

**Adopted
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

House Bill No. 569

BY: Committee

**Amend by striking all after the enacting clause and inserting
in lieu thereof the following:**

34 **SECTION 1.** Section 41-7-191, Mississippi Code of 1972, is
35 amended as follows:

36 41-7-191. (1) No person shall engage in any of the
37 following activities without obtaining the required certificate of
38 need:

39 (a) The construction, development or other
40 establishment of a new health care facility, which establishment
41 shall include the reopening of a health care facility that has
42 ceased to operate for a period of sixty (60) months or more;



43 (b) The relocation of a health care facility or portion
44 thereof, or major medical equipment, unless such relocation of a
45 health care facility or portion thereof, or major medical
46 equipment, which does not involve a capital expenditure by or on
47 behalf of a health care facility, is within five thousand two
48 hundred eighty (5,280) feet from the main entrance of the health
49 care facility;

50 (c) Any change in the existing bed complement of any
51 health care facility through the addition or conversion of any
52 beds or the alteration, modernizing or refurbishing of any unit or
53 department in which the beds may be located; however, if a health
54 care facility has voluntarily delicensed some of its existing bed
55 complement, it may later relicense some or all of its delicensed
56 beds without the necessity of having to acquire a certificate of
57 need. The State Department of Health shall maintain a record of
58 the delicensing health care facility and its voluntarily
59 delicensed beds and continue counting those beds as part of the
60 state's total bed count for health care planning purposes. If a
61 health care facility that has voluntarily delicensed some of its
62 beds later desires to relicense some or all of its voluntarily
63 delicensed beds, it shall notify the State Department of Health of
64 its intent to increase the number of its licensed beds. The State
65 Department of Health shall survey the health care facility within
66 thirty (30) days of that notice and, if appropriate, issue the
67 health care facility a new license reflecting the new contingent



of beds. However, in no event may a health care facility that has voluntarily delicensed some of its beds be reissued a license to operate beds in excess of its bed count before the voluntary delicensure of some of its beds without seeking certificate of need approval;

(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:

- (i) Open-heart surgery services;
- (ii) Cardiac catheterization services;
- (iii) Comprehensive inpatient rehabilitation services;
- (iv) Licensed psychiatric services;
- (v) Licensed chemical dependency services;
- (vi) Radiation therapy services;
- (vii) Diagnostic imaging services of an invasive nature, i.e. invasive digital angiography;
- (viii) Nursing home care as defined in subparagraphs (iv), (vi) and (viii) of Section 41-7-173(h);
- (ix) Home health services;
- (x) Swing-bed services;
- (xi) Ambulatory surgical services;
- (xii) Magnetic resonance imaging services;
- (xiii) [Deleted]



(xiv) Long-term care hospital services;

(xv) Positron emission tomography (PET) services;

(e) The relocation of one or more health services from one physical facility or site to another physical facility or site, unless such relocation, which does not involve a capital expenditure by or on behalf of a health care facility, (i) is to a physical facility or site within five thousand two hundred eighty (5,280) feet from the main entrance of the health care facility where the health care service is located, or (ii) is the result of an order of a court of appropriate jurisdiction or a result of pending litigation in such court, or by order of the State Department of Health, or by order of any other agency or legal entity of the state, the federal government, or any political subdivision of either, whose order is also approved by the State Department of Health;

(f) The acquisition or otherwise control of any major medical equipment for the provision of medical services; however, (i) the acquisition of any major medical equipment used only for research purposes, and (ii) the acquisition of major medical equipment to replace medical equipment for which a facility is already providing medical services and for which the State Department of Health has been notified before the date of such acquisition shall be exempt from this paragraph; an acquisition for less than fair market value must be reviewed, if the acquisition at fair market value would be subject to review;



118 (g) Changes of ownership of existing health care
119 facilities in which a notice of intent is not filed with the State
120 Department of Health at least thirty (30) days prior to the date
121 such change of ownership occurs, or a change in services or bed
122 capacity as prescribed in paragraph (c) or (d) of this subsection
123 as a result of the change of ownership; an acquisition for less
124 than fair market value must be reviewed, if the acquisition at
125 fair market value would be subject to review;

126 (h) The change of ownership of any health care facility
127 defined in subparagraphs (iv), (vi) and (viii) of Section
128 41-7-173(h), in which a notice of intent as described in paragraph
129 (g) has not been filed and if the Executive Director, Division of
130 Medicaid, Office of the Governor, has not certified in writing
131 that there will be no increase in allowable costs to Medicaid from
132 revaluation of the assets or from increased interest and
133 depreciation as a result of the proposed change of ownership;

134 (i) Any activity described in paragraphs (a) through
135 (h) if undertaken by any person if that same activity would
136 require certificate of need approval if undertaken by a health
137 care facility;

138 (j) Any capital expenditure or deferred capital
139 expenditure by or on behalf of a health care facility not covered
140 by paragraphs (a) through (h);

141 (k) The contracting of a health care facility as
142 defined in subparagraphs (i) through (viii) of Section 41-7-173(h)



to establish a home office, subunit, or branch office in the space 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);

(l) The replacement or relocation of a health care facility designated as a critical access hospital shall be exempt from subsection (1) of this section so long as the critical access hospital complies with all applicable federal law and regulations regarding such replacement or relocation;

(m) Reopening a health care facility that has ceased to operate for a period of sixty (60) months or more, which reopening requires a certificate of need for the establishment of a new health care facility.

(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



168 National Aeronautics and Space Administration facility, not to
169 exceed forty (40) beds. From and after July 1, 1999, there shall
170 be no prohibition or restrictions on participation in the Medicaid
171 program (Section 43-13-101 et seq.) for the beds in the health
172 care facility that were authorized under this paragraph (a).

173 (b) The department may issue certificates of need in
174 Harrison County to provide skilled nursing home care for
175 Alzheimer's disease patients and other patients, not to exceed one
176 hundred fifty (150) beds. From and after July 1, 1999, there
177 shall be no prohibition or restrictions on participation in the
178 Medicaid program (Section 43-13-101 et seq.) for the beds in the
179 nursing facilities that were authorized under this paragraph (b).

180 (c) The department may issue a certificate of need for
181 the addition to or expansion of any skilled nursing facility that
182 is part of an existing continuing care retirement community
183 located in Madison County, provided that the recipient of the
184 certificate of need agrees in writing that the skilled nursing
185 facility will not at any time participate in the Medicaid program
186 (Section 43-13-101 et seq.) or admit or keep any patients in the
187 skilled nursing facility who are participating in the Medicaid
188 program. This written agreement by the recipient of the
189 certificate of need shall be fully binding on any subsequent owner
190 of the skilled nursing facility, if the ownership of the facility
191 is transferred at any time after the issuance of the certificate
192 of need. Agreement that the skilled nursing facility will not



193 participate in the Medicaid program shall be a condition of the
194 issuance of a certificate of need to any person under this
195 paragraph (c), and if such skilled nursing facility at any time
196 after the issuance of the certificate of need, regardless of the
197 ownership of the facility, participates in the Medicaid program or
198 admits or keeps any patients in the facility who are participating
199 in the Medicaid program, the State Department of Health shall
200 revoke the certificate of need, if it is still outstanding, and
201 shall deny or revoke the license of the skilled nursing facility,
202 at the time that the department determines, after a hearing
203 complying with due process, that the facility has failed to comply
204 with any of the conditions upon which the certificate of need was
205 issued, as provided in this paragraph and in the written agreement
206 by the recipient of the certificate of need. The total number of
207 beds that may be authorized under the authority of this paragraph
208 (c) shall not exceed sixty (60) beds.

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



217 (e) The State Department of Health may issue a
218 certificate of need for the construction of a nursing facility or
219 the conversion of beds to nursing facility beds at a personal care
220 facility for the elderly in Lowndes County that is owned and
221 operated by a Mississippi nonprofit corporation, not to exceed
222 sixty (60) beds. From and after July 1, 1999, there shall be no
223 prohibition or restrictions on participation in the Medicaid
224 program (Section 43-13-101 et seq.) for the beds in the nursing
225 facility that were authorized under this paragraph (e).

226 (f) The State Department of Health may issue a
227 certificate of need for conversion of a county hospital facility
228 in Itawamba County to a nursing facility, not to exceed sixty (60)
229 beds, including any necessary construction, renovation or
230 expansion. From and after July 1, 1999, there shall be no
231 prohibition or restrictions on participation in the Medicaid
232 program (Section 43-13-101 et seq.) for the beds in the nursing
233 facility that were authorized under this paragraph (f).

234 (g) The State Department of Health may issue a
235 certificate of need for the construction or expansion of nursing
236 facility beds or the conversion of other beds to nursing facility
237 beds in either Hinds, Madison or Rankin County, not to exceed
238 sixty (60) beds. From and after July 1, 1999, there shall be no
239 prohibition or restrictions on participation in the Medicaid
240 program (Section 43-13-101 et seq.) for the beds in the nursing
241 facility that were authorized under this paragraph (g).



242 (h) The State Department of Health may issue a
243 certificate of need for the construction or expansion of nursing
244 facility beds or the conversion of other beds to nursing facility
245 beds in either Hancock, Harrison or Jackson County, not to exceed
246 sixty (60) beds. From and after July 1, 1999, there shall be no
247 prohibition or restrictions on participation in the Medicaid
248 program (Section 43-13-101 et seq.) for the beds in the facility
249 that were authorized under this paragraph (h).

