate of need agrees in writing that the skilled nursing
623	facility will not at any time participate in the Medicaid program
624	(Section 43-13-101 et seq.) or admit or keep any patients in the
625	skilled nursing facility who are participating in the Medicaid
626	program. This written agreement by the recipient of the
627	certificate of need shall be fully binding on any subsequent owner
628	of the skilled nursing facility, if the ownership of the facility
629	is transferred at any time after the issuance of the certificate
630	of need. Agreement that the skilled nursing facility will not
631	participate in the Medicaid program shall be a condition of the
632	issuance of a certificate of need to any person under this
633	paragraph (n), and if such skilled nursing facility at any time
634	after the issuance of the certificate of need, regardless of the
635	ownership of the facility, participates in the Medicaid program or
636	admits or keeps any patients in the facility who are participating
637	in the Medicaid program, the State Department of Health shall
638	revoke the certificate of need, if it is still outstanding, and
639	shall deny or revoke the license of the skilled nursing facility,
640	at the time that the department determines, after a hearing
641	complying with due process, that the facility has failed to comply
642	with any of the conditions upon which the certificate of need was
643	issued, as provided in this paragraph and in the written agreement
644	by the recipient of the certificate of need. The total number of
645	nursing facility beds that may be authorized by any certificate of
646	need issued under this paragraph (n) shall not exceed sixty (60)
647	beds. If the certificate of need authorized under this paragraph
648	is not issued within twelve (12) months after July 1, 1998, the
649	department shall deny the application for the certificate of need
650	and shall not issue the certificate of need at any time after the
651	twelve-month period, unless the issuance is contested. If the
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certificate of need is issued and substantial construction of the 652 653 nursing facility beds has not commenced within eighteen (18) months after the effective date of July 1, 1998, the State 654 655 Department of Health, after a hearing complying with due process, 656 shall revoke the certificate of need if it is still outstanding, and the department shall not issue a license for the nursing 657 658 facility at any time after the eighteen-month period. Provided, however, that if the issuance of the certificate of need is 659 contested, the department shall require substantial construction 660 of the nursing facility beds within six (6) months after final 661 662 adjudication on the issuance of the certificate of need. The department may issue a certificate of need for 663 664 the new construction, addition or conversion of skilled nursing facility beds in Leake County, provided that the recipient of the 665 certificate of need agrees in writing that the skilled nursing 666 facility will not at any time participate in the Medicaid program 667 (Section 43-13-101 et seq.) or admit or keep any patients in the 668 669 skilled nursing facility who are participating in the Medicaid 670 This written agreement by the recipient of the program. 671 certificate of need shall be fully binding on any subsequent owner of the skilled nursing facility, if the ownership of the facility 672 673 is transferred at any time after the issuance of the certificate Agreement that the skilled nursing facility will not 674 of need. participate in the Medicaid program shall be a condition of the 675 676 issuance of a certificate of need to any person under this paragraph (o), and if such skilled nursing facility at any time 677 after the issuance of the certificate of need, regardless of the 678 ownership of the facility, participates in the Medicaid program or 679 admits or keeps any patients in the facility who are participating 680 681 in the Medicaid program, the State Department of Health shall revoke the certificate of need, if it is still outstanding, and 682 683 shall deny or revoke the license of the skilled nursing facility, 684 at the time that the department determines, after a hearing

complying with due process, that the facility has failed to comply 685 with any of the conditions upon which the certificate of need was 686 issued, as provided in this paragraph and in the written agreement 687 688 by the recipient of the certificate of need. The total number of 689 nursing facility beds that may be authorized by any certificate of need issued under this paragraph (o) shall not exceed sixty (60) 690 691 If the certificate of need authorized under this paragraph beds. is not issued within twelve (12) months after July 1, 2001, the 692 693 department shall deny the application for the certificate of need and shall not issue the certificate of need at any time after the 694 695 twelve-month period, unless the issuance is contested. certificate of need is issued and substantial construction of the 696 nursing facility beds has not commenced within eighteen (18) 697 months after the effective date of July 1, 2001, the State 698 699 Department of Health, after a hearing complying with due process, shall revoke the certificate of need if it is still outstanding, 700 and the department shall not issue a license for the nursing 701 702 facility at any time after the eighteen-month period. Provided, 703 however, that if the issuance of the certificate of need is 704 contested, the department shall require substantial construction 705 of the nursing facility beds within six (6) months after final adjudication on the issuance of the certificate of need. 706 The department may issue a certificate of need for

707 the construction of a municipally-owned nursing facility within 708 709 the Town of Belmont in Tishomingo County, not to exceed sixty (60) beds, provided that the recipient of the certificate of need 710 agrees in writing that the skilled nursing facility will not at 711 any time participate in the Medicaid program (Section 43-13-101 et 712 seq.) or admit or keep any patients in the skilled nursing 713 714 facility who are participating in the Medicaid program. written agreement by the recipient of the certificate of need 715 716 shall be fully binding on any subsequent owner of the skilled 717 nursing facility, if the ownership of the facility is transferred

