

By: Senator(s) Bryan, Thomas, Simmons  
(12th), Blackmon, Norwood

To: Public Health and  
Welfare

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 2681

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;  
13 AND FOR RELATED PURPOSES.

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

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

17 41-7-191. (1) No person shall engage in any of the  
18 following activities without obtaining the required certificate of  
19 need:

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



24 (b) The relocation of a health care facility or portion  
25 thereof, or major medical equipment, unless such relocation of a  
26 health care facility or portion thereof, or major medical  
27 equipment, which does not involve a capital expenditure by or on  
28 behalf of a health care facility, is within five thousand two  
29 hundred eighty (5,280) feet from the main entrance of the health  
30 care facility;

31 (c) Any change in the existing bed complement of any  
32 health care facility through the addition or conversion of any  
33 beds or the alteration, modernizing or refurbishing of any unit or  
34 department in which the beds may be located; however, if a health  
35 care facility has voluntarily delicensed some of its existing bed  
36 complement, it may later relicense some or all of its delicensed  
37 beds without the necessity of having to acquire a certificate of  
38 need. The State Department of Health shall maintain a record of  
39 the delicensing health care facility and its voluntarily  
40 delicensed beds and continue counting those beds as part of the  
41 state's total bed count for health care planning purposes. If a  
42 health care facility that has voluntarily delicensed some of its  
43 beds later desires to relicense some or all of its voluntarily  
44 delicensed beds, it shall notify the State Department of Health of  
45 its intent to increase the number of its licensed beds. The State  
46 Department of Health shall survey the health care facility within  
47 thirty (30) days of that notice and, if appropriate, issue the  
48 health care facility a new license reflecting the new contingent



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

54 (d) Offering of the following health services if those  
55 services have not been provided on a regular basis by the proposed  
56 provider of such services within the period of twelve (12) months  
57 prior to the time such services would be offered:

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



74 (xiv) Long-term care hospital services;

75 (xv) Positron emission tomography (PET) services;

76 (e) The relocation of one or more health services from

77 one physical facility or site to another physical facility or

78 site, unless such relocation, which does not involve a capital

79 expenditure by or on behalf of a health care facility, (i) is to a

80 physical facility or site within five thousand two hundred eighty

81 (5,280) feet from the main entrance of the health care facility

82 where the health care service is located, or (ii) is the result of

83 an order of a court of appropriate jurisdiction or a result of

84 pending litigation in such court, or by order of the State

85 Department of Health, or by order of any other agency or legal

86 entity of the state, the federal government, or any political

87 subdivision of either, whose order is also approved by the State

88 Department of Health;

89 (f) The acquisition or otherwise control of any major

90 medical equipment for the provision of medical services; however,

91 (i) the acquisition of any major medical equipment used only for

92 research purposes, and (ii) the acquisition of major medical

93 equipment to replace medical equipment for which a facility is

94 already providing medical services and for which the State

95 Department of Health has been notified before the date of such

96 acquisition shall be exempt from this paragraph; an acquisition

97 for less than fair market value must be reviewed, if the

98 acquisition at fair market value would be subject to review;



99 (g) Changes of ownership of existing health care  
100 facilities in which a notice of intent is not filed with the State  
101 Department of Health at least thirty (30) days prior to the date  
102 such change of ownership occurs, or a change in services or bed  
103 capacity as prescribed in paragraph (c) or (d) of this subsection  
104 as a result of the change of ownership; an acquisition for less  
105 than fair market value must be reviewed, if the acquisition at  
106 fair market value would be subject to review;

107 (h) The change of ownership of any health care facility  
108 defined in subparagraphs (iv), (vi) and (viii) of Section  
109 41-7-173(h), in which a notice of intent as described in paragraph  
110 (g) has not been filed and if the Executive Director, Division of  
111 Medicaid, Office of the Governor, has not certified in writing  
112 that there will be no increase in allowable costs to Medicaid from  
113 revaluation of the assets or from increased interest and  
114 depreciation as a result of the proposed change of ownership;

115 (i) Any activity described in paragraphs (a) through  
116 (h) if undertaken by any person if that same activity would  
117 require certificate of need approval if undertaken by a health  
118 care facility;

119 (j) Any capital expenditure or deferred capital  
120 expenditure by or on behalf of a health care facility not covered  
121 by paragraphs (a) through (h);

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



124 to establish a home office, subunit, or branch office in the space  
125 operated as a health care facility through a formal arrangement  
126 with an existing health care facility as defined in subparagraph  
127 (ix) of Section 41-7-173(h);

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

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

137 (2) The State Department of Health shall not grant approval  
138 for or issue a certificate of need to any person proposing the new  
139 construction of, addition to, or expansion of any health care  
140 facility defined in subparagraphs (iv) (skilled nursing facility)  
141 and (vi) (intermediate care facility) of Section 41-7-173(h) or  
142 the conversion of vacant hospital beds to provide skilled or  
143 intermediate nursing home care, except as hereinafter authorized:

144 (a) The department may issue a certificate of need to  
145 any person proposing the new construction of any health care  
146 facility defined in subparagraphs (iv) and (vi) of Section  
147 41-7-173(h) as part of a life care retirement facility, in any  
148 county bordering on the Gulf of Mexico in which is located a