250 (i) The department may issue a certificate of need for
251 the new construction of a skilled nursing facility in Leake
252 County, provided that the recipient of the certificate of need
253 agrees in writing that the skilled nursing facility will not at
254 any time participate in the Medicaid program (Section 43-13-101 et
255 seq.) or admit or keep any patients in the skilled nursing
256 facility who are participating in the Medicaid program. This
257 written agreement by the recipient of the certificate of need
258 shall be fully binding on any subsequent owner of the skilled
259 nursing facility, if the ownership of the facility is transferred
260 at any time after the issuance of the certificate of need.
261 Agreement that the skilled nursing facility will not participate
262 in the Medicaid program shall be a condition of the issuance of a
263 certificate of need to any person under this paragraph (i), and if
264 such skilled nursing facility at any time after the issuance of
265 the certificate of need, regardless of the ownership of the
266 facility, participates in the Medicaid program or admits or keeps



any patients in the facility who are participating in the Medicaid program, the State Department of Health shall revoke the certificate of need, if it is still outstanding, and shall deny or revoke the license of the skilled nursing facility, at the time that the department determines, after a hearing complying with due process, that the facility has failed to comply with any of the conditions upon which the certificate of need was issued, as provided in this paragraph and in the written agreement by the recipient of the certificate of need. The provision of Section 41-7-193(1) regarding substantial compliance of the projection of need as reported in the current State Health Plan is waived for the purposes of this paragraph. The total number of nursing facility beds that may be authorized by any certificate of need issued under this paragraph (i) shall not exceed sixty (60) beds. If the skilled nursing facility authorized by the certificate of need issued under this paragraph is not constructed and fully operational within eighteen (18) months after July 1, 1994, the State Department of Health, after a hearing complying with due 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.

(j) The department may issue certificates of need to allow any existing freestanding long-term care facility in Tishomingo County and Hancock County that on July 1, 1995, is



292 licensed with fewer than sixty (60) beds. For the purposes of
293 this paragraph (j), the provisions of Section 41-7-193(1)
294 requiring substantial compliance with the projection of need as
295 reported in the current State Health Plan are waived. From and
296 after July 1, 1999, there shall be no prohibition or restrictions
297 on participation in the Medicaid program (Section 43-13-101 et
298 seq.) for the beds in the long-term care facilities that were
299 authorized under this paragraph (j).

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



condition of licensure of the facility, and the agreement shall be 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.

(l) Provided that funds are specifically appropriated 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 provisions of Section 41-7-193(1) regarding substantial compliance with projection of need as reported in the current State Health Plan are 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 the agreement shall be fully binding on any subsequent owner of the nursing facility if the ownership of the nursing facility is transferred at any time after the issuance of the certificate of need. After this written agreement is executed, the Division of Medicaid and the State Department of Health shall not certify any of the beds in the nursing facility for participation in the Medicaid program. If the nursing facility violates the terms of the written agreement by admitting or keeping in the nursing facility on a regular or continuing basis any patients who are participating in the Medicaid program, the State Department of Health shall revoke the license of the nursing facility, at the time that the department determines, after a hearing complying with due process, that the nursing facility has violated the condition upon which the certificate of need was issued, as provided in this paragraph and in the written agreement. If the



certificate of need authorized under this paragraph is not issued within twelve (12) months after July 1, 2001, the department shall deny the application for the certificate of need and shall not issue the certificate of need at any time after the twelve-month period, unless the issuance is contested. If the certificate of need is issued and substantial construction of the nursing facility beds has not commenced within eighteen (18) months after July 1, 2001, the State Department of Health, after a hearing complying with due process, shall revoke the certificate of need if it is still outstanding, and the department shall not issue a license for the nursing facility at any time after the eighteen-month period. However, if the issuance of the certificate of need is contested, the department shall require substantial construction of the nursing facility beds within six (6) months after final adjudication on the issuance of the certificate of need.

(n) The department may issue a certificate of need for the new construction, addition or conversion of skilled nursing facility beds 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 skilled nursing facility who are participating in the Medicaid program. This written agreement by the recipient of the certificate of need shall be fully binding on any subsequent owner



of the skilled nursing facility, if the ownership of the facility is transferred at any time after the issuance of the certificate of need. Agreement that the skilled nursing facility will not participate in the Medicaid program shall be a condition of the issuance of a certificate of need to any person under this paragraph (n), and if such skilled nursing facility at any time after the issuance of the certificate of need, regardless of the ownership of the facility, participates in the Medicaid program or admits or keeps any patients in the facility who are participating in the Medicaid program, the State Department of Health shall revoke the certificate of need, if it is still outstanding, and shall deny or revoke the license of the skilled nursing facility, at the time that the department determines, after a hearing complying with due process, that the facility has failed to comply with any of the conditions upon which the certificate of need was issued, as provided in this paragraph and in the written agreement by the recipient of the certificate of need. The total number of nursing facility beds that may be authorized by any certificate of need issued under this paragraph (n) shall not exceed sixty (60) beds. If the certificate of need authorized under this paragraph is not issued within twelve (12) months after July 1, 1998, the department shall deny the application for the certificate of need and shall not issue the certificate of need at any time after the twelve-month period, unless the issuance is contested. If the certificate of need is issued and substantial construction of the



nursing facility beds has not commenced within eighteen (18) months after July 1, 1998, the State Department of Health, after a hearing complying with due process, shall revoke the certificate of need if it is still outstanding, and the department shall not issue a license for the nursing facility at any time after the eighteen-month period. However, if the issuance of the certificate of need is contested, the department shall require substantial construction of the nursing facility beds within six (6) months after final adjudication on the issuance of the certificate of need.

(o) The department may issue a certificate of need for the new construction, addition or conversion of skilled nursing facility beds in Leake 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 skilled nursing facility who are participating in the Medicaid program. This written agreement by the recipient of the certificate of need shall be fully binding on any subsequent owner of the skilled nursing facility, if the ownership of the facility is transferred at any time after the issuance of the certificate of need. Agreement that the skilled nursing facility will not participate in the Medicaid program shall be a condition of the issuance of a certificate of need to any person under this paragraph (o), and if such skilled nursing facility at any time



after the issuance of the certificate of need, regardless of the ownership of the facility, participates in the Medicaid program or admits or keeps any patients in the facility who are participating in the Medicaid program, the State Department of Health shall revoke the certificate of need, if it is still outstanding, and shall deny or revoke the license of the skilled nursing facility, at the time that the department determines, after a hearing complying with due process, that the facility has failed to comply with any of the conditions upon which the certificate of need was issued, as provided in this paragraph and in the written agreement by the recipient of the certificate of need. The total number of nursing facility beds that may be authorized by any certificate of need issued under this paragraph (o) shall not exceed sixty (60) beds. If the certificate of need authorized under this paragraph is not issued within twelve (12) months after July 1, 2001, the department shall deny the application for the certificate of need and shall not issue the certificate of need at any time after the twelve-month period, unless the issuance is contested. If the certificate of need is issued and substantial construction of the nursing facility beds has not commenced within eighteen (18) months after July 1, 2001, the State Department of Health, after a hearing complying with due process, shall revoke the certificate of need if it is still outstanding, and the department shall not issue a license for the nursing facility at any time after the eighteen-month period. However, if the issuance of the



certificate of need is contested, the department shall require substantial construction of the nursing facility beds within six (6) months after final adjudication on the issuance of the certificate of need.

(p) The department may issue a certificate of need for the construction of a municipally owned nursing facility within the Town of Belmont in Tishomingo County, not to exceed sixty (60) beds, 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 skilled nursing facility who are participating in the Medicaid program. This written agreement by the recipient of the certificate of need shall be fully binding on any subsequent owner of the skilled nursing facility, if the ownership of the facility is transferred at any time after the issuance of the certificate of need.

Agreement that the skilled nursing facility will not participate in the Medicaid program shall be a condition of the issuance of a certificate of need to any person under this paragraph (p), and if such skilled nursing facility at any time after the issuance of the certificate of need, regardless of the ownership of the facility, participates in the Medicaid program or admits or keeps any patients in the facility who are participating in the Medicaid program, the State Department of Health shall revoke the certificate of need, if it is still outstanding, and shall deny or



492 revoke the license of the skilled nursing facility, at the time
493 that the department determines, after a hearing complying with due
494 process, that the facility has failed to comply with any of the
495 conditions upon which the certificate of need was issued, as
496 provided in this paragraph and in the written agreement by the
497 recipient of the certificate of need. The provision of Section
498 41-7-193(1) regarding substantial compliance of the projection of
499 need as reported in the current State Health Plan is waived for
500 the purposes of this paragraph. If the certificate of need
501 authorized under this paragraph is not issued within twelve (12)
502 months after July 1, 1998, the department shall deny the
503 application for the certificate of need and shall not issue the
504 certificate of need at any time after the twelve-month period,
505 unless the issuance is contested. If the certificate of need is
506 issued and substantial construction of the nursing facility beds
507 has not commenced within eighteen (18) months after July 1, 1998,
508 the State Department of Health, after a hearing complying with due
509 process, shall revoke the certificate of need if it is still
510 outstanding, and the department shall not issue a license for the
511 nursing facility at any time after the eighteen-month period.
512 However, if the issuance of the certificate of need is contested,
513 the department shall require substantial construction of the
514 nursing facility beds within six (6) months after final
515 adjudication on the issuance of the certificate of need.