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at any time after the issuance of the certificate of need.
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     Agreement that the skilled nursing facility will not participate
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     in the Medicaid program shall be a condition of the issuance of a
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     certificate of need to any person under this paragraph (p), and if
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     such skilled nursing facility at any time after the issuance of
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     the certificate of need, regardless of the ownership of the
     facility, participates in the Medicaid program or admits or keeps
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     any patients in the facility who are participating in the Medicaid
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     program, the State Department of Health shall revoke the
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     certificate of need, if it is still outstanding, and shall deny or
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     revoke the license of the skilled nursing facility, at the time
     that the department determines, after a hearing complying with due
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     process, that the facility has failed to comply with any of the
     conditions upon which the certificate of need was issued, as
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     provided in this paragraph and in the written agreement by the
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     recipient of the certificate of need. The provision of Section
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     43-7-193(1) regarding substantial compliance of the projection of
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     need as reported in the current State Health Plan is waived for
     the purposes of this paragraph. If the certificate of need
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     authorized under this paragraph is not issued within twelve (12)
     months after July 1, 1998, the department shall deny the
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     application for the certificate of need and shall not issue the
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     certificate of need at any time after the twelve-month period,
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     unless the issuance is contested. If the certificate of need is
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     issued and substantial construction of the nursing facility beds
     has not commenced within eighteen (18) months after July 1, 1998,
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     the State Department of Health, after a hearing complying with due
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     process, shall revoke the certificate of need if it is still
     outstanding, and the department shall not issue a license for the
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     nursing facility at any time after the eighteen-month period.
     Provided, however, that if the issuance of the certificate of need
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     is contested, the department shall require substantial
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     construction of the nursing facility beds within six (6) months
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H. B. No. 567 02/HR03/R183 PAGE 23 (RF\LH) 751 after final adjudication on the issuance of the certificate of 752 need.

(i) Beginning on July 1, 1999, the State 753 (q) 754 Department of Health shall issue certificates of need during each 755 of the next four (4) fiscal years for the construction or expansion of nursing facility beds or the conversion of other beds 756 757 to nursing facility beds in each county in the state having a need for fifty (50) or more additional nursing facility beds, as shown 758 in the fiscal year 1999 State Health Plan, in the manner provided 759 in this paragraph (q). The total number of nursing facility beds 760 761 that may be authorized by any certificate of need authorized under this paragraph (q) shall not exceed sixty (60) beds. 762 (ii) Subject to the provisions of subparagraph 763

(v), during each of the next four (4) fiscal years, the department shall issue six (6) certificates of need for new nursing facility beds, as follows: During fiscal years 2000, 2001 and 2002, one (1) certificate of need shall be issued for new nursing facility beds in the county in each of the four (4) Long-Term Care Planning Districts designated in the fiscal year 1999 State Health Plan that has the highest need in the district for those beds; and two (2) certificates of need shall be issued for new nursing facility beds in the two (2) counties from the state at large that have the highest need in the state for those beds, when considering the need on a statewide basis and without regard to the Long-Term Care Planning Districts in which the counties are located. During fiscal year 2003, one (1) certificate of need shall be issued for new nursing facility beds in any county having a need for fifty (50) or more additional nursing facility beds, as shown in the fiscal year 1999 State Health Plan, that has not received a certificate of need under this paragraph (q) during the three (3) previous fiscal years. During fiscal year 2000, in addition to the six (6) certificates of need authorized in this subparagraph,

the department also shall issue a certificate of need for new

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nursing facility beds in Amite County and a certificate of need for new nursing facility beds in Carroll County.

(iii) Subject to the provisions of subparagraph 786 787 (v), the certificate of need issued under subparagraph (ii) for 788 nursing facility beds in each Long-Term Care Planning District during each fiscal year shall first be available for nursing 789 facility beds in the county in the district having the highest 790 need for those beds, as shown in the fiscal year 1999 State Health 791 If there are no applications for a certificate of need for 792 nursing facility beds in the county having the highest need for 793 794 those beds by the date specified by the department, then the certificate of need shall be available for nursing facility beds 795 in other counties in the district in descending order of the need 796 797 for those beds, from the county with the second highest need to the county with the lowest need, until an application is received 798 for nursing facility beds in an eligible county in the district. 799 (iv) Subject to the provisions of subparagraph 800 (v) , the certificate of need issued under subparagraph (ii) for 801 nursing facility beds in the two (2) counties from the state at 802 803 large during each fiscal year shall first be available for nursing 804 facility beds in the two (2) counties that have the highest need in the state for those beds, as shown in the fiscal year 1999 805 State Health Plan, when considering the need on a statewide basis 806 and without regard to the Long-Term Care Planning Districts in 807 808 which the counties are located. If there are no applications for a certificate of need for nursing facility beds in either of the 809 two (2) counties having the highest need for those beds on a 810 statewide basis by the date specified by the department, then the 811 certificate of need shall be available for nursing facility beds 812 813 in other counties from the state at large in descending order of the need for those beds on a statewide basis, from the county with 814 815 the second highest need to the county with the lowest need, until

an application is received for nursing facility beds in an eligible county from the state at large.