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

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

161 (c) The department may issue a certificate of need for  
162 the addition to or expansion of any skilled nursing facility that  
163 is part of an existing continuing care retirement community  
164 located in Madison County, provided that the recipient of the  
165 certificate of need agrees in writing that the skilled nursing  
166 facility will not at any time participate in the Medicaid program  
167 (Section 43-13-101 et seq.) or admit or keep any patients in the  
168 skilled nursing facility who are participating in the Medicaid  
169 program. This written agreement by the recipient of the  
170 certificate of need shall be fully binding on any subsequent owner  
171 of the skilled nursing facility, if the ownership of the facility  
172 is transferred at any time after the issuance of the certificate  
173 of need. Agreement that the skilled nursing facility will not



174 participate in the Medicaid program shall be a condition of the  
175 issuance of a certificate of need to any person under this  
176 paragraph (c), and if such skilled nursing facility at any time  
177 after the issuance of the certificate of need, regardless of the  
178 ownership of the facility, participates in the Medicaid program or  
179 admits or keeps any patients in the facility who are participating  
180 in the Medicaid program, the State Department of Health shall  
181 revoke the certificate of need, if it is still outstanding, and  
182 shall deny or revoke the license of the skilled nursing facility,  
183 at the time that the department determines, after a hearing  
184 complying with due process, that the facility has failed to comply  
185 with any of the conditions upon which the certificate of need was  
186 issued, as provided in this paragraph and in the written agreement  
187 by the recipient of the certificate of need. The total number of  
188 beds that may be authorized under the authority of this paragraph  
189 (c) shall not exceed sixty (60) beds.

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





198           (e) The State Department of Health may issue a  
199 certificate of need for the construction of a nursing facility or  
200 the conversion of beds to nursing facility beds at a personal care  
201 facility for the elderly in Lowndes County that is owned and  
202 operated by a Mississippi nonprofit corporation, not to exceed  
203 sixty (60) beds. From and after July 1, 1999, there shall be no  
204 prohibition or restrictions on participation in the Medicaid  
205 program (Section 43-13-101 et seq.) for the beds in the nursing  
206 facility that were authorized under this paragraph (e).

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

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



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

231           (i) The department may issue a certificate of need for  
232 the new construction of a skilled nursing facility in Leake  
233 County, provided that the recipient of the certificate of need  
234 agrees in writing that the skilled nursing facility will not at  
235 any time participate in the Medicaid program (Section 43-13-101 et  
236 seq.) or admit or keep any patients in the skilled nursing  
237 facility who are participating in the Medicaid program. This  
238 written agreement by the recipient of the certificate of need  
239 shall be fully binding on any subsequent owner of the skilled  
240 nursing facility, if the ownership of the facility is transferred  
241 at any time after the issuance of the certificate of need.  
242 Agreement that the skilled nursing facility will not participate  
243 in the Medicaid program shall be a condition of the issuance of a  
244 certificate of need to any person under this paragraph (i), and if  
245 such skilled nursing facility at any time after the issuance of  
246 the certificate of need, regardless of the ownership of the  
247 facility, participates in the Medicaid program or admits or keeps



248 any patients in the facility who are participating in the Medicaid  
249 program, the State Department of Health shall revoke the  
250 certificate of need, if it is still outstanding, and shall deny or  
251 revoke the license of the skilled nursing facility, at the time  
252 that the department determines, after a hearing complying with due  
253 process, that the facility has failed to comply with any of the  
254 conditions upon which the certificate of need was issued, as  
255 provided in this paragraph and in the written agreement by the  
256 recipient of the certificate of need. The provision of Section  
257 41-7-193(1) regarding substantial compliance of the projection of  
258 need as reported in the current State Health Plan is waived for  
259 the purposes of this paragraph. The total number of nursing  
260 facility beds that may be authorized by any certificate of need  
261 issued under this paragraph (i) shall not exceed sixty (60) beds.  
262 If the skilled nursing facility authorized by the certificate of  
263 need issued under this paragraph is not constructed and fully  
264 operational within eighteen (18) months after July 1, 1994, the  
265 State Department of Health, after a hearing complying with due  
266 process, shall revoke the certificate of need, if it is still  
267 outstanding, and shall not issue a license for the skilled nursing  
268 facility at any time after the expiration of the eighteen-month  
269 period.

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



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

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



298 condition of licensure of the facility, and the agreement shall be  
299 fully binding on any subsequent owner of the facility if the  
300 ownership of the facility is transferred at any time after July 1,  
301 2001. After this written agreement is executed, the Division of  
302 Medicaid and the State Department of Health shall not certify more  
303 than thirty (30) of the beds in the facility for participation in  
304 the Medicaid program. If the facility violates the terms of the  
305 written agreement by admitting or keeping in the facility on a  
306 regular or continuing basis more than thirty (30) patients who are  
307 participating in the Medicaid program, the State Department of  
308 Health shall revoke the license of the facility, at the time that  
309 the department determines, after a hearing complying with due  
310 process, that the facility has violated the written agreement.

311 (l) Provided that funds are specifically appropriated  
312 therefor by the Legislature, the department may issue a  
313 certificate of need to a rehabilitation hospital in Hinds County  
314 for the construction of a sixty-bed long-term care nursing  
315 facility dedicated to the care and treatment of persons with  
316 severe disabilities including persons with spinal cord and  
317 closed-head injuries and ventilator dependent patients. The  
318 provisions of Section 41-7-193(1) regarding substantial compliance  
319 with projection of need as reported in the current State Health  
320 Plan are waived for the purpose of this paragraph.