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

(ii) Subject to the provisions of subparagraph (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 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 (v), the certificate of need issued under subparagraph (ii) for nursing facility beds in each Long-Term Care Planning District during each fiscal year shall first be available for nursing facility beds in the county in the district having the highest need for those beds, as shown in the fiscal year 1999 State Health Plan. If there are no applications for a certificate of need for nursing facility beds in the county having the highest need for those beds by the date specified by the department, then the certificate of need shall be available for nursing facility beds in other counties in the district in descending order of the need for those beds, from the county with the second highest need to the county with the lowest need, until an application is received for nursing facility beds in an eligible county in the district.

(iv) Subject to the provisions of subparagraph (v), the certificate of need issued under subparagraph (ii) for nursing facility beds in the two (2) counties from the state at



large during each fiscal year shall first be available for nursing 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 State Health Plan, when considering the need on a statewide basis and without regard to the Long-Term Care Planning Districts in which the counties are located. If there are no applications for a certificate of need for nursing facility beds in either of the two (2) counties having the highest need for those beds on a statewide basis by the date specified by the department, then the certificate of need shall be available for nursing facility beds 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 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 issued under this paragraph (q) for nursing facility beds in a county on the basis of the need in the Long-Term Care Planning District during any fiscal year of the four-year period, a certificate of need shall not also be available under this paragraph (q) for additional nursing facility beds in that county on the basis of the need in the state at large, and that county shall be excluded in determining which counties have the highest need for nursing facility beds in the state at large for that fiscal year. After a certificate of need has been issued under



591 this paragraph (q) for nursing facility beds in a county during
592 any fiscal year of the four-year period, a certificate of need
593 shall not be available again under this paragraph (q) for
594 additional nursing facility beds in that county during the
595 four-year period, and that county shall be excluded in determining
596 which counties have the highest need for nursing facility beds in
597 succeeding fiscal years.

598 (vi) If more than one (1) application is made for
599 a certificate of need for nursing home facility beds available
600 under this paragraph (q), in Yalobusha, Newton or Tallahatchie
601 County, and one (1) of the applicants is a county-owned hospital
602 located in the county where the nursing facility beds are
603 available, the department shall give priority to the county-owned
604 hospital in granting the certificate of need if the following
605 conditions are met:

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

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

614 (r) (i) Beginning on July 1, 1999, the State
615 Department of Health shall issue certificates of need during each



of the next two (2) fiscal years for the construction or expansion of nursing facility beds or the conversion of other beds to nursing facility beds in each of the four (4) Long-Term Care Planning Districts designated in the fiscal year 1999 State Health Plan, to provide care exclusively to patients with Alzheimer's disease.

(ii) Not more than twenty (20) beds may be 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) shall be issued for beds in the southern part of the district.

(iii) The State Department of Health, in consultation with the Department of Mental Health and the Division of Medicaid, shall develop and prescribe the staffing levels,



641 space requirements and other standards and requirements that must
642 be met with regard to the nursing facility beds authorized under
643 this paragraph (r) to provide care exclusively to patients with
644 Alzheimer's disease.

645 (s) The State Department of Health may issue a
646 certificate of need to a nonprofit skilled nursing facility using
647 the Green House model of skilled nursing care and located in Yazoo
648 City, Yazoo County, Mississippi, for the construction, expansion
649 or conversion of not more than nineteen (19) nursing facility
650 beds. For purposes of this paragraph (s), the provisions of
651 Section 41-7-193(1) requiring substantial compliance with the
652 projection of need as reported in the current State Health Plan
653 and the provisions of Section 41-7-197 requiring a formal
654 certificate of need hearing process are waived. There shall be no
655 prohibition or restrictions on participation in the Medicaid
656 program for the person receiving the certificate of need
657 authorized under this paragraph (s).

658 (t) The State Department of Health shall issue
659 certificates of need to the owner of a nursing facility in
660 operation at the time of Hurricane Katrina in Hancock County that
661 was not operational on December 31, 2005, because of damage
662 sustained from Hurricane Katrina to authorize the following: (i)
663 the construction of a new nursing facility in Harrison County;
664 (ii) the relocation of forty-nine (49) nursing facility beds from
665 the Hancock County facility to the new Harrison County facility;



666 (iii) the establishment of not more than twenty (20) non-Medicaid
667 nursing facility beds at the Hancock County facility; and (iv) the
668 establishment of not more than twenty (20) non-Medicaid beds at
669 the new Harrison County facility. The certificates of need that
670 authorize the non-Medicaid nursing facility beds under
671 subparagraphs (iii) and (iv) of this paragraph (t) shall be
672 subject to the following conditions: The owner of the Hancock
673 County facility and the new Harrison County facility must agree in
674 writing that no more than fifty (50) of the beds at the Hancock
675 County facility and no more than forty-nine (49) of the beds at
676 the Harrison County facility will be certified for participation
677 in the Medicaid program, and that no claim will be submitted for
678 Medicaid reimbursement for more than fifty (50) patients in the
679 Hancock County facility in any month, or for more than forty-nine
680 (49) patients in the Harrison County facility in any month, or for
681 any patient in either facility who is in a bed that is not
682 Medicaid-certified. This written agreement by the owner of the
683 nursing facilities shall be a condition of the issuance of the
684 certificates of need under this paragraph (t), and the agreement
685 shall be fully binding on any later owner or owners of either
686 facility if the ownership of either facility is transferred at any
687 time after the certificates of need are issued. After this
688 written agreement is executed, the Division of Medicaid and the
689 State Department of Health shall not certify more than fifty (50)
690 of the beds at the Hancock County facility or more than forty-nine



691 (49) of the beds at the Harrison County facility for participation
692 in the Medicaid program. If the Hancock County facility violates
693 the terms of the written agreement by admitting or keeping in the
694 facility on a regular or continuing basis more than fifty (50)
695 patients who are participating in the Medicaid program, or if the
696 Harrison County facility violates the terms of the written
697 agreement by admitting or keeping in the facility on a regular or
698 continuing basis more than forty-nine (49) patients who are
699 participating in the Medicaid program, the State Department of
700 Health shall revoke the license of the facility that is in
701 violation of the agreement, at the time that the department
702 determines, after a hearing complying with due process, that the
703 facility has violated the agreement.

704 (u) The State Department of Health shall issue a
705 certificate of need to a nonprofit venture for the establishment,
706 construction and operation of a skilled nursing facility of not
707 more than sixty (60) beds to provide skilled nursing care for
708 ventilator dependent or otherwise medically dependent pediatric
709 patients who require medical and nursing care or rehabilitation
710 services to be located in a county in which an academic medical
711 center and a children's hospital are located, and for any
712 construction and for the acquisition of equipment related to those
713 beds. The facility shall be authorized to keep such ventilator
714 dependent or otherwise medically dependent pediatric patients
715 beyond age twenty-one (21) in accordance with regulations of the



State Board of Health. For purposes of this paragraph (u), the provisions of Section 41-7-193(1) requiring substantial compliance with the projection of need as reported in the current State Health Plan are waived, and the provisions of Section 41-7-197 requiring a formal certificate of need hearing process are waived. The beds authorized by this paragraph shall be counted as pediatric skilled nursing facility beds for health planning purposes under Section 41-7-171 et seq. There shall be no prohibition of or restrictions on participation in the Medicaid program for the person receiving the certificate of need authorized by this paragraph.

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

(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 individuals with intellectual disabilities (ICF-IID) 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.

(b) Of the total number of beds authorized under this 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 not Medicaid-certified. 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 the agreement shall be fully binding on any subsequent owner of the psychiatric residential treatment facility if the ownership of the facility is



766 transferred at any time after the issuance of the certificate of
767 need. After this written agreement is executed, the Division of
768 Medicaid and the State Department of Health shall not certify more
769 than thirty (30) of the beds in the psychiatric residential
770 treatment facility for participation in the Medicaid program for
771 the use of any patients other than those who are participating
772 only in the Medicaid program of another state. If the psychiatric
773 residential treatment facility violates the terms of the written
774 agreement by admitting or keeping in the facility on a regular or
775 continuing basis more than thirty (30) patients who are
776 participating in the Mississippi Medicaid program, the State
777 Department of Health shall revoke the license of the facility, at
778 the time that the department determines, after a hearing complying
779 with due process, that the facility has violated the condition
780 upon which the certificate of need was issued, as provided in this
781 paragraph and in the written agreement.

782 The State Department of Health, on or before July 1, 2002,
783 shall transfer the certificate of need authorized under the
784 authority of this paragraph (b), or reissue the certificate of
785 need if it has expired, to River Region Health System.