(v) If a certificate of need is authorized to be 818 819 issued under this paragraph (q) for nursing facility beds in a 820 county on the basis of the need in the Long-Term Care Planning District during any fiscal year of the four-year period, a 821 certificate of need shall not also be available under this 822 paragraph (q) for additional nursing facility beds in that county 823 on the basis of the need in the state at large, and that county 824 shall be excluded in determining which counties have the highest 825 826 need for nursing facility beds in the state at large for that fiscal year. After a certificate of need has been issued under 827 this paragraph (q) for nursing facility beds in a county during 828 any fiscal year of the four-year period, a certificate of need 829 shall not be available again under this paragraph (q) for 830 additional nursing facility beds in that county during the 831 four-year period, and that county shall be excluded in determining 832 833 which counties have the highest need for nursing facility beds in succeeding fiscal years. 834

835 (vi) If more than one (1) application is made for a certificate of need for nursing home facility beds available 836 837 under this paragraph (q), in Yalobusha, Newton or Tallahatchie 838 County, and one (1) of the applicants is a county-owned hospital located in the county where the nursing facility beds are 839 840 available, the department shall give priority to the county-owned hospital in granting the certificate of need if the following 841 conditions are met: 842

1. The county-owned hospital fully meets all applicable criteria and standards required to obtain a certificate of need for the nursing facility beds; and

2. The county-owned hospital's qualifications for the certificate of need, as shown in its application and as determined by the department, are at least equal to the qualifications of the other applicants for the certificate of need.

Beginning on July 1, 1999, the State 851 (r)(i) 852 Department of Health shall issue certificates of need during each 853 of the next two (2) fiscal years for the construction or expansion of nursing facility beds or the conversion of other beds to 854 855 nursing facility beds in each of the four (4) Long-Term Care Planning Districts designated in the fiscal year 1999 State Health 856 857 Plan, to provide care exclusively to patients with Alzheimer's 858 disease.

Not more than twenty (20) beds may be

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authorized by any certificate of need issued under this paragraph (r), and not more than a total of sixty (60) beds may be authorized in any Long-Term Care Planning District by all certificates of need issued under this paragraph (r). However, the total number of beds that may be authorized by all certificates of need issued under this paragraph (r) during any fiscal year shall not exceed one hundred twenty (120) beds, and the total number of beds that may be authorized in any Long-Term Care Planning District during any fiscal year shall not exceed forty (40) beds. Of the certificates of need that are issued for each Long-Term Care Planning District during the next two (2) fiscal years, at least one (1) shall be issued for beds in the northern part of the district, at least one (1) shall be issued for beds in the central part of the district, and at least one (1)

874 shall be issued for beds in the southern part of the district. The State Department of Health, in 875 consultation with the Department of Mental Health and the Division 876 877 of Medicaid, shall develop and prescribe the staffing levels, 878 space requirements and other standards and requirements that must be met with regard to the nursing facility beds authorized under 879 880 this paragraph (r) to provide care exclusively to patients with 881 Alzheimer's disease.

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The State Department of Health may grant approval for 882 and issue certificates of need to any person proposing the new 883 construction of, addition to, conversion of beds of or expansion 884 885 of any health care facility defined in subparagraph (x) 886 (psychiatric residential treatment facility) of Section The total number of beds which may be authorized by 887 41-7-173(h). 888 such certificates of need shall not exceed three hundred thirty-four (334) beds for the entire state. 889 890

(a) Of the total number of beds authorized under this subsection, the department shall issue a certificate of need to a privately owned psychiatric residential treatment facility in Simpson County for the conversion of sixteen (16) intermediate care facility for the mentally retarded (ICF-MR) beds to psychiatric residential treatment facility beds, provided that facility agrees in writing that the facility shall give priority for the use of those sixteen (16) beds to Mississippi residents who are presently being treated in out-of-state facilities.

Of the total number of beds authorized under this (b) subsection, the department may issue a certificate or certificates of need for the construction or expansion of psychiatric residential treatment facility beds or the conversion of other beds to psychiatric residential treatment facility beds in Warren County, not to exceed sixty (60) psychiatric residential treatment facility beds, provided that the facility agrees in writing that no more than thirty (30) of the beds at the psychiatric residential treatment facility will be certified for participation in the Medicaid program (Section 43-13-101 et seq.) for the use of any patients other than those who are participating only in the Medicaid program of another state, and that no claim will be submitted to the Division of Medicaid for Medicaid reimbursement for more than thirty (30) patients in the psychiatric residential treatment facility in any day or for any patient in the psychiatric residential treatment facility who is in a bed that is

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not Medicaid-certified. This written agreement by the recipient 915 of the certificate of need shall be a condition of the issuance of 916 the certificate of need under this paragraph, and the agreement 917 918 shall be fully binding on any subsequent owner of the psychiatric 919 residential treatment facility if the ownership of the facility is transferred at any time after the issuance of the certificate of 920 need. After this written agreement is executed, the Division of 921 Medicaid and the State Department of Health shall not certify more 922 923 than thirty (30) of the beds in the psychiatric residential treatment facility for participation in the Medicaid program for 924 925 the use of any patients other than those who are participating only in the Medicaid program of another state. If the psychiatric 926 residential treatment facility violates the terms of the written 927 agreement by admitting or keeping in the facility on a regular or 928 continuing basis more than thirty (30) patients who are 929 930 participating in the Mississippi Medicaid program, the State Department of Health shall revoke the license of the facility, at 931 932 the time that the department determines, after a hearing complying with due process, that the facility has violated the condition 933 934 upon which the certificate of need was issued, as provided in this paragraph and in the written agreement. 935 936 If by January 1, 2002, there has been no significant commencement of construction of the beds authorized under this 937 paragraph (b), or no significant action taken to convert existing 938 939 beds to the beds authorized under this paragraph, then the certificate of need that was previously issued under this 940 941 paragraph shall expire. If the previously issued certificate of need expires, the department may accept applications for issuance 942 of another certificate of need for the beds authorized under this 943 944 paragraph, and may issue a certificate of need to authorize the construction, expansion or conversion of the beds authorized under 945

this paragraph.