321 (m) The State Department of Health may issue a  
322 certificate of need to a county-owned hospital in the Second



323 Judicial District of Panola County for the conversion of not more  
324 than seventy-two (72) hospital beds to nursing facility beds,  
325 provided that the recipient of the certificate of need agrees in  
326 writing that none of the beds at the nursing facility will be  
327 certified for participation in the Medicaid program (Section  
328 43-13-101 et seq.), and that no claim will be submitted for  
329 Medicaid reimbursement in the nursing facility in any day or for  
330 any patient in the nursing facility. This written agreement by  
331 the recipient of the certificate of need shall be a condition of  
332 the issuance of the certificate of need under this paragraph, and  
333 the agreement shall be fully binding on any subsequent owner of  
334 the nursing facility if the ownership of the nursing facility is  
335 transferred at any time after the issuance of the certificate of  
336 need. After this written agreement is executed, the Division of  
337 Medicaid and the State Department of Health shall not certify any  
338 of the beds in the nursing facility for participation in the  
339 Medicaid program. If the nursing facility violates the terms of  
340 the written agreement by admitting or keeping in the nursing  
341 facility on a regular or continuing basis any patients who are  
342 participating in the Medicaid program, the State Department of  
343 Health shall revoke the license of the nursing facility, at the  
344 time that the department determines, after a hearing complying  
345 with due process, that the nursing facility has violated the  
346 condition upon which the certificate of need was issued, as  
347 provided in this paragraph and in the written agreement. If the



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

364 (n) The department may issue a certificate of need for  
365 the new construction, addition or conversion of skilled nursing  
366 facility beds in Madison County, provided that the recipient of  
367 the certificate of need agrees in writing that the skilled nursing  
368 facility will not at any time participate in the Medicaid program  
369 (Section 43-13-101 et seq.) or admit or keep any patients in the  
370 skilled nursing facility who are participating in the Medicaid  
371 program. This written agreement by the recipient of the  
372 certificate of need shall be fully binding on any subsequent owner



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





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

408           (o) The department may issue a certificate of need for  
409 the new construction, addition or conversion of skilled nursing  
410 facility beds in Leake County, provided that the recipient of the  
411 certificate of need agrees in writing that the skilled nursing  
412 facility will not at any time participate in the Medicaid program  
413 (Section 43-13-101 et seq.) or admit or keep any patients in the  
414 skilled nursing facility who are participating in the Medicaid  
415 program. This written agreement by the recipient of the  
416 certificate of need shall be fully binding on any subsequent owner  
417 of the skilled nursing facility, if the ownership of the facility  
418 is transferred at any time after the issuance of the certificate  
419 of need. Agreement that the skilled nursing facility will not  
420 participate in the Medicaid program shall be a condition of the  
421 issuance of a certificate of need to any person under this  
422 paragraph (o), and if such skilled nursing facility at any time



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



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

452 (p) The department may issue a certificate of need for  
453 the construction of a municipally owned nursing facility within  
454 the Town of Belmont in Tishomingo County, not to exceed sixty (60)  
455 beds, provided that the recipient of the certificate of need  
456 agrees in writing that the skilled nursing facility will not at  
457 any time participate in the Medicaid program (Section 43-13-101 et  
458 seq.) or admit or keep any patients in the skilled nursing  
459 facility who are participating in the Medicaid program. This  
460 written agreement by the recipient of the certificate of need  
461 shall be fully binding on any subsequent owner of the skilled  
462 nursing facility, if the ownership of the facility is transferred  
463 at any time after the issuance of the certificate of need.  
464 Agreement that the skilled nursing facility will not participate  
465 in the Medicaid program shall be a condition of the issuance of a  
466 certificate of need to any person under this paragraph (p), and if  
467 such skilled nursing facility at any time after the issuance of  
468 the certificate of need, regardless of the ownership of the  
469 facility, participates in the Medicaid program or admits or keeps  
470 any patients in the facility who are participating in the Medicaid  
471 program, the State Department of Health shall revoke the  
472 certificate of need, if it is still outstanding, and shall deny or



473 revoke the license of the skilled nursing facility, at the time  
474 that the department determines, after a hearing complying with due  
475 process, that the facility has failed to comply with any of the  
476 conditions upon which the certificate of need was issued, as  
477 provided in this paragraph and in the written agreement by the  
478 recipient of the certificate of need. The provision of Section  
479 41-7-193(1) regarding substantial compliance of the projection of  
480 need as reported in the current State Health Plan is waived for  
481 the purposes of this paragraph. If the certificate of need  
482 authorized under this paragraph is not issued within twelve (12)  
483 months after July 1, 1998, the department shall deny the  
484 application for the certificate of need and shall not issue the  
485 certificate of need at any time after the twelve-month period,  
486 unless the issuance is contested. If the certificate of need is  
487 issued and substantial construction of the nursing facility beds  
488 has not commenced within eighteen (18) months after July 1, 1998,  
489 the State Department of Health, after a hearing complying with due  
490 process, shall revoke the certificate of need if it is still  
491 outstanding, and the department shall not issue a license for the  
492 nursing facility at any time after the eighteen-month period.  
493 However, if the issuance of the certificate of need is contested,  
494 the department shall require substantial construction of the  
495 nursing facility beds within six (6) months after final  
496 adjudication on the issuance of the certificate of need.