786 (c) Of the total number of beds authorized under this
787 subsection, the department shall issue a certificate of need to a
788 hospital currently operating Medicaid-certified acute psychiatric
789 beds for adolescents in DeSoto County, for the establishment of a
790 forty-bed psychiatric residential treatment facility in DeSoto



County * * *, ~~provided that the hospital agrees in writing (i)~~
~~that the hospital shall give priority for the use of those forty~~
~~(40) beds to Mississippi residents who are presently being treated~~
~~in out-of-state facilities, and (ii) that no more than fifteen~~
~~(15) of the beds at the psychiatric residential treatment 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 for more than fifteen (15) 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 not Medicaid-certified. 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 the agreement shall be fully binding on any~~
~~subsequent owner of the psychiatric residential treatment facility~~
~~if the ownership of the facility is transferred at any time after~~
~~the issuance of the certificate of need. After this written~~
~~agreement is executed, the Division of Medicaid and the State~~
~~Department of Health shall not certify more than fifteen (15) of~~
~~the beds in the psychiatric residential treatment facility for~~
~~participation in the Medicaid program. If the psychiatric~~
~~residential treatment facility violates the terms of the written~~
~~agreement by admitting or keeping in the facility on a regular or~~
~~continuing basis more than fifteen (15) 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 condition upon which the certificate of need was issued, as provided in this paragraph and in the written agreement. There shall be no prohibition or restrictions on participation in the Medicaid program (Section 43-13-101 et seq.) for the person(s) receiving the certificate of need authorized under this paragraph (c) or for the beds converted pursuant to the authority of that certificate of need that would not apply to any other psychiatric residential treatment facility.~~

(d) Of the total number of beds authorized under this 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 treatment facility beds, not to exceed thirty (30) psychiatric residential treatment facility beds, in either Alcorn, Tishomingo, Prentiss, Lee, Itawamba, Monroe, Chickasaw, Pontotoc, Calhoun, Lafayette, Union, Benton or Tippah County.

(e) Of the total number of beds authorized under this subsection (3) the department shall issue a certificate of need to a privately owned, nonprofit psychiatric residential treatment facility in Hinds County for an eight-bed expansion of the facility, provided that the facility agrees in writing that the facility shall give priority for the use of those eight (8) beds



to Mississippi residents who are presently being treated in out-of-state facilities.

(f) The department shall issue a certificate of need to a one-hundred-thirty-four-bed specialty hospital located on twenty-nine and forty-four one-hundredths (29.44) commercial acres at 5900 Highway 39 North in Meridian (Lauderdale County), Mississippi, for the addition, construction or expansion of child/adolescent psychiatric residential treatment facility beds in Lauderdale County. As a condition of issuance of the certificate of need under this paragraph, the facility shall give priority in admissions to the child/adolescent psychiatric residential treatment facility beds authorized under this paragraph to patients who otherwise would require out-of-state placement. The Division of Medicaid, in conjunction with the Department of Human Services, shall furnish the facility a list of all out-of-state patients on a quarterly basis. Furthermore, notice shall also be provided to the parent, custodial parent or guardian of each out-of-state patient notifying them of the priority status granted by this paragraph. For purposes of this paragraph, the provisions of Section 41-7-193(1) requiring substantial compliance with the projection of need as reported in the current State Health Plan are waived. The total number of child/adolescent psychiatric residential treatment facility beds that may be authorized under the authority of this paragraph shall be sixty (60) beds. There shall be no prohibition or restrictions



on participation in the Medicaid program (Section 43-13-101 et seq.) for the person receiving the certificate of need authorized under this paragraph or for the beds converted pursuant to the authority of that certificate of need.

(4) (a) From and after March 25, 2021, the department may issue a certificate of need to any person for the new construction of any hospital, psychiatric hospital or chemical dependency hospital that will contain any child/adolescent psychiatric or child/adolescent chemical dependency beds, or for the conversion of any other health care facility to a hospital, psychiatric hospital or chemical dependency hospital that will contain any child/adolescent psychiatric or child/adolescent chemical dependency beds. There shall be no prohibition or restrictions on participation in the Medicaid program (Section 43-13-101 et seq.) for the person(s) receiving the certificate(s) of need authorized under this paragraph (a) or for the beds converted pursuant to the authority of that certificate of need. In issuing any new certificate of need for any child/adolescent psychiatric or child/adolescent chemical dependency beds, either by new construction or conversion of beds of another category, the department shall give preference to beds which will be located in an area of the state which does not have such beds located in it, and to a location more than sixty-five (65) miles from existing beds. Upon receiving 2020 census data, the department may amend the State Health Plan regarding child/adolescent psychiatric and



child/adolescent chemical dependency beds to reflect the need based on new census data.

(i) [Deleted]

(ii) 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 dependency beds. For purposes of this subparagraph (ii), the provisions of Section 41-7-193(1) requiring substantial compliance with the projection of need as reported in the current State Health Plan are waived. The total number of beds that may be authorized under authority of this subparagraph shall not exceed twenty (20) beds. There shall be no prohibition or restrictions on participation in the Medicaid program (Section 43-13-101 et seq.) for the hospital receiving the certificate of need authorized under this subparagraph or for the beds converted pursuant to the authority of that certificate of need.

(iii) The department may issue a certificate or certificates of need for the construction or expansion of child/adolescent psychiatric beds or the conversion of other beds to child/adolescent psychiatric beds in Warren County. For purposes of this subparagraph (iii), the provisions of Section 41-7-193(1) requiring substantial compliance with the projection of need as reported in the current State Health Plan are waived. The total number of beds that may be authorized under the authority of this subparagraph shall not exceed twenty (20) beds.



915 There shall be no prohibition or restrictions on participation in
916 the Medicaid program (Section 43-13-101 et seq.) for the person
917 receiving the certificate of need authorized under this
918 subparagraph or for the beds converted pursuant to the authority
919 of that certificate of need.

920 If by January 1, 2002, there has been no significant
921 commencement of construction of the beds authorized under this
922 subparagraph (iii), or no significant action taken to convert
923 existing beds to the beds authorized under this subparagraph, then
924 the certificate of need that was previously issued under this
925 subparagraph shall expire. If the previously issued certificate
926 of need expires, the department may accept applications for
927 issuance of another certificate of need for the beds authorized
928 under this subparagraph, and may issue a certificate of need to
929 authorize the construction, expansion or conversion of the beds
930 authorized under this subparagraph.

931 (iv) The department shall issue a certificate of
932 need to the Region 7 Mental Health/Retardation Commission for the
933 construction or expansion of child/adolescent psychiatric beds or
934 the conversion of other beds to child/adolescent psychiatric beds
935 in any of the counties served by the commission. For purposes of
936 this subparagraph (iv), the provisions of Section 41-7-193(1)
937 requiring substantial compliance with the projection of need as
938 reported in the current State Health Plan are waived. The total
939 number of beds that may be authorized under the authority of this



940 subparagraph shall not exceed twenty (20) beds. There shall be no
941 prohibition or restrictions on participation in the Medicaid
942 program (Section 43-13-101 et seq.) for the person receiving the
943 certificate of need authorized under this subparagraph or for the
944 beds converted pursuant to the authority of that certificate of
945 need.

946 (v) The department may issue a certificate of need
947 to any county hospital located in Leflore County for the
948 construction or expansion of adult psychiatric beds or the
949 conversion of other beds to adult psychiatric beds, not to exceed
950 twenty (20) beds, provided that the recipient of the certificate
951 of need agrees in writing that the adult psychiatric beds will not
952 at any time be certified for participation in the Medicaid program
953 and that the hospital will not admit or keep any patients who are
954 participating in the Medicaid program in any of such adult
955 psychiatric beds. This written agreement by the recipient of the
956 certificate of need shall be fully binding on any subsequent owner
957 of the hospital if the ownership of the hospital is transferred at
958 any time after the issuance of the certificate of need. Agreement
959 that the adult psychiatric beds will not be certified for
960 participation in the Medicaid program shall be a condition of the
961 issuance of a certificate of need to any person under this
962 subparagraph (v), and if such hospital at any time after the
963 issuance of the certificate of need, regardless of the ownership
964 of the hospital, has any of such adult psychiatric beds certified



965 for participation in the Medicaid program or admits or keeps any
966 Medicaid patients in such adult psychiatric beds, the State
967 Department of Health shall revoke the certificate of need, if it
968 is still outstanding, and shall deny or revoke the license of the
969 hospital at the time that the department determines, after a
970 hearing complying with due process, that the hospital has failed
971 to comply with any of the conditions upon which the certificate of
972 need was issued, as provided in this subparagraph and in the
973 written agreement by the recipient of the certificate of need.

974 (vi) The department may issue a certificate or
975 certificates of need for the expansion of child psychiatric beds
976 or the conversion of other beds to child psychiatric beds at the
977 University of Mississippi Medical Center. For purposes of this
978 subparagraph (vi), the provisions of Section 41-7-193(1) requiring
979 substantial compliance with the projection of need as reported in
980 the current State Health Plan are waived. The total number of
981 beds that may be authorized under the authority of this
982 subparagraph shall not exceed fifteen (15) beds. There shall be
983 no prohibition or restrictions on participation in the Medicaid
984 program (Section 43-13-101 et seq.) for the hospital receiving the
985 certificate of need authorized under this subparagraph or for the
986 beds converted pursuant to the authority of that certificate of
987 need.

988 (b) From and after July 1, 1990, no hospital,
989 psychiatric hospital or chemical dependency hospital shall be



authorized to add any child/adolescent psychiatric or child/adolescent chemical dependency beds or convert any beds of another category to child/adolescent psychiatric or child/adolescent chemical dependency beds without a certificate of need under the authority of subsection (1)(c) and subsection (4)(a) of this section.

(5) The department may issue a certificate of need to a county hospital in Winston County for the conversion of fifteen (15) acute care beds to geriatric psychiatric care beds.