947	(c) Of the total number of beds authorized under this
948	subsection, the department shall issue a certificate of need to a
949	hospital currently operating Medicaid-certified acute psychiatric
950	beds for adolescents in DeSoto County, for the establishment of a
951	forty-bed psychiatric residential treatment facility in DeSoto
952	County, provided that the hospital agrees in writing (i) that the
953	hospital shall give priority for the use of those forty (40) beds
954	to Mississippi residents who are presently being treated in
955	out-of-state facilities, and (ii) that no more than fifteen (15)
956	of the beds at the psychiatric residential treatment facility will
957	be certified for participation in the Medicaid program (Section
958	43-13-101 et seq.), and that no claim will be submitted for
959	Medicaid reimbursement for more than fifteen (15) patients in the
960	psychiatric residential treatment facility in any day or for any
961	patient in the psychiatric residential treatment facility who is
962	in a bed that is not Medicaid-certified. This written agreement
963	by the recipient of the certificate of need shall be a condition
964	of the issuance of the certificate of need under this paragraph,
965	and the agreement shall be fully binding on any subsequent owner
966	of the psychiatric residential treatment facility if the ownership
967	of the facility is transferred at any time after the issuance of
968	the certificate of need. After this written agreement is
969	executed, the Division of Medicaid and the State Department of
970	Health shall not certify more than fifteen (15) of the beds in the
971	psychiatric residential treatment facility for participation in
972	the Medicaid program. If the psychiatric residential treatment
973	facility violates the terms of the written agreement by admitting
974	or keeping in the facility on a regular or continuing basis more
975	than fifteen (15) patients who are participating in the Medicaid
976	program, the State Department of Health shall revoke the license
977	of the facility, at the time that the department determines, after
978	a hearing complying with due process, that the facility has
979	violated the condition upon which the certificate of need was

980 issued, as provided in this paragraph and in the written 981 agreement.

- (d) Of the total number of beds authorized under this 982 983 subsection, the department may issue a certificate or certificates 984 of need for the construction or expansion of psychiatric residential treatment facility beds or the conversion of other 985 beds to psychiatric treatment facility beds, not to exceed thirty 986 987 (30) psychiatric residential treatment facility beds, in either Alcorn, Tishomingo, Prentiss, Lee, Itawamba, Monroe, Chickasaw, 988 Pontotoc, Calhoun, Lafayette, Union, Benton or Tippah Counties. 989 990 Of the total number of beds authorized under this subsection (3) the department shall issue a certificate of need to
- 991 992 a privately owned, nonprofit psychiatric residential treatment facility in Hinds County for an eight-bed expansion of the 993 facility, provided that the facility agrees in writing that the 994 995 facility shall give priority for the use of those eight (8) beds to Mississippi residents who are presently being treated in 996 997 out-of-state facilities.
- The department shall issue a certificate of need to 998 999 a one-hundred-thirty-four-bed specialty hospital located on twenty-nine and forty-four one-hundredths (29.44) commercial acres 1000 1001 at 5900 Highway 39 North in Meridian (Lauderdale County), 1002 Mississippi, for the addition, construction or expansion of child/adolescent psychiatric residential treatment facility beds 1003 1004 in Lauderdale County. As a condition of issuance of the certificate of need under this paragraph, the facility shall give 1005 1006 priority in admissions to the child/adolescent psychiatric 1007 residential treatment facility beds authorized under this paragraph to patients who otherwise would require out-of-state 1008 1009 placement. The Division of Medicaid, in conjunction with the Department of Human Services, shall furnish the facility a list of 1010 1011 all out-of-state patients on a quarterly basis. Furthermore, notice shall also be provided to the parent, custodial parent or 1012

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guardian of each out-of-state patient notifying them of the 1013 1014 priority status granted by this paragraph. For purposes of this paragraph, the provisions of Section 41-7-193(1) requiring 1015 1016 substantial compliance with the projection of need as reported in 1017 the current State Health Plan are waived. The total number of 1018 child/adolescent psychiatric residential treatment facility beds that may be authorized under the authority of this paragraph shall 1019 be sixty (60) beds. There shall be no prohibition or restrictions 1020 on participation in the Medicaid program (Section 43-13-101 et 1021 seq.) for the person receiving the certificate of need authorized 1022 1023 under this paragraph or for the beds converted pursuant to the authority of that certificate of need. 1024 1025 From and after July 1, 1993, the department shall (a) not issue a certificate of need to any person for the new 1026 construction of any hospital, psychiatric hospital or chemical 1027 dependency hospital that will contain any child/adolescent 1028 psychiatric or child/adolescent chemical dependency beds, or for 1029 1030 the conversion of any other health care facility to a hospital, psychiatric hospital or chemical dependency hospital that will 1031 1032 contain any child/adolescent psychiatric or child/adolescent

chemical dependency beds, or for the addition of any
child/adolescent psychiatric or child/adolescent chemical
dependency beds in any hospital, psychiatric hospital or chemical
dependency hospital, or for the conversion of any beds of another
category in any hospital, psychiatric hospital or chemical
dependency hospital to child/adolescent psychiatric or

1039 child/adolescent chemical dependency beds, except as hereinafter

1040 authorized:

(i) The department may issue certificates of need to any person for any purpose described in this subsection, provided that the hospital, psychiatric hospital or chemical dependency hospital does not participate in the Medicaid program (Section 43-13-101 et seq.) at the time of the application for the

certificate of need and the owner of the hospital, psychiatric 1046 hospital or chemical dependency hospital agrees in writing that 1047 the hospital, psychiatric hospital or chemical dependency hospital 1048 1049 will not at any time participate in the Medicaid program or admit 1050 or keep any patients who are participating in the Medicaid program 1051 in the hospital, psychiatric hospital or chemical dependency hospital. This written agreement by the recipient of the 1052 certificate of need shall be fully binding on any subsequent owner 1053 1054 of the hospital, psychiatric hospital or chemical dependency hospital, if the ownership of the facility is transferred at any 1055 1056 time after the issuance of the certificate of need. that the hospital, psychiatric hospital or chemical dependency 1057 1058 hospital will not participate in the Medicaid program shall be a condition of the issuance of a certificate of need to any person 1059 under this subparagraph (a)(i), and if such hospital, psychiatric 1060 hospital or chemical dependency hospital at any time after the 1061 issuance of the certificate of need, regardless of the ownership 1062 1063 of the facility, participates in the Medicaid program or admits or keeps any patients in the hospital, psychiatric hospital or 1064 1065 chemical dependency hospital who are participating in the Medicaid program, the State Department of Health shall revoke the 1066 1067 certificate of need, if it is still outstanding, and shall deny or 1068 revoke the license of the hospital, psychiatric hospital or chemical dependency hospital, at the time that the department 1069 1070 determines, after a hearing complying with due process, that the hospital, psychiatric hospital or chemical dependency hospital has 1071 1072 failed to comply with any of the conditions upon which the certificate of need was issued, as provided in this subparagraph 1073 and in the written agreement by the recipient of the certificate 1074 of need. 1075

The department may issue a certificate of

need for the conversion of existing beds in a county hospital in

Choctaw County from acute care beds to child/adolescent chemical

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1079 dependency beds. For purposes of this subparagraph, the 1080 provisions of Section 41-7-193(1) requiring substantial compliance 1081 with the projection of need as reported in the current State 1082 Health Plan is waived. The total number of beds that may be 1083 authorized under authority of this subparagraph shall not exceed 1084 twenty (20) beds. There shall be no prohibition or restrictions on participation in the Medicaid program (Section 43-13-101 et 1085 seq.) for the hospital receiving the certificate of need 1086 authorized under this subparagraph (a)(ii) or for the beds 1087 converted pursuant to the authority of that certificate of need. 1088 1089 (iii) The department may issue a certificate or certificates of need for the construction or expansion of 1090 1091 child/adolescent psychiatric beds or the conversion of other beds to child/adolescent psychiatric beds in Warren County. 1092 purposes of this subparagraph, the provisions of Section 1093 41-7-193(1) requiring substantial compliance with the projection 1094 of need as reported in the current State Health Plan are waived. 1095 1096 The total number of beds that may be authorized under the authority of this subparagraph shall not exceed twenty (20) beds. 1097 1098 There shall be no prohibition or restrictions on participation in the Medicaid program (Section 43-13-101 et seq.) for the person 1099 1100 receiving the certificate of need authorized under this subparagraph (a)(iii) or for the beds converted pursuant to the 1101 authority of that certificate of need. 1102 1103 If by January 1, 2002, there has been no significant commencement of construction of the beds authorized under this 1104 1105 subparagraph (a)(iii), or no significant action taken to convert existing beds to the beds authorized under this subparagraph, then 1106 the certificate of need that was previously issued under this 1107 subparagraph shall expire. If the previously issued certificate 1108 1109 of need expires, the department may accept applications for 1110 issuance of another certificate of need for the beds authorized

under this subparagraph, and may issue a certificate of need to

authorize the construction, expansion or conversion of the beds authorized under this subparagraph.

(iv) The department shall issue a certificate of 1114 1115 need to the Region 7 Mental Health/Retardation Commission for the 1116 construction or expansion of child/adolescent psychiatric beds or 1117 the conversion of other beds to child/adolescent psychiatric beds in any of the counties served by the commission. For purposes of 1118 this subparagraph, the provisions of Section 41-7-193(1) requiring 1119 substantial compliance with the projection of need as reported in 1120 the current State Health Plan is waived. The total number of beds 1121 1122 that may be authorized under the authority of this subparagraph shall not exceed twenty (20) beds. There shall be no prohibition 1123 1124 or restrictions on participation in the Medicaid program (Section 43-13-101 et seq.) for the person receiving the certificate of 1125 need authorized under this subparagraph (a)(iv) or for the beds 1126 converted pursuant to the authority of that certificate of need. 1127 1128 The department may issue a certificate of need 1129 to any county hospital located in Leflore County for the construction or expansion of adult psychiatric beds or the 1130 1131 conversion of other beds to adult psychiatric beds, not to exceed twenty (20) beds, provided that the recipient of the certificate 1132 1133 of need agrees in writing that the adult psychiatric beds will not at any time be certified for participation in the Medicaid program 1134 and that the hospital will not admit or keep any patients who are 1135 1136 participating in the Medicaid program in any of such adult psychiatric beds. This written agreement by the recipient of the 1137 1138 certificate of need shall be fully binding on any subsequent owner of the hospital if the ownership of the hospital is transferred at 1139 any time after the issuance of the certificate of need. Agreement 1140 that the adult psychiatric beds will not be certified for 1141 1142 participation in the Medicaid program shall be a condition of the 1143 issuance of a certificate of need to any person under this subparagraph (a)(v), and if such hospital at any time after the 1144