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

507           (ii) Subject to the provisions of subparagraph  
508 (v), during each of the next four (4) fiscal years, the department  
509 shall issue six (6) certificates of need for new nursing facility  
510 beds, as follows: During fiscal years 2000, 2001 and 2002, one  
511 (1) certificate of need shall be issued for new nursing facility  
512 beds in the county in each of the four (4) Long-Term Care Planning  
513 Districts designated in the fiscal year 1999 State Health Plan  
514 that has the highest need in the district for those beds; and two  
515 (2) certificates of need shall be issued for new nursing facility  
516 beds in the two (2) counties from the state at large that have the  
517 highest need in the state for those beds, when considering the  
518 need on a statewide basis and without regard to the Long-Term Care  
519 Planning Districts in which the counties are located. During  
520 fiscal year 2003, one (1) certificate of need shall be issued for  
521 new nursing facility beds in any county having a need for fifty



522 (50) or more additional nursing facility beds, as shown in the  
523 fiscal year 1999 State Health Plan, that has not received a  
524 certificate of need under this paragraph (q) during the three (3)  
525 previous fiscal years. During fiscal year 2000, in addition to  
526 the six (6) certificates of need authorized in this subparagraph,  
527 the department also shall issue a certificate of need for new  
528 nursing facility beds in Amite County and a certificate of need  
529 for new nursing facility beds in Carroll County.

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

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



547 large during each fiscal year shall first be available for nursing  
548 facility beds in the two (2) counties that have the highest need  
549 in the state for those beds, as shown in the fiscal year 1999  
550 State Health Plan, when considering the need on a statewide basis  
551 and without regard to the Long-Term Care Planning Districts in  
552 which the counties are located. If there are no applications for  
553 a certificate of need for nursing facility beds in either of the  
554 two (2) counties having the highest need for those beds on a  
555 statewide basis by the date specified by the department, then the  
556 certificate of need shall be available for nursing facility beds  
557 in other counties from the state at large in descending order of  
558 the need for those beds on a statewide basis, from the county with  
559 the second highest need to the county with the lowest need, until  
560 an application is received for nursing facility beds in an  
561 eligible county from the state at large.

562 (v) If a certificate of need is authorized to be  
563 issued under this paragraph (q) for nursing facility beds in a  
564 county on the basis of the need in the Long-Term Care Planning  
565 District during any fiscal year of the four-year period, a  
566 certificate of need shall not also be available under this  
567 paragraph (q) for additional nursing facility beds in that county  
568 on the basis of the need in the state at large, and that county  
569 shall be excluded in determining which counties have the highest  
570 need for nursing facility beds in the state at large for that  
571 fiscal year. After a certificate of need has been issued under



572 this paragraph (q) for nursing facility beds in a county during  
573 any fiscal year of the four-year period, a certificate of need  
574 shall not be available again under this paragraph (q) for  
575 additional nursing facility beds in that county during the  
576 four-year period, and that county shall be excluded in determining  
577 which counties have the highest need for nursing facility beds in  
578 succeeding fiscal years.

579 (vi) If more than one (1) application is made for  
580 a certificate of need for nursing home facility beds available  
581 under this paragraph (q), in Yalobusha, Newton or Tallahatchie  
582 County, and one (1) of the applicants is a county-owned hospital  
583 located in the county where the nursing facility beds are  
584 available, the department shall give priority to the county-owned  
585 hospital in granting the certificate of need if the following  
586 conditions are met:

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

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

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





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

603 (ii) Not more than twenty (20) beds may be  
604 authorized by any certificate of need issued under this paragraph  
605 (r), and not more than a total of sixty (60) beds may be  
606 authorized in any Long-Term Care Planning District by all  
607 certificates of need issued under this paragraph (r). However,  
608 the total number of beds that may be authorized by all  
609 certificates of need issued under this paragraph (r) during any  
610 fiscal year shall not exceed one hundred twenty (120) beds, and  
611 the total number of beds that may be authorized in any Long-Term  
612 Care Planning District during any fiscal year shall not exceed  
613 forty (40) beds. Of the certificates of need that are issued for  
614 each Long-Term Care Planning District during the next two (2)  
615 fiscal years, at least one (1) shall be issued for beds in the  
616 northern part of the district, at least one (1) shall be issued  
617 for beds in the central part of the district, and at least one (1)  
618 shall be issued for beds in the southern part of the district.

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



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

626 (s) The State Department of Health may issue a  
627 certificate of need to a nonprofit skilled nursing facility using  
628 the Green House model of skilled nursing care and located in Yazoo  
629 City, Yazoo County, Mississippi, for the construction, expansion  
630 or conversion of not more than nineteen (19) nursing facility  
631 beds. For purposes of this paragraph (s), the provisions of  
632 Section 41-7-193(1) requiring substantial compliance with the  
633 projection of need as reported in the current State Health Plan  
634 and the provisions of Section 41-7-197 requiring a formal  
635 certificate of need hearing process are waived. There shall be no  
636 prohibition or restrictions on participation in the Medicaid  
637 program for the person receiving the certificate of need  
638 authorized under this paragraph (s).

639 (t) The State Department of Health shall issue  
640 certificates of need to the owner of a nursing facility in  
641 operation at the time of Hurricane Katrina in Hancock County that  
642 was not operational on December 31, 2005, because of damage  
643 sustained from Hurricane Katrina to authorize the following: (i)  
644 the construction of a new nursing facility in Harrison County;  
645 (ii) the relocation of forty-nine (49) nursing facility beds from  
646 the Hancock County facility to the new Harrison County facility;