(6) The State Department of Health shall issue a certificate of need to a Mississippi corporation qualified to manage a long-term care hospital as defined in Section 41-7-173(h)(xii) in Harrison County, not to exceed eighty (80) beds, including any necessary renovation or construction required for licensure and certification, provided that the recipient of the certificate of need agrees in writing that the long-term care hospital will not 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 hospital who are participating in the Medicaid program~~ except as a crossover provider. This written agreement by the recipient of the certificate of need shall be fully binding on any subsequent owner of the long-term care hospital, if the ownership of the facility is transferred at any time after the issuance of the certificate of need. Agreement that the long-term care hospital will not participate in the Medicaid program except as a crossover



1015 provider shall be a condition of the issuance of a certificate of
1016 need to any person under this subsection (6), and if such
1017 long-term care hospital at any time after the issuance of the
1018 certificate of need, regardless of the ownership of the facility,
1019 participates in the Medicaid program * * *~~or admits or keeps any~~
1020 ~~patients in the facility who are participating in the Medicaid~~
1021 ~~program~~ except as a crossover provider, the State Department of
1022 Health shall revoke the certificate of need, if it is still
1023 outstanding, and shall deny or revoke the license of the long-term
1024 care hospital, at the time that the department determines, after a
1025 hearing complying with due process, that the facility has failed
1026 to comply with any of the conditions upon which the certificate of
1027 need was issued, as provided in this subsection and in the written
1028 agreement by the recipient of the certificate of need. For
1029 purposes of this subsection, the provisions of Section 41-7-193(1)
1030 requiring substantial compliance with the projection of need as
1031 reported in the current State Health Plan are waived. This
1032 subsection (6) shall be retroactive to July 1, 2023.

1033 (7) The State Department of Health may issue a certificate
1034 of need to any hospital in the state to utilize a portion of its
1035 beds for the "swing-bed" concept. Any such hospital must be in
1036 conformance with the federal regulations regarding such swing-bed
1037 concept at the time it submits its application for a certificate
1038 of need to the State Department of Health, except that such
1039 hospital may have more licensed beds or a higher average daily



1040 census (ADC) than the maximum number specified in federal
1041 regulations for participation in the swing-bed program. Any
1042 hospital meeting all federal requirements for participation in the
1043 swing-bed program which receives such certificate of need shall
1044 render services provided under the swing-bed concept to any
1045 patient eligible for Medicare (Title XVIII of the Social Security
1046 Act) who is certified by a physician to be in need of such
1047 services, and no such hospital shall permit any patient who is
1048 eligible for both Medicaid and Medicare or eligible only for
1049 Medicaid to stay in the swing beds of the hospital for more than
1050 thirty (30) days per admission unless the hospital receives prior
1051 approval for such patient from the Division of Medicaid, Office of
1052 the Governor. Any hospital having more licensed beds or a higher
1053 average daily census (ADC) than the maximum number specified in
1054 federal regulations for participation in the swing-bed program
1055 which receives such certificate of need shall develop a procedure
1056 to ensure that before a patient is allowed to stay in the swing
1057 beds of the hospital, there are no vacant nursing home beds
1058 available for that patient located within a fifty-mile radius of
1059 the hospital. When any such hospital has a patient staying in the
1060 swing beds of the hospital and the hospital receives notice from a
1061 nursing home located within such radius that there is a vacant bed
1062 available for that patient, the hospital shall transfer the
1063 patient to the nursing home within a reasonable time after receipt
1064 of the notice. Any hospital which is subject to the requirements



1065 of the two (2) preceding sentences of this subsection may be
1066 suspended from participation in the swing-bed program for a
1067 reasonable period of time by the State Department of Health if the
1068 department, after a hearing complying with due process, determines
1069 that the hospital has failed to comply with any of those
1070 requirements.

1071 (8) The Department of Health shall not grant approval for or
1072 issue a certificate of need to any person proposing the new
1073 construction of, addition to or expansion of a health care
1074 facility as defined in subparagraph (viii) of Section 41-7-173(h),
1075 except as hereinafter provided: Effective July 1, 2025, the
1076 department * * * ~~may~~ shall issue a certificate of need to a
1077 nonprofit corporation located in Madison County, Mississippi, for
1078 the construction, expansion or conversion of * * * ~~not more than~~
1079 ~~twenty (20)~~ forty (40) beds in a community living program for
1080 developmentally disabled adults in a facility as defined in
1081 subparagraph (viii) of Section 41-7-173(h). For purposes of this
1082 subsection (8), the provisions of Section 41-7-193(1) requiring
1083 substantial compliance with the projection of need as reported in
1084 the current State Health Plan and the provisions of Section
1085 41-7-197 requiring a formal certificate of need hearing process
1086 are waived. There shall be no prohibition or restrictions on
1087 participation in the Medicaid program for the person receiving the
1088 certificate of need authorized under this subsection (8).



1089 (9) The Department of Health shall not grant approval for or
1090 issue a certificate of need to any person proposing the
1091 establishment of, or expansion of the currently approved territory
1092 of, or the contracting to establish a home office, subunit or
1093 branch office within the space operated as a health care facility
1094 as defined in Section 41-7-173(h)(i) through (viii) by a health
1095 care facility as defined in subparagraph (ix) of Section
1096 41-7-173(h).

1097 (10) Health care facilities owned and/or operated by the
1098 state or its agencies are exempt from the restraints in this
1099 section against issuance of a certificate of need if such addition
1100 or expansion consists of repairing or renovation necessary to
1101 comply with the state licensure law. This exception shall not
1102 apply to the new construction of any building by such state
1103 facility. This exception shall not apply to any health care
1104 facilities owned and/or operated by counties, municipalities,
1105 districts, unincorporated areas, other defined persons, or any
1106 combination thereof.

1107 (11) The new construction, renovation or expansion of or
1108 addition to any health care facility defined in subparagraph (ii)
1109 (psychiatric hospital), subparagraph (iv) (skilled nursing
1110 facility), subparagraph (vi) (intermediate care facility),
1111 subparagraph (viii) (intermediate care facility for individuals
1112 with intellectual disabilities) and subparagraph (x) (psychiatric
1113 residential treatment facility) of Section 41-7-173(h) which is



1114 owned by the State of Mississippi and under the direction and
1115 control of the State Department of Mental Health, and the addition
1116 of new beds or the conversion of beds from one category to another
1117 in any such defined health care facility which is owned by the
1118 State of Mississippi and under the direction and control of the
1119 State Department of Mental Health, shall not require the issuance
1120 of a certificate of need under Section 41-7-171 et seq.,
1121 notwithstanding any provision in Section 41-7-171 et seq. to the
1122 contrary.

1123 (12) The new construction, renovation or expansion of or
1124 addition to any veterans homes or domiciliaries for eligible
1125 veterans of the State of Mississippi as authorized under Section
1126 35-1-19 shall not require the issuance of a certificate of need,
1127 notwithstanding any provision in Section 41-7-171 et seq. to the
1128 contrary.

1129 (13) The repair or the rebuilding of an existing, operating
1130 health care facility that sustained significant damage from a
1131 natural disaster that occurred after April 15, 2014, in an area
1132 that is proclaimed a disaster area or subject to a state of
1133 emergency by the Governor or by the President of the United States
1134 shall be exempt from all of the requirements of the Mississippi
1135 Certificate of Need Law (Section 41-7-171 et seq.) and any and all
1136 rules and regulations promulgated under that law, subject to the
1137 following conditions:



1138 (a) The repair or the rebuilding of any such damaged
1139 health care facility must be within one (1) mile of the
1140 pre-disaster location of the campus of the damaged health care
1141 facility, except that any temporary post-disaster health care
1142 facility operating location may be within five (5) miles of the
1143 pre-disaster location of the damaged health care facility;

1144 (b) The repair or the rebuilding of the damaged health
1145 care facility (i) does not increase or change the complement of
1146 its bed capacity that it had before the Governor's or the
1147 President's proclamation, (ii) does not increase or change its
1148 levels and types of health care services that it provided before
1149 the Governor's or the President's proclamation, and (iii) does not
1150 rebuild in a different county; however, this paragraph does not
1151 restrict or prevent a health care facility from decreasing its bed
1152 capacity that it had before the Governor's or the President's
1153 proclamation, or from decreasing the levels of or decreasing or
1154 eliminating the types of health care services that it provided
1155 before the Governor's or the President's proclamation, when the
1156 damaged health care facility is repaired or rebuilt;

1157 (c) The exemption from Certificate of Need Law provided
1158 under this subsection (13) is valid for only five (5) years from
1159 the date of the Governor's or the President's proclamation. If
1160 actual construction has not begun within that five-year period,
1161 the exemption provided under this subsection is inapplicable; and



1162 (d) The Division of Health Facilities Licensure and
1163 Certification of the State Department of Health shall provide the
1164 same oversight for the repair or the rebuilding of the damaged
1165 health care facility that it provides to all health care facility
1166 construction projects in the state.

1167 For the purposes of this subsection (13), "significant
1168 damage" to a health care facility means damage to the health care
1169 facility requiring an expenditure of at least One Million Dollars
1170 (\$1,000,000.00).

1171 (14) The State Department of Health shall issue a
1172 certificate of need to any hospital which is currently licensed
1173 for two hundred fifty (250) or more acute care beds and is located
1174 in any general hospital service area not having a comprehensive
1175 cancer center, for the establishment and equipping of such a
1176 center which provides facilities and services for outpatient
1177 radiation oncology therapy, outpatient medical oncology therapy,
1178 and appropriate support services including the provision of
1179 radiation therapy services. The provisions of Section 41-7-193(1)
1180 regarding substantial compliance with the projection of need as
1181 reported in the current State Health Plan are waived for the
1182 purpose of this subsection.