issuance of the certificate of need, regardless of the ownership 1145 1146 of the hospital, has any of such adult psychiatric beds certified for participation in the Medicaid program or admits or keeps any 1147 1148 Medicaid patients in such adult psychiatric beds, the State 1149 Department of Health shall revoke the certificate of need, if it 1150 is still outstanding, and shall deny or revoke the license of the hospital at the time that the department determines, after a 1151 hearing complying with due process, that the hospital has failed 1152 to comply with any of the conditions upon which the certificate of 1153 need was issued, as provided in this subparagraph and in the 1154 1155 written agreement by the recipient of the certificate of need. (vi) The department may issue a certificate or 1156 1157 certificates of need for the expansion of child psychiatric beds or the conversion of other beds to child psychiatric beds at the 1158 University of Mississippi Medical Center. For purposes of this 1159 subparagraph (a) (vi), the provision of Section 41-7-193(1) 1160 requiring substantial compliance with the projection of need as 1161 1162 reported in the current State Health Plan is waived. number of beds that may be authorized under the authority of this 1163 1164 subparagraph (a) (vi) shall not exceed fifteen (15) beds. shall be no prohibition or restrictions on participation in the 1165 1166 Medicaid program (Section 43-13-101 et seq.) for the hospital receiving the certificate of need authorized under this 1167 subparagraph (a) (vi) or for the beds converted pursuant to the 1168 1169 authority of that certificate of need. From and after July 1, 1990, no hospital, 1170 1171 psychiatric hospital or chemical dependency hospital shall be authorized to add any child/adolescent psychiatric or 1172 child/adolescent chemical dependency beds or convert any beds of 1173 another category to child/adolescent psychiatric or 1174 child/adolescent chemical dependency beds without a certificate of 1175 1176 need under the authority of subsection (1)(c) of this section.

- The department may issue a certificate of need to a 1177 1178 county hospital in Winston County for the conversion of fifteen 1179 (15) acute care beds to geriatric psychiatric care beds.
- 1180 The State Department of Health shall issue a certificate 1181 of need to a Mississippi corporation qualified to manage a 1182 long-term care hospital as defined in Section 41-7-173(h)(xii) in Harrison County, not to exceed eighty (80) beds, including any 1183 necessary renovation or construction required for licensure and 1184 certification, provided that the recipient of the certificate of 1185 need agrees in writing that the long-term care hospital will not 1186 1187 at any time participate in the Medicaid program (Section 43-13-101 et seq.) or admit or keep any patients in the long-term care 1188 1189 hospital who are participating in the Medicaid program. written agreement by the recipient of the certificate of need 1190 shall be fully binding on any subsequent owner of the long-term 1191 care hospital, if the ownership of the facility is transferred at 1192 any time after the issuance of the certificate of need. 1193 1194 that the long-term care hospital will not participate in the Medicaid program shall be a condition of the issuance of a 1195 1196 certificate of need to any person under this subsection (6), and if such long-term care hospital at any time after the issuance of 1197 1198 the certificate of need, regardless of the ownership of the facility, participates in the Medicaid program or admits or keeps 1199 1200 any patients in the facility who are participating in the Medicaid 1201 program, the State Department of Health shall revoke the certificate of need, if it is still outstanding, and shall deny or 1202 1203 revoke the license of the long-term care hospital, at the time that the department determines, after a hearing complying with due 1204 process, that the facility has failed to comply with any of the 1205 conditions upon which the certificate of need was issued, as 1206 1207 provided in this subsection and in the written agreement by the 1208 recipient of the certificate of need. For purposes of this subsection, the provision of Section 41-7-193(1) requiring 1209

substantial compliance with the projection of need as reported in 1210 1211 the current State Health Plan is hereby waived.

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The State Department of Health may issue a certificate 1213 of need to any hospital in the state to utilize a portion of its 1214 beds for the "swing-bed" concept. Any such hospital must be in 1215 conformance with the federal regulations regarding such swing-bed concept at the time it submits its application for a certificate 1216 of need to the State Department of Health, except that such 1217 hospital may have more licensed beds or a higher average daily 1218 census (ADC) than the maximum number specified in federal 1219 1220 regulations for participation in the swing-bed program. hospital meeting all federal requirements for participation in the 1221 1222 swing-bed program which receives such certificate of need shall render services provided under the swing-bed concept to any 1223 patient eligible for Medicare (Title XVIII of the Social Security 1224 Act) who is certified by a physician to be in need of such 1225 services, and no such hospital shall permit any patient who is 1226 1227 eligible for both Medicaid and Medicare or eligible only for Medicaid to stay in the swing beds of the hospital for more than 1228 1229 thirty (30) days per admission unless the hospital receives prior approval for such patient from the Division of Medicaid, Office of 1230 1231 the Governor. Any hospital having more licensed beds or a higher average daily census (ADC) than the maximum number specified in 1232 1233 federal regulations for participation in the swing-bed program 1234 which receives such certificate of need shall develop a procedure to insure that before a patient is allowed to stay in the swing 1235 1236 beds of the hospital, there are no vacant nursing home beds available for that patient located within a fifty-mile radius of 1237 the hospital. When any such hospital has a patient staying in the 1238 swing beds of the hospital and the hospital receives notice from a 1239 nursing home located within such radius that there is a vacant bed 1240 1241 available for that patient, the hospital shall transfer the patient to the nursing home within a reasonable time after receipt 1242

of the notice. Any hospital which is subject to the requirements of the two (2) preceding sentences of this subsection may be suspended from participation in the swing-bed program for a reasonable period of time by the State Department of Health if the department, after a hearing complying with due process, determines that the hospital has failed to comply with any of those requirements.