647 (iii) the establishment of not more than twenty (20) non-Medicaid  
648 nursing facility beds at the Hancock County facility; and (iv) the  
649 establishment of not more than twenty (20) non-Medicaid beds at  
650 the new Harrison County facility. The certificates of need that  
651 authorize the non-Medicaid nursing facility beds under  
652 subparagraphs (iii) and (iv) of this paragraph (t) shall be  
653 subject to the following conditions: The owner of the Hancock  
654 County facility and the new Harrison County facility must agree in  
655 writing that no more than fifty (50) of the beds at the Hancock  
656 County facility and no more than forty-nine (49) of the beds at  
657 the Harrison County facility will be certified for participation  
658 in the Medicaid program, and that no claim will be submitted for  
659 Medicaid reimbursement for more than fifty (50) patients in the  
660 Hancock County facility in any month, or for more than forty-nine  
661 (49) patients in the Harrison County facility in any month, or for  
662 any patient in either facility who is in a bed that is not  
663 Medicaid-certified. This written agreement by the owner of the  
664 nursing facilities shall be a condition of the issuance of the  
665 certificates of need under this paragraph (t), and the agreement  
666 shall be fully binding on any later owner or owners of either  
667 facility if the ownership of either facility is transferred at any  
668 time after the certificates of need are issued. After this  
669 written agreement is executed, the Division of Medicaid and the  
670 State Department of Health shall not certify more than fifty (50)  
671 of the beds at the Hancock County facility or more than forty-nine



672 (49) of the beds at the Harrison County facility for participation  
673 in the Medicaid program. If the Hancock County facility violates  
674 the terms of the written agreement by admitting or keeping in the  
675 facility on a regular or continuing basis more than fifty (50)  
676 patients who are participating in the Medicaid program, or if the  
677 Harrison County facility violates the terms of the written  
678 agreement by admitting or keeping in the facility on a regular or  
679 continuing basis more than forty-nine (49) patients who are  
680 participating in the Medicaid program, the State Department of  
681 Health shall revoke the license of the facility that is in  
682 violation of the agreement, at the time that the department  
683 determines, after a hearing complying with due process, that the  
684 facility has violated the agreement.

685 (u) The State Department of Health shall issue a  
686 certificate of need to a nonprofit venture for the establishment,  
687 construction and operation of a skilled nursing facility of not  
688 more than sixty (60) beds to provide skilled nursing care for  
689 ventilator dependent or otherwise medically dependent pediatric  
690 patients who require medical and nursing care or rehabilitation  
691 services to be located in a county in which an academic medical  
692 center and a children's hospital are located, and for any  
693 construction and for the acquisition of equipment related to those  
694 beds. The facility shall be authorized to keep such ventilator  
695 dependent or otherwise medically dependent pediatric patients  
696 beyond age twenty-one (21) in accordance with regulations of the



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

708 (3) The State Department of Health may grant approval for  
709 and issue certificates of need to any person proposing the new  
710 construction of, addition to, conversion of beds of or expansion  
711 of any health care facility defined in subparagraph (x)  
712 (psychiatric residential treatment facility) of Section  
713 41-7-173(h). The total number of beds which may be authorized by  
714 such certificates of need shall not exceed three hundred  
715 thirty-four (334) beds for the entire state.

716 (a) Of the total number of beds authorized under this  
717 subsection, the department shall issue a certificate of need to a  
718 privately owned psychiatric residential treatment facility in  
719 Simpson County for the conversion of sixteen (16) intermediate  
720 care facility for individuals with intellectual disabilities  
721 (ICF-IID) beds to psychiatric residential treatment facility beds,



722 provided that facility agrees in writing that the facility shall  
723 give priority for the use of those sixteen (16) beds to  
724 Mississippi residents who are presently being treated in  
725 out-of-state facilities.

726 (b) Of the total number of beds authorized under this  
727 subsection, the department may issue a certificate or certificates  
728 of need for the construction or expansion of psychiatric  
729 residential treatment facility beds or the conversion of other  
730 beds to psychiatric residential treatment facility beds in Warren  
731 County, not to exceed sixty (60) psychiatric residential treatment  
732 facility beds, provided that the facility agrees in writing that  
733 no more than thirty (30) of the beds at the psychiatric  
734 residential treatment facility will be certified for participation  
735 in the Medicaid program (Section 43-13-101 et seq.) for the use of  
736 any patients other than those who are participating only in the  
737 Medicaid program of another state, and that no claim will be  
738 submitted to the Division of Medicaid for Medicaid reimbursement  
739 for more than thirty (30) patients in the psychiatric residential  
740 treatment facility in any day or for any patient in the  
741 psychiatric residential treatment facility who is in a bed that is  
742 not Medicaid-certified. This written agreement by the recipient  
743 of the certificate of need shall be a condition of the issuance of  
744 the certificate of need under this paragraph, and the agreement  
745 shall be fully binding on any subsequent owner of the psychiatric  
746 residential treatment facility if the ownership of the facility is



747 transferred at any time after the issuance of the certificate of  
748 need. After this written agreement is executed, the Division of  
749 Medicaid and the State Department of Health shall not certify more  
750 than thirty (30) of the beds in the psychiatric residential  
751 treatment facility for participation in the Medicaid program for  
752 the use of any patients other than those who are participating  
753 only in the Medicaid program of another state. If the psychiatric  
754 residential treatment facility violates the terms of the written  
755 agreement by admitting or keeping in the facility on a regular or  
756 continuing basis more than thirty (30) patients who are  
757 participating in the Mississippi Medicaid program, the State  
758 Department of Health shall revoke the license of the facility, at  
759 the time that the department determines, after a hearing complying  
760 with due process, that the facility has violated the condition  
761 upon which the certificate of need was issued, as provided in this  
762 paragraph and in the written agreement.

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

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



772 County \* \* \*. There shall be no prohibition or restrictions on  
773 participation in the Medicaid program (Section 43-13-101 et seq.)  
774 for the person(s) receiving the certificate of need authorized  
775 under this paragraph (c) or for the beds converted pursuant to the  
776 authority of that certificate of need that would not apply to any  
777 other psychiatric residential treatment facility.