1183 (15) The State Department of Health may authorize the
1184 transfer of hospital beds, not to exceed sixty (60) beds, from the
1185 North Panola Community Hospital to the South Panola Community



Hospital. The authorization for the transfer of those beds shall be exempt from the certificate of need review process.

(16) The State Department of Health shall issue any certificates of need necessary for Mississippi State University and a public or private health care provider to jointly acquire and operate a linear accelerator and a magnetic resonance imaging unit. Those certificates of need shall cover all capital expenditures related to the project between Mississippi State University and the health care provider, including, but not limited to, the acquisition of the linear accelerator, the magnetic resonance imaging unit and other radiological modalities; the offering of linear accelerator and magnetic resonance imaging services; and the cost of construction of facilities in which to locate these services. The linear accelerator and the magnetic resonance imaging unit shall be (a) located in the City of Starkville, Oktibbeha County, Mississippi; (b) operated jointly by Mississippi State University and the public or private health care provider selected by Mississippi State University through a request for proposals (RFP) process in which Mississippi State University selects, and the Board of Trustees of State Institutions of Higher Learning approves, the health care provider that makes the best overall proposal; (c) available to Mississippi State University for research purposes two-thirds (2/3) of the time that the linear accelerator and magnetic resonance imaging unit are operational; and (d) available to the public or private



1211 health care provider selected by Mississippi State University and
1212 approved by the Board of Trustees of State Institutions of Higher
1213 Learning one-third (1/3) of the time for clinical, diagnostic and
1214 treatment purposes. For purposes of this subsection, the
1215 provisions of Section 41-7-193(1) requiring substantial compliance
1216 with the projection of need as reported in the current State
1217 Health Plan are waived.

1218 (17) The State Department of Health shall issue a
1219 certificate of need for the construction of an acute care hospital
1220 in Kemper County, not to exceed twenty-five (25) beds, which shall
1221 be named the "John C. Stennis Memorial Hospital." In issuing the
1222 certificate of need under this subsection, the department shall
1223 give priority to a hospital located in Lauderdale County that has
1224 two hundred fifteen (215) beds. For purposes of this subsection,
1225 the provisions of Section 41-7-193(1) requiring substantial
1226 compliance with the projection of need as reported in the current
1227 State Health Plan and the provisions of Section 41-7-197 requiring
1228 a formal certificate of need hearing process are waived. There
1229 shall be no prohibition or restrictions on participation in the
1230 Medicaid program (Section 43-13-101 et seq.) for the person or
1231 entity receiving the certificate of need authorized under this
1232 subsection or for the beds constructed under the authority of that
1233 certificate of need.

1234 (18) The planning, design, construction, renovation,
1235 addition, furnishing and equipping of a clinical research unit at



1236 any health care facility defined in Section 41-7-173(h) that is
1237 under the direction and control of the University of Mississippi
1238 Medical Center and located in Jackson, Mississippi, and the
1239 addition of new beds or the conversion of beds from one (1)
1240 category to another in any such clinical research unit, shall not
1241 require the issuance of a certificate of need under Section
1242 41-7-171 et seq., notwithstanding any provision in Section
1243 41-7-171 et seq. to the contrary.

1244 (19) [Repealed]

1245 (20) Nothing in this section or in any other provision of
1246 Section 41-7-171 et seq. shall prevent any nursing facility from
1247 designating an appropriate number of existing beds in the facility
1248 as beds for providing care exclusively to patients with
1249 Alzheimer's disease.

1250 (21) Nothing in this section or any other provision of
1251 Section 41-7-171 et seq. shall prevent any health care facility
1252 from the new construction, renovation, conversion or expansion of
1253 new beds in the facility designated as intensive care units,
1254 negative pressure rooms, or isolation rooms pursuant to the
1255 provisions of Sections 41-14-1 through 41-14-11, or Section
1256 41-14-31. For purposes of this subsection, the provisions of
1257 Section 41-7-193(1) requiring substantial compliance with the
1258 projection of need as reported in the current State Health Plan
1259 and the provisions of Section 41-7-197 requiring a formal
1260 certificate of need hearing process are waived.



1261 (22) (a) Health care facilities owned and/or operated by
1262 the University of Mississippi Medical Center, which lie in Jackson
1263 in the area bounded by the following: starting at the intersection
1264 of Livingston Road and Woodrow Wilson Avenue, proceeding east
1265 along the south curb line of Woodrow Wilson Avenue until it
1266 intersects the west curb line of U.S. Interstate 55, proceeding
1267 north along the west curb line of U.S. Interstate 55 until it
1268 intersects the north curb line of Lakeland Drive, proceeding west
1269 along the north curb line of Lakeland Drive and extending such
1270 curb line west until it intersects Livingston Road, and proceeding
1271 south along the west curb line of Livingston Road to the point of
1272 origin, shall not require the issuance of a certificate of need if
1273 such facilities are used for educational purposes.

1274 (b) Health care facilities owned and/or operated by
1275 William Carey University, which lie in Hattiesburg in the area
1276 bounded by the following: starting at the intersection of William
1277 Carey Parkway and Tommy King Drive, proceeding east along the
1278 south curb line of Tommy King Drive until it intersects the west
1279 curb line of Cherry Street, proceeding north along the west curb
1280 line of Cherry Street until it intersects the north curb line of
1281 Tuscan Avenue, proceeding west along the north curb line of Tuscan
1282 Avenue until it intersects William Carey Parkway, and proceeding
1283 south along the west curb line of William Carey Parkway to the
1284 point of origin, shall not require the issuance of a certificate
1285 of need if such facilities are used for educational purposes.



(23) (a) The State Department of Health shall conduct a study to review and make recommendations regarding Section 41-7-171 et seq., to be specifically focused on the following topics:

(i) The feasibility of exempting small hospitals from the requirement for a certificate of need for the placement of dialysis units to reduce the number of transfers for patients requiring dialysis;

(ii) The feasibility of exempting small hospitals from the requirement for a certificate of need to operate geriatric psychiatric units; and

(iii) The feasibility of a new requirement that acute adult psychiatric units treat a certain percentage of uninsured patients or pay a periodic fee in lieu thereof.

(b) The department shall make a final report of its findings and recommendations, including any recommended legislation and funding needs, to the Legislature before December 1, 2025.

SECTION 2. Section 41-7-173, Mississippi Code of 1972, is amended as follows:

41-7-173. For the purposes of Section 41-7-171 et seq., the following words shall have the meanings ascribed herein, unless the context otherwise requires:

(a) "Affected person" means (i) the applicant; (ii) a person residing within the geographic area to be served by the



1311 applicant's proposal; (iii) a person who regularly uses health
1312 care facilities or HMOs located in the geographic area of the
1313 proposal which provide similar service to that which is proposed;
1314 (iv) health care facilities and HMOs which have, prior to receipt
1315 of the application under review, formally indicated an intention
1316 to provide service similar to that of the proposal being
1317 considered at a future date; (v) third-party payers who reimburse
1318 health care facilities located in the geographical area of the
1319 proposal; or (vi) any agency that establishes rates for health
1320 care services or HMOs located in the geographic area of the
1321 proposal.

1322 (b) "Certificate of need" means a written order of the
1323 State Department of Health setting forth the affirmative finding
1324 that a proposal in prescribed application form, sufficiently
1325 satisfies the plans, standards and criteria prescribed for such
1326 service or other project by Section 41-7-171 et seq., and by rules
1327 and regulations promulgated thereunder by the State Department of
1328 Health.

1329 (c) (i) "Capital expenditure," when pertaining to
1330 defined major medical equipment, shall mean an expenditure which,
1331 under generally accepted accounting principles consistently
1332 applied, is not properly chargeable as an expense of operation and
1333 maintenance and which exceeds * * * ~~One Million Five Hundred~~
1334 ~~Thousand Dollars (\$1,500,000.00)~~ Three Million Dollars
1335 (\$3,000,000.00).



1336 (ii) "Capital expenditure," when pertaining to
1337 other than major medical equipment, shall mean any expenditure
1338 which under generally accepted accounting principles consistently
1339 applied is not properly chargeable as an expense of operation and
1340 maintenance and which exceeds, for clinical health services, as
1341 defined in paragraph (k) below, * * * ~~Five Million Dollars~~
1342 ~~(\$5,000,000.00)~~ Ten Million Dollars (\$10,000,000.00), * * *
1343 ~~adjusted for inflation as published by the State Department of~~
1344 ~~Health~~ or which exceeds, for nonclinical health services, as
1345 defined in paragraph (k) below, * * * ~~Ten Million Dollars~~
1346 ~~(\$10,000,000.00)~~, ~~adjusted for inflation as published by the State~~
1347 ~~Department of Health~~ Twenty Million Dollars (\$20,000,000.00).

1348 (iii) A "capital expenditure" shall include the
1349 acquisition, whether by lease, sufferance, gift, devise, legacy,
1350 settlement of a trust or other means, of any facility or part
1351 thereof, or equipment for a facility, the expenditure for which
1352 would have been considered a capital expenditure if acquired by
1353 purchase. Transactions which are separated in time but are
1354 planned to be undertaken within twelve (12) months of each other
1355 and are components of an overall plan for meeting patient care
1356 objectives shall, for purposes of this definition, be viewed in
1357 their entirety without regard to their timing.