- (8) The Department of Health shall not grant approval for or issue a certificate of need to any person proposing the new construction of, addition to or expansion of a health care facility as defined in subparagraph (viii) of Section 41-7-173(h).
- The Department of Health shall not grant approval for or 1254 1255 issue a certificate of need to any person proposing the establishment of, or expansion of the currently approved territory 1256 of, or the contracting to establish a home office, subunit or 1257 branch office within the space operated as a health care facility 1258 as defined in Section 41-7-173(h)(i) through (viii) by a health 1259 1260 care facility as defined in subparagraph (ix) of Section 41-7-173(h). 1261
- 1262 (10) Health care facilities owned and/or operated by the state or its agencies are exempt from the restraints in this 1263 1264 section against issuance of a certificate of need if such addition or expansion consists of repairing or renovation necessary to 1265 1266 comply with the state licensure law. This exception shall not 1267 apply to the new construction of any building by such state facility. This exception shall not apply to any health care 1268 1269 facilities owned and/or operated by counties, municipalities, districts, unincorporated areas, other defined persons, or any 1270 combination thereof. 1271
- 1272 (11) The new construction, renovation or expansion of or 1273 addition to any health care facility defined in subparagraph (ii) 1274 (psychiatric hospital), subparagraph (iv) (skilled nursing 1275 facility), subparagraph (vi) (intermediate care facility),

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subparagraph (viii) (intermediate care facility for the mentally 1276 1277 retarded) and subparagraph (x) (psychiatric residential treatment facility) of Section 41-7-173(h) which is owned by the State of 1278 1279 Mississippi and under the direction and control of the State 1280 Department of Mental Health, and the addition of new beds or the 1281 conversion of beds from one category to another in any such defined health care facility which is owned by the State of 1282 Mississippi and under the direction and control of the State 1283 Department of Mental Health, shall not require the issuance of a 1284 1285 certificate of need under Section 41-7-171 et seq., 1286 notwithstanding any provision in Section 41-7-171 et seg. to the 1287 contrary.

- 1288 (12) The new construction, renovation or expansion of or
 1289 addition to any veterans homes or domiciliaries for eligible
 1290 veterans of the State of Mississippi as authorized under Section
 1291 35-1-19 shall not require the issuance of a certificate of need,
 1292 notwithstanding any provision in Section 41-7-171 et seq. to the
 1293 contrary.
- 1294 (13) The new construction of a nursing facility or nursing 1295 facility beds or the conversion of other beds to nursing facility 1296 beds shall not require the issuance of a certificate of need, 1297 notwithstanding any provision in Section 41-7-171 et seq. to the 1298 contrary, if the conditions of this subsection are met.
- 1299 Before any construction or conversion may be 1300 undertaken without a certificate of need, the owner of the nursing 1301 facility, in the case of an existing facility, or the applicant to 1302 construct a nursing facility, in the case of new construction, first must file a written notice of intent and sign a written 1303 agreement with the State Department of Health that the entire 1304 nursing facility will not at any time participate in or have any 1305 1306 beds certified for participation in the Medicaid program (Section 1307 43-13-101 et seq.), will not admit or keep any patients in the 1308 nursing facility who are participating in the Medicaid program,

and will not submit any claim for Medicaid reimbursement for any 1309 1310 patient in the facility. This written agreement by the owner or applicant shall be a condition of exercising the authority under 1311 1312 this subsection without a certificate of need, and the agreement 1313 shall be fully binding on any subsequent owner of the nursing 1314 facility if the ownership of the facility is transferred at any time after the agreement is signed. After the written agreement 1315 is signed, the Division of Medicaid and the State Department of 1316 Health shall not certify any beds in the nursing facility for 1317 participation in the Medicaid program. 1318 If the nursing facility 1319 violates the terms of the written agreement by participating in the Medicaid program, having any beds certified for participation 1320 1321 in the Medicaid program, admitting or keeping any patient in the facility who is participating in the Medicaid program, or 1322 submitting any claim for Medicaid reimbursement for any patient in 1323 the facility, the State Department of Health shall revoke the 1324 license of the nursing facility at the time that the department 1325 1326 determines, after a hearing complying with due process, that the facility has violated the terms of the written agreement. 1327

- (b) For the purposes of this subsection, participation in the Medicaid program by a nursing facility includes Medicaid reimbursement of coinsurance and deductibles for recipients who are qualified Medicare beneficiaries and/or those who are dually eligible. Any nursing facility exercising the authority under this subsection may not bill or submit a claim to the Division of Medicaid for services to qualified Medicare beneficiaries and/or those who are dually eligible.
- 1336 (c) The new construction of a nursing facility or
 1337 nursing facility beds or the conversion of other beds to nursing
 1338 facility beds described in this section must be either a part of a
 1339 completely new continuing care retirement community, as described
 1340 in the latest edition of the Mississippi State Health Plan, or an
 1341 addition to existing personal care/assisted living and independent