778 (d) Of the total number of beds authorized under this  
779 subsection, the department may issue a certificate or certificates  
780 of need for the construction or expansion of psychiatric  
781 residential treatment facility beds or the conversion of other  
782 beds to psychiatric treatment facility beds, not to exceed thirty  
783 (30) psychiatric residential treatment facility beds, in either  
784 Alcorn, Tishomingo, Prentiss, Lee, Itawamba, Monroe, Chickasaw,  
785 Pontotoc, Calhoun, Lafayette, Union, Benton or Tippah County.

786 (e) Of the total number of beds authorized under this  
787 subsection (3) the department shall issue a certificate of need to  
788 a privately owned, nonprofit psychiatric residential treatment  
789 facility in Hinds County for an eight-bed expansion of the  
790 facility, provided that the facility agrees in writing that the  
791 facility shall give priority for the use of those eight (8) beds  
792 to Mississippi residents who are presently being treated in  
793 out-of-state facilities.

794 (f) The department shall issue a certificate of need to  
795 a one-hundred-thirty-four-bed specialty hospital located on  
796 twenty-nine and forty-four one-hundredths (29.44) commercial acres





797 at 5900 Highway 39 North in Meridian (Lauderdale County),  
798 Mississippi, for the addition, construction or expansion of  
799 child/adolescent psychiatric residential treatment facility beds  
800 in Lauderdale County. As a condition of issuance of the  
801 certificate of need under this paragraph, the facility shall give  
802 priority in admissions to the child/adolescent psychiatric  
803 residential treatment facility beds authorized under this  
804 paragraph to patients who otherwise would require out-of-state  
805 placement. The Division of Medicaid, in conjunction with the  
806 Department of Human Services, shall furnish the facility a list of  
807 all out-of-state patients on a quarterly basis. Furthermore,  
808 notice shall also be provided to the parent, custodial parent or  
809 guardian of each out-of-state patient notifying them of the  
810 priority status granted by this paragraph. For purposes of this  
811 paragraph, the provisions of Section 41-7-193(1) requiring  
812 substantial compliance with the projection of need as reported in  
813 the current State Health Plan are waived. The total number of  
814 child/adolescent psychiatric residential treatment facility beds  
815 that may be authorized under the authority of this paragraph shall  
816 be sixty (60) beds. There shall be no prohibition or restrictions  
817 on participation in the Medicaid program (Section 43-13-101 et  
818 seq.) for the person receiving the certificate of need authorized  
819 under this paragraph or for the beds converted pursuant to the  
820 authority of that certificate of need.



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

844 (i) [Deleted]



845                   (ii) The department may issue a certificate of  
846 need for the conversion of existing beds in a county hospital in  
847 Choctaw County from acute care beds to child/adolescent chemical  
848 dependency beds. For purposes of this subparagraph (ii), the  
849 provisions of Section 41-7-193(1) requiring substantial compliance  
850 with the projection of need as reported in the current State  
851 Health Plan are waived. The total number of beds that may be  
852 authorized under authority of this subparagraph shall not exceed  
853 twenty (20) beds. There shall be no prohibition or restrictions  
854 on participation in the Medicaid program (Section 43-13-101 et  
855 seq.) for the hospital receiving the certificate of need  
856 authorized under this subparagraph or for the beds converted  
857 pursuant to the authority of that certificate of need.

858                   (iii) The department may issue a certificate or  
859 certificates of need for the construction or expansion of  
860 child/adolescent psychiatric beds or the conversion of other beds  
861 to child/adolescent psychiatric beds in Warren County. For  
862 purposes of this subparagraph (iii), the provisions of Section  
863 41-7-193(1) requiring substantial compliance with the projection  
864 of need as reported in the current State Health Plan are waived.  
865 The total number of beds that may be authorized under the  
866 authority of this subparagraph shall not exceed twenty (20) beds.  
867 There shall be no prohibition or restrictions on participation in  
868 the Medicaid program (Section 43-13-101 et seq.) for the person  
869 receiving the certificate of need authorized under this



870 subparagraph or for the beds converted pursuant to the authority  
871 of that certificate of need.

872         If by January 1, 2002, there has been no significant  
873 commencement of construction of the beds authorized under this  
874 subparagraph (iii), or no significant action taken to convert  
875 existing beds to the beds authorized under this subparagraph, then  
876 the certificate of need that was previously issued under this  
877 subparagraph shall expire. If the previously issued certificate  
878 of need expires, the department may accept applications for  
879 issuance of another certificate of need for the beds authorized  
880 under this subparagraph, and may issue a certificate of need to  
881 authorize the construction, expansion or conversion of the beds  
882 authorized under this subparagraph.

883                 (iv) The department shall issue a certificate of  
884 need to the Region 7 Mental Health/Retardation Commission for the  
885 construction or expansion of child/adolescent psychiatric beds or  
886 the conversion of other beds to child/adolescent psychiatric beds  
887 in any of the counties served by the commission. For purposes of  
888 this subparagraph (iv), the provisions of Section 41-7-193(1)  
889 requiring substantial compliance with the projection of need as  
890 reported in the current State Health Plan are waived. The total  
891 number of beds that may be authorized under the authority of this  
892 subparagraph shall not exceed twenty (20) beds. There shall be no  
893 prohibition or restrictions on participation in the Medicaid  
894 program (Section 43-13-101 et seq.) for the person receiving the



895 certificate of need authorized under this subparagraph or for the  
896 beds converted pursuant to the authority of that certificate of  
897 need.