1358 (iv) In those instances where a health care
1359 facility or other provider of health services proposes to provide
1360 a service in which the capital expenditure for major medical



1361 equipment or other than major medical equipment or a combination
1362 of the two (2) may have been split between separate parties, the
1363 total capital expenditure required to provide the proposed service
1364 shall be considered in determining the necessity of certificate of
1365 need review and in determining the appropriate certificate of need
1366 review fee to be paid. The capital expenditure associated with
1367 facilities and equipment to provide services in Mississippi shall
1368 be considered regardless of where the capital expenditure was
1369 made, in state or out of state, and regardless of the domicile of
1370 the party making the capital expenditure, in state or out of
1371 state.

1372 (d) "Change of ownership" includes, but is not limited
1373 to, inter vivos gifts, purchases, transfers, lease arrangements,
1374 cash and/or stock transactions or other comparable arrangements
1375 whenever any person or entity acquires or controls a majority
1376 interest of an existing health care facility, and/or the change of
1377 ownership of major medical equipment, a health service, or an
1378 institutional health service. Changes of ownership from
1379 partnerships, single proprietorships or corporations to another
1380 form of ownership are specifically included. However, "change of
1381 ownership" shall not include any inherited interest acquired as a
1382 result of a testamentary instrument or under the laws of descent
1383 and distribution of the State of Mississippi.

1384 (e) "Commencement of construction" means that all of
1385 the following have been completed with respect to a proposal or



1386 project proposing construction, renovating, remodeling or
1387 alteration:

1388 (i) A legally binding written contract has been
1389 consummated by the proponent and a lawfully licensed contractor to
1390 construct and/or complete the intent of the proposal within a
1391 specified period of time in accordance with final architectural
1392 plans which have been approved by the licensing authority of the
1393 State Department of Health;

1394 (ii) Any and all permits and/or approvals deemed
1395 lawfully necessary by all authorities with responsibility for such
1396 have been secured; and

1397 (iii) Actual bona fide undertaking of the subject
1398 proposal has commenced, and a progress payment of at least one
1399 percent (1%) of the total cost price of the contract has been paid
1400 to the contractor by the proponent, and the requirements of this
1401 paragraph (e) have been certified to in writing by the State
1402 Department of Health.

1403 Force account expenditures, such as deposits, securities,
1404 bonds, et cetera, may, in the discretion of the State Department
1405 of Health, be excluded from any or all of the provisions of
1406 defined commencement of construction.

1407 (f) "Consumer" means an individual who is not a
1408 provider of health care as defined in paragraph (q) of this
1409 section.



1410 (g) "Develop," when used in connection with health
1411 services, means to undertake those activities which, on their
1412 completion, will result in the offering of a new institutional
1413 health service or the incurring of a financial obligation as
1414 defined under applicable state law in relation to the offering of
1415 such services.

1416 (h) "Health care facility" includes hospitals,
1417 psychiatric hospitals, chemical dependency hospitals, skilled
1418 nursing facilities, end-stage renal disease (ESRD) facilities,
1419 including freestanding hemodialysis units, intermediate care
1420 facilities, ambulatory surgical facilities, intermediate care
1421 facilities for individuals with intellectual disabilities, home
1422 health agencies, psychiatric residential treatment facilities,
1423 pediatric skilled nursing facilities, long-term care hospitals,
1424 comprehensive medical rehabilitation facilities, including
1425 facilities owned or operated by the state or a political
1426 subdivision or instrumentality of the state, but does not include
1427 Christian Science sanatoriums operated or listed and certified by
1428 the First Church of Christ, Scientist, Boston, Massachusetts.
1429 This definition shall not apply to facilities for the private
1430 practice, either independently or by incorporated medical groups,
1431 of physicians, dentists or health care professionals except where
1432 such facilities are an integral part of an institutional health
1433 service. The various health care facilities listed in this
1434 paragraph shall be defined as follows:



1435 (i) "Hospital" means an institution which is
1436 primarily engaged in providing to inpatients, by or under the
1437 supervision of physicians, diagnostic services and therapeutic
1438 services for medical diagnosis, treatment and care of injured,
1439 disabled or sick persons, or rehabilitation services for the
1440 rehabilitation of injured, disabled or sick persons. Such term
1441 does not include psychiatric hospitals.

1442 (ii) "Psychiatric hospital" means an institution
1443 which is primarily engaged in providing to inpatients, by or under
1444 the supervision of a physician, psychiatric services for the
1445 diagnosis and treatment of persons with mental illness.

1446 (iii) "Chemical dependency hospital" means an
1447 institution which is primarily engaged in providing to inpatients,
1448 by or under the supervision of a physician, medical and related
1449 services for the diagnosis and treatment of chemical dependency
1450 such as alcohol and drug abuse.

1451 (iv) "Skilled nursing facility" means an
1452 institution or a distinct part of an institution which is
1453 primarily engaged in providing to inpatients skilled nursing care
1454 and related services for patients who require medical or nursing
1455 care or rehabilitation services for the rehabilitation of injured,
1456 disabled or sick persons.

1457 (v) "End-stage renal disease (ESRD) facilities"
1458 means kidney disease treatment centers, which includes
1459 freestanding hemodialysis units and limited care facilities. The



1460 term "limited care facility" generally refers to an
1461 off-hospital-premises facility, regardless of whether it is
1462 provider or nonprovider operated, which is engaged primarily in
1463 furnishing maintenance hemodialysis services to stabilized
1464 patients.

1465 (vi) "Intermediate care facility" means an
1466 institution which provides, on a regular basis, health-related
1467 care and services to individuals who do not require the degree of
1468 care and treatment which a hospital or skilled nursing facility is
1469 designed to provide, but who, because of their mental or physical
1470 condition, require health-related care and services (above the
1471 level of room and board).

1472 (vii) "Ambulatory surgical facility" means a
1473 facility primarily organized or established for the purpose of
1474 performing surgery for outpatients and is a separate identifiable
1475 legal entity from any other health care facility. Such term does
1476 not include the offices of private physicians or dentists, whether
1477 for individual or group practice, and does not include any
1478 abortion facility as defined in Section 41-75-1(f).

1479 (viii) "Intermediate care facility for individuals
1480 with intellectual disabilities" means an intermediate care
1481 facility that provides health or rehabilitative services in a
1482 planned program of activities to persons with an intellectual
1483 disability, also including, but not limited to, cerebral palsy and



other conditions covered by the Federal Developmentally Disabled Assistance and Bill of Rights Act, Public Law 94-103.

(ix) "Home health agency" means a public or privately owned agency or organization, or a subdivision of such an agency or organization, properly authorized to conduct business in Mississippi, which is primarily engaged in providing to individuals at the written direction of a licensed physician, in the individual's place of residence, skilled nursing services provided by or under the supervision of a registered nurse licensed to practice in Mississippi, and one or more of the following services or items:

1. Physical, occupational or speech therapy;
2. Medical social services;
3. Part-time or intermittent services of a home health aide;
4. Other services as approved by the licensing agency for home health agencies;
5. Medical supplies, other than drugs and biologicals, and the use of medical appliances; or
6. Medical services provided by an intern or resident-in-training at a hospital under a teaching program of such hospital.

Further, all skilled nursing services and those services listed in items 1 through 4 of this subparagraph (ix) must be provided directly by the licensed home health agency. For



purposes of this subparagraph, "directly" means either through an agency employee or by an arrangement with another individual not defined as a health care facility.

This subparagraph (ix) shall not apply to health care facilities which had contracts for the above services with a home health agency on January 1, 1990.

(x) "Psychiatric residential treatment facility" means any nonhospital establishment with permanent licensed facilities which provides a twenty-four-hour program of care by qualified therapists, including, but not limited to, duly licensed mental health professionals, psychiatrists, psychologists, psychotherapists and licensed certified social workers, for emotionally disturbed children and adolescents referred to such facility by a court, local school district or by the Department of Human Services, who are not in an acute phase of illness requiring the services of a psychiatric hospital, and are in need of such restorative treatment services. For purposes of this subparagraph, the term "emotionally disturbed" means a condition exhibiting one or more of the following characteristics over a long period of time and to a marked degree, which adversely affects educational performance:

1. An inability to learn which cannot be explained by intellectual, sensory or health factors;

2. An inability to build or maintain satisfactory relationships with peers and teachers;



1534 3. Inappropriate types of behavior or
1535 feelings under normal circumstances;
1536 4. A general pervasive mood of unhappiness or
1537 depression; or
1538 5. A tendency to develop physical symptoms or
1539 fears associated with personal or school problems. An
1540 establishment furnishing primarily domiciliary care is not within
1541 this definition.

1542 (xi) "Pediatric skilled nursing facility" means an
1543 institution or a distinct part of an institution that is primarily
1544 engaged in providing to inpatients skilled nursing care and
1545 related services for persons under twenty-one (21) years of age
1546 who require medical or nursing care or rehabilitation services for
1547 the rehabilitation of injured, disabled or sick persons.

1548 (xii) "Long-term care hospital" means a
1549 freestanding, Medicare-certified hospital that has an average
1550 length of inpatient stay greater than twenty-five (25) days, which
1551 is primarily engaged in providing chronic or long-term medical
1552 care to patients who do not require more than three (3) hours of
1553 rehabilitation or comprehensive rehabilitation per day, and has a
1554 transfer agreement with an acute care medical center and a
1555 comprehensive medical rehabilitation facility. Long-term care
1556 hospitals shall not use rehabilitation, comprehensive medical
1557 rehabilitation, medical rehabilitation, sub-acute rehabilitation,



1558 nursing home, skilled nursing facility or sub-acute care facility
1559 in association with its name.