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living components, and so that the completed project will be a 1342 continuing care retirement community, containing (i) independent 1343 living accommodations, (ii) personal care home/assisted living 1344 1345 facility beds, and (iii) the nursing home facility beds. 1346 three (3) components must be located on a single site and be 1347 operated as one (1) inseparable facility. The nursing facility component must contain a minimum of thirty (30) beds. Any nursing 1348 facility beds authorized by this section will not be counted 1349 1350 against the bed need set forth in the State Health Plan, as identified in Section 41-7-171 et seq. 1351 1352 This subsection (13) shall stand repealed from and after July 1, 2005. 1353 The State Department of Health shall issue a 1354 (14)

certificate of need to any hospital which is currently licensed 1355 for two hundred fifty (250) or more acute care beds and is located 1356 in any general hospital service area not having a comprehensive 1357 1358 cancer center, for the establishment and equipping of such a 1359 center which provides facilities and services for outpatient radiation oncology therapy, outpatient medical oncology therapy, 1360 1361 and appropriate support services including the provision of radiation therapy services. The provision of Section 41-7-193(1) 1362 1363 regarding substantial compliance with the projection of need as reported in the current State Health Plan is waived for the 1364 purpose of this subsection. 1365

1366 (15) The State Department of Health may authorize the
1367 transfer of hospital beds, not to exceed sixty (60) beds, from the
1368 North Panola Community Hospital to the South Panola Community
1369 Hospital. The authorization for the transfer of those beds shall
1370 be exempt from the certificate of need review process.

1371 (16) Nothing in this section or in any other provision of 1372 Section 41-7-171 et seq. shall prevent any nursing facility from 1373 designating an appropriate number of existing beds in the facility

- 1374 as beds for providing care exclusively to patients with
- 1375 Alzheimer's disease.
- 1376 SECTION 6. Section 41-49-3, Mississippi Code of 1972, is
- 1377 amended as follows:
- 1378 41-49-3. The term "hotel" shall mean and include any hotel,
- 1379 inn, motel, tourist court, apartment house, rooming house, or
- 1380 other place where sleeping accommodations are furnished or offered
- 1381 for pay if four (4) or more rooms are available therein for
- 1382 transient guests, excluding nursing homes, institutions for the
- 1383 aged or infirm * * * and personal care homes/assisted living
- 1384 facilities, as defined in Section 43-11-1.
- 1385 SECTION 7. Section 43-7-55, Mississippi Code of 1972, is
- 1386 amended as follows:
- 1387 43-7-55. For the purposes of Sections 43-7-51 through
- 1388 43-7-79, the following words shall have the definitions ascribed
- 1389 herein:
- 1390 (a) "Administrator" means any person charged with the
- 1391 general administration or supervision of a long-term care facility
- 1392 without regard to whether such person has an ownership interest in
- 1393 such facility or to whether such person's functions and duties are
- 1394 shared with one or more other persons;
- 1395 (b) "Community ombudsman" means a person selected by an
- 1396 area agency on aging who is then trained and certified as such by
- 1397 the council pursuant to Section 43-7-59;
- 1398 (c) "Council" means the Mississippi Council on Aging;
- 1399 (d) "Long-term care facility" means any skilled nursing
- 1400 facility, extended care home, intermediate care facility, personal
- 1401 care home/assisted living facility or boarding home that is
- 1402 subject to regulation or licensure by the State Department of
- 1403 Health;
- 1404 (e) "Resident" means any resident, prospective
- 1405 resident, prior resident or deceased resident of any long-term
- 1406 care facility;

1407	(f)	"Sponsor"	means	an	adult	relative,	friend	or

- 1408 guardian who has a responsibility in the resident's welfare;
- 1409 (g) "State Ombudsman" means the State Long-Term Care
- 1410 Facilities Ombudsman;
- 1411 (h) "Ombudsman" means the State Ombudsman or any
- 1412 community ombudsman;
- 1413 (i) "Area agency on aging" means those grantees of the
- 1414 council which are charged with the local administration of the
- 1415 Older Americans Act.
- 1416 SECTION 8. Section 73-17-5, Mississippi Code of 1972, is
- 1417 amended as follows:
- 1418 73-17-5. As used in this chapter:
- 1419 (a) The term "nursing home administrator" or
- 1420 "administrator" means any individual who is charged with the
- 1421 general administration of a nursing home, whether or not the
- 1422 individual has an ownership interest in the home and whether or
- 1423 not the functions and duties are shared with one or more
- 1424 individuals. "General administration of a nursing home" shall
- 1425 mean the duties of administrative performance and the making of
- 1426 day-to-day decisions involved in the planning, organizing,
- 1427 directing and/or controlling of a nursing home.
- 1428 (b) The term "nursing home" means a place, either
- 1429 governmental or private, profit or nonprofit, that provides group
- 1430 living arrangements for four (4) or more persons who are unrelated
- 1431 to the operator and who are being provided food, shelter and
- 1432 personal care/assisted living, and that employs at least one (1)
- 1433 registered nurse or licensed practical nurse. The term "nursing
- 1434 home" does not include hospitals, clinics, personal care
- 1435 homes/assisted living facilities and other institutions devoted
- 1436 primarily to providing medical services.
- 1437 (c) "Board" means the Mississippi State Board of
- 1438 Nursing Home Administrators.



1439	(d) "Person" means an individual or natural person, and
1440	does not include a firm, corporation, association, partnership,
1441	institution, public body, joint stock association or other group
1442	of individuals.
1443	SECTION 9. This act shall take effect and be in force from
1444	and after July 1, 2002.