898 (v) The department may issue a certificate of need  
899 to any county hospital located in Leflore County for the  
900 construction or expansion of adult psychiatric beds or the  
901 conversion of other beds to adult psychiatric beds, not to exceed  
902 twenty (20) beds, provided that the recipient of the certificate  
903 of need agrees in writing that the adult psychiatric beds will not  
904 at any time be certified for participation in the Medicaid program  
905 and that the hospital will not admit or keep any patients who are  
906 participating in the Medicaid program in any of such adult  
907 psychiatric beds. This written agreement by the recipient of the  
908 certificate of need shall be fully binding on any subsequent owner  
909 of the hospital if the ownership of the hospital is transferred at  
910 any time after the issuance of the certificate of need. Agreement  
911 that the adult psychiatric beds will not be certified for  
912 participation in the Medicaid program shall be a condition of the  
913 issuance of a certificate of need to any person under this  
914 subparagraph (v), and if such hospital at any time after the  
915 issuance of the certificate of need, regardless of the ownership  
916 of the hospital, has any of such adult psychiatric beds certified  
917 for participation in the Medicaid program or admits or keeps any  
918 Medicaid patients in such adult psychiatric beds, the State  
919 Department of Health shall revoke the certificate of need, if it



920 is still outstanding, and shall deny or revoke the license of the  
921 hospital at the time that the department determines, after a  
922 hearing complying with due process, that the hospital has failed  
923 to comply with any of the conditions upon which the certificate of  
924 need was issued, as provided in this subparagraph and in the  
925 written agreement by the recipient of the certificate of need.

926 (vi) The department may issue a certificate or  
927 certificates of need for the expansion of child psychiatric beds  
928 or the conversion of other beds to child psychiatric beds at the  
929 University of Mississippi Medical Center. For purposes of this  
930 subparagraph (vi), the provisions of Section 41-7-193(1) requiring  
931 substantial compliance with the projection of need as reported in  
932 the current State Health Plan are waived. The total number of  
933 beds that may be authorized under the authority of this  
934 subparagraph shall not exceed fifteen (15) beds. There shall be  
935 no prohibition or restrictions on participation in the Medicaid  
936 program (Section 43-13-101 et seq.) for the hospital receiving the  
937 certificate of need authorized under this subparagraph or for the  
938 beds converted pursuant to the authority of that certificate of  
939 need.

940 (b) From and after July 1, 1990, no hospital,  
941 psychiatric hospital or chemical dependency hospital shall be  
942 authorized to add any child/adolescent psychiatric or  
943 child/adolescent chemical dependency beds or convert any beds of  
944 another category to child/adolescent psychiatric or



945 child/adolescent chemical dependency beds without a certificate of  
946 need under the authority of subsection (1)(c) and subsection  
947 (4)(a) of this section.

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

951 (6) The State Department of Health shall issue a certificate  
952 of need to a Mississippi corporation qualified to manage a  
953 long-term care hospital as defined in Section 41-7-173(h)(xii) in  
954 Harrison County, not to exceed eighty (80) beds, including any  
955 necessary renovation or construction required for licensure and  
956 certification, provided that the recipient of the certificate of  
957 need agrees in writing that the long-term care hospital will not  
958 at any time participate in the Medicaid program (Section 43-13-101  
959 et seq.) \* \* \* except as a crossover provider. This written  
960 agreement by the recipient of the certificate of need shall be  
961 fully binding on any subsequent owner of the long-term care  
962 hospital, if the ownership of the facility is transferred at any  
963 time after the issuance of the certificate of need. Agreement  
964 that the long-term care hospital will not participate in the  
965 Medicaid program except as a crossover provider shall be a  
966 condition of the issuance of a certificate of need to any person  
967 under this subsection (6), and if such long-term care hospital at  
968 any time after the issuance of the certificate of need, regardless  
969 of the ownership of the facility, participates in the Medicaid



970 program \* \* \* except as a crossover provider, the State Department  
971 of Health shall revoke the certificate of need, if it is still  
972 outstanding, and shall deny or revoke the license of the long-term  
973 care hospital, at the time that the department determines, after a  
974 hearing complying with due process, that the facility has failed  
975 to comply with any of the conditions upon which the certificate of  
976 need was issued, as provided in this subsection and in the written  
977 agreement by the recipient of the certificate of need. For  
978 purposes of this subsection, the provisions of Section 41-7-193(1)  
979 requiring substantial compliance with the projection of need as  
980 reported in the current State Health Plan are waived. This  
981 subsection (6) shall be retroactive to July 1, 2023.

982 (7) The State Department of Health may issue a certificate  
983 of need to any hospital in the state to utilize a portion of its  
984 beds for the "swing-bed" concept. Any such hospital must be in  
985 conformance with the federal regulations regarding such swing-bed  
986 concept at the time it submits its application for a certificate  
987 of need to the State Department of Health, except that such  
988 hospital may have more licensed beds or a higher average daily  
989 census (ADC) than the maximum number specified in federal  
990 regulations for participation in the swing-bed program. Any  
991 hospital meeting all federal requirements for participation in the  
992 swing-bed program which receives such certificate of need shall  
993 render services provided under the swing-bed concept to any  
994 patient eligible for Medicare (Title XVIII of the Social Security