1560 (xiii) "Comprehensive medical rehabilitation
1561 facility" means a hospital or hospital unit that is licensed
1562 and/or certified as a comprehensive medical rehabilitation
1563 facility which provides specialized programs that are accredited
1564 by the Commission on Accreditation of Rehabilitation Facilities
1565 and supervised by a physician board certified or board eligible in
1566 physiatry or other doctor of medicine or osteopathy with at least
1567 two (2) years of training in the medical direction of a
1568 comprehensive rehabilitation program that:

1569 1. Includes evaluation and treatment of
1570 individuals with physical disabilities;

1571 2. Emphasizes education and training of
1572 individuals with disabilities;

1573 3. Incorporates at least the following core
1574 disciplines:

- 1575 a. Physical Therapy;
1576 b. Occupational Therapy;
1577 c. Speech and Language Therapy;
1578 d. Rehabilitation Nursing; and

1579 4. Incorporates at least three (3) of the
1580 following disciplines:

- 1581 a. Psychology;
1582 b. Audiology;



- 1583 c. Respiratory Therapy;
- 1584 d. Therapeutic Recreation;
- 1585 e. Orthotics;
- 1586 f. Prosthetics;
- 1587 g. Special Education;
- 1588 h. Vocational Rehabilitation;
- 1589 i. Psychotherapy;
- 1590 j. Social Work;
- 1591 k. Rehabilitation Engineering.

1592 These specialized programs include, but are not limited to:
1593 spinal cord injury programs, head injury programs and infant and
1594 early childhood development programs.

1595 (i) "Health maintenance organization" or "HMO" means a
1596 public or private organization organized under the laws of this
1597 state or the federal government which:

1598 (i) Provides or otherwise makes available to
1599 enrolled participants health care services, including
1600 substantially the following basic health care services: usual
1601 physician services, hospitalization, laboratory, x-ray, emergency
1602 and preventive services, and out-of-area coverage;

1603 (ii) Is compensated (except for copayments) for
1604 the provision of the basic health care services listed in
1605 subparagraph (i) of this paragraph to enrolled participants on a
1606 predetermined basis; and

1607 (iii) Provides physician services primarily:



1608 1. Directly through physicians who are either
1609 employees or partners of such organization; or

1610 2. Through arrangements with individual
1611 physicians or one or more groups of physicians (organized on a
1612 group practice or individual practice basis).

1613 (j) "Health service area" means a geographic area of
1614 the state designated in the State Health Plan as the area to be
1615 used in planning for specified health facilities and services and
1616 to be used when considering certificate of need applications to
1617 provide health facilities and services.

1618 (k) "Health services" means clinically related (i.e.,
1619 diagnostic, treatment or rehabilitative) services and includes
1620 alcohol, drug abuse, mental health and home health care services.
1621 "Clinical health services" shall only include those activities
1622 which contemplate any change in the existing bed complement of any
1623 health care facility through the addition or conversion of any
1624 beds, under Section 41-7-191(1)(c) or propose to offer any health
1625 services if those services have not been provided on a regular
1626 basis by the proposed provider of such services within the period
1627 of twelve (12) months prior to the time such services would be
1628 offered, under Section 41-7-191(1)(d). "Nonclinical health
1629 services" shall be all other services which do not involve any
1630 change in the existing bed complement or offering health services
1631 as described above.



1632 (1) "Institutional health services" shall mean health
1633 services provided in or through health care facilities and shall
1634 include the entities in or through which such services are
1635 provided.

1636 (m) "Major medical equipment" means medical equipment
1637 designed for providing medical or any health-related service which
1638 costs in excess of One Million Five Hundred Thousand Dollars
1639 (\$1,500,000.00). However, this definition shall not be applicable
1640 to clinical laboratories if they are determined by the State
1641 Department of Health to be independent of any physician's office,
1642 hospital or other health care facility or otherwise not so defined
1643 by federal or state law, or rules and regulations promulgated
1644 thereunder.

1645 (n) "State Department of Health" or "department" shall
1646 mean the state agency created under Section 41-3-15, which shall
1647 be considered to be the State Health Planning and Development
1648 Agency, as defined in paragraph (u) of this section.

1649 (o) "Offer," when used in connection with health
1650 services, means that it has been determined by the State
1651 Department of Health that the health care facility is capable of
1652 providing specified health services.

1653 (p) "Person" means an individual, a trust or estate,
1654 partnership, corporation (including associations, joint-stock
1655 companies and insurance companies), the state or a political
1656 subdivision or instrumentality of the state.



1657 (q) "Provider" shall mean any person who is a provider
1658 or representative of a provider of health care services requiring
1659 a certificate of need under Section 41-7-171 et seq., or who has
1660 any financial or indirect interest in any provider of services.

1661 (r) "Radiation therapy services" means the treatment of
1662 cancer and other diseases using ionizing radiation of either high
1663 energy photons (x-rays or gamma rays) or charged particles
1664 (electrons, protons or heavy nuclei). However, for purposes of a
1665 certificate of need, radiation therapy services shall not include
1666 low energy, superficial, external beam x-ray treatment of
1667 superficial skin lesions.

1668 (s) "Secretary" means the Secretary of Health and Human
1669 Services, and any officer or employee of the Department of Health
1670 and Human Services to whom the authority involved has been
1671 delegated.

1672 (t) "State Health Plan" means the sole and official
1673 statewide health plan for Mississippi which identifies priority
1674 state health needs and establishes standards and criteria for
1675 health-related activities which require certificate of need review
1676 in compliance with Section 41-7-191.

1677 (u) "State Health Planning and Development Agency"
1678 means the agency of state government designated to perform health
1679 planning and resource development programs for the State of
1680 Mississippi.



1681 **SECTION 3.** This act shall take effect and be in force from
1682 and after July 1, 2025, and shall stand repealed on June 30, 2025.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTION 41-7-191, MISSISSIPPI CODE OF 1972,
2 TO REVISE CERTAIN PROVISIONS RELATING TO A HOSPITAL THAT HAS A
3 CERTIFICATE OF NEED FOR A FORTY-BED PSYCHIATRIC RESIDENTIAL
4 TREATMENT FACILITY IN DESOTO COUNTY; TO PROVIDE THAT THERE SHALL
5 BE NO PROHIBITION OR RESTRICTIONS ON PARTICIPATION IN THE MEDICAID
6 PROGRAM FOR SUCH FACILITY THAT WOULD NOT OTHERWISE APPLY TO ANY
7 OTHER SUCH FACILITY; TO REQUIRE THE ISSUANCE OF A CERTIFICATE OF
8 NEED FOR ADDITIONAL BEDS IN A COMMUNITY LIVING PROGRAM FOR
9 DEVELOPMENTALLY DISABLED ADULTS LOCATED IN MADISON COUNTY; TO
10 REVISE THE CONDITIONS FOR A CERTIFICATE OF NEED ISSUED FOR A
11 LONG-TERM CARE HOSPITAL IN HARRISON COUNTY TO ALLOW THE HOSPITAL
12 TO PARTICIPATE IN THE MEDICAID PROGRAM AS A CROSSOVER PROVIDER; TO
13 PROVIDE THAT HEALTH CARE FACILITIES OWNED AND/OR OPERATED BY THE
14 UNIVERSITY OF MISSISSIPPI MEDICAL CENTER IN A CERTAIN AREA OF
15 JACKSON SHALL NOT REQUIRE THE ISSUANCE OF A CERTIFICATE OF NEED IF
16 SUCH FACILITIES ARE USED FOR EDUCATIONAL PURPOSES; TO PROVIDE THAT
17 HEALTH CARE FACILITIES OWNED AND/OR OPERATED BY WILLIAM CAREY
18 UNIVERSITY IN A CERTAIN AREA OF HATTIESBURG SHALL NOT REQUIRE THE
19 ISSUANCE OF A CERTIFICATE OF NEED IF SUCH FACILITIES ARE USED FOR
20 EDUCATIONAL PURPOSES; TO DIRECT THE STATE DEPARTMENT OF HEALTH TO
21 CONDUCT A STUDY AND REPORT BY DECEMBER 1, 2025, ON THE FEASIBILITY
22 OF EXEMPTING SMALL HOSPITALS FROM THE REQUIREMENT FOR A
23 CERTIFICATE OF NEED FOR THE PLACEMENT OF DIALYSIS UNITS TO REDUCE
24 THE NUMBER OF TRANSFERS FOR PATIENTS REQUIRING DIALYSIS, THE
25 FEASIBILITY OF EXEMPTING SMALL HOSPITALS FROM THE REQUIREMENT FOR
26 A CERTIFICATE OF NEED TO OPERATE GERIATRIC PSYCHIATRIC UNITS, AND
27 THE FEASIBILITY OF A NEW REQUIREMENT THAT ACUTE ADULT PSYCHIATRIC
28 UNITS TREAT A CERTAIN PERCENTAGE OF UNINSURED PATIENTS OR PAY A
29 PERIODIC FEE IN LIEU THEREOF; TO AMEND SECTION 41-7-173,
30 MISSISSIPPI CODE OF 1972, TO INCREASE THE MINIMUM DOLLAR AMOUNTS
31 OF CAPITAL EXPENDITURES AND MAJOR MEDICAL EQUIPMENT THAT REQUIRE
32 THE ISSUANCE OF A CERTIFICATE OF NEED; AND FOR RELATED PURPOSES.