995 Act) who is certified by a physician to be in need of such  
996 services, and no such hospital shall permit any patient who is  
997 eligible for both Medicaid and Medicare or eligible only for  
998 Medicaid to stay in the swing beds of the hospital for more than  
999 thirty (30) days per admission unless the hospital receives prior  
1000 approval for such patient from the Division of Medicaid, Office of  
1001 the Governor. Any hospital having more licensed beds or a higher  
1002 average daily census (ADC) than the maximum number specified in  
1003 federal regulations for participation in the swing-bed program  
1004 which receives such certificate of need shall develop a procedure  
1005 to ensure that before a patient is allowed to stay in the swing  
1006 beds of the hospital, there are no vacant nursing home beds  
1007 available for that patient located within a fifty-mile radius of  
1008 the hospital. When any such hospital has a patient staying in the  
1009 swing beds of the hospital and the hospital receives notice from a  
1010 nursing home located within such radius that there is a vacant bed  
1011 available for that patient, the hospital shall transfer the  
1012 patient to the nursing home within a reasonable time after receipt  
1013 of the notice. Any hospital which is subject to the requirements  
1014 of the two (2) preceding sentences of this subsection may be  
1015 suspended from participation in the swing-bed program for a  
1016 reasonable period of time by the State Department of Health if the  
1017 department, after a hearing complying with due process, determines  
1018 that the hospital has failed to comply with any of those  
1019 requirements.



1020           (8) The Department of Health shall not grant approval for or  
1021 issue a certificate of need to any person proposing the new  
1022 construction of, addition to or expansion of a health care  
1023 facility as defined in subparagraph (viii) of Section 41-7-173(h),  
1024 except as hereinafter provided: Effective July 1, 2025, the  
1025 department \* \* \* shall issue a certificate of need to a nonprofit  
1026 corporation located in Madison County, Mississippi, for the  
1027 construction, expansion or conversion of \* \* \* forty (40) beds in  
1028 a community living program for developmentally disabled adults in  
1029 a facility as defined in subparagraph (viii) of Section  
1030 41-7-173(h). For purposes of this subsection (8), the provisions  
1031 of Section 41-7-193(1) requiring substantial compliance with the  
1032 projection of need as reported in the current State Health Plan  
1033 and the provisions of Section 41-7-197 requiring a formal  
1034 certificate of need hearing process are waived. There shall be no  
1035 prohibition or restrictions on participation in the Medicaid  
1036 program for the person receiving the certificate of need  
1037 authorized under this subsection (8).

1038           (9) The Department of Health shall not grant approval for or  
1039 issue a certificate of need to any person proposing the  
1040 establishment of, or expansion of the currently approved territory  
1041 of, or the contracting to establish a home office, subunit or  
1042 branch office within the space operated as a health care facility  
1043 as defined in Section 41-7-173(h) (i) through (viii) by a health



1044 care facility as defined in subparagraph (ix) of Section  
1045 41-7-173(h).

1046 (10) Health care facilities owned and/or operated by the  
1047 state or its agencies are exempt from the restraints in this  
1048 section against issuance of a certificate of need if such addition  
1049 or expansion consists of repairing or renovation necessary to  
1050 comply with the state licensure law. This exception shall not  
1051 apply to the new construction of any building by such state  
1052 facility. This exception shall not apply to any health care  
1053 facilities owned and/or operated by counties, municipalities,  
1054 districts, unincorporated areas, other defined persons, or any  
1055 combination thereof.

1056 (11) The new construction, renovation or expansion of or  
1057 addition to any health care facility defined in subparagraph (ii)  
1058 (psychiatric hospital), subparagraph (iv) (skilled nursing  
1059 facility), subparagraph (vi) (intermediate care facility),  
1060 subparagraph (viii) (intermediate care facility for individuals  
1061 with intellectual disabilities) and subparagraph (x) (psychiatric  
1062 residential treatment facility) of Section 41-7-173(h) which is  
1063 owned by the State of Mississippi and under the direction and  
1064 control of the State Department of Mental Health, and the addition  
1065 of new beds or the conversion of beds from one category to another  
1066 in any such defined health care facility which is owned by the  
1067 State of Mississippi and under the direction and control of the  
1068 State Department of Mental Health, shall not require the issuance



1069 of a certificate of need under Section 41-7-171 et seq.,  
1070 notwithstanding any provision in Section 41-7-171 et seq. to the  
1071 contrary.

1072 (12) The new construction, renovation or expansion of or  
1073 addition to any veterans homes or domiciliaries for eligible  
1074 veterans of the State of Mississippi as authorized under Section  
1075 35-1-19 shall not require the issuance of a certificate of need,  
1076 notwithstanding any provision in Section 41-7-171 et seq. to the  
1077 contrary.

1078 (13) The repair or the rebuilding of an existing, operating  
1079 health care facility that sustained significant damage from a  
1080 natural disaster that occurred after April 15, 2014, in an area  
1081 that is proclaimed a disaster area or subject to a state of  
1082 emergency by the Governor or by the President of the United States  
1083 shall be exempt from all of the requirements of the Mississippi  
1084 Certificate of Need Law (Section 41-7-171 et seq.) and any and all  
1085 rules and regulations promulgated under that law, subject to the  
1086 following conditions:

1087 (a) The repair or the rebuilding of any such damaged  
1088 health care facility must be within one (1) mile of the  
1089 pre-disaster location of the campus of the damaged health care  
1090 facility, except that any temporary post-disaster health care  
1091 facility operating location may be within five (5) miles of the  
1092 pre-disaster location of the damaged health care facility;



1093           (b) The repair or the rebuilding of the damaged health  
1094 care facility (i) does not increase or change the complement of  
1095 its bed capacity that it had before the Governor's or the  
1096 President's proclamation, (ii) does not increase or change its  
1097 levels and types of health care services that it provided before  
1098 the Governor's or the President's proclamation, and (iii) does not  
1099 rebuild in a different county; however, this paragraph does not  
1100 restrict or prevent a health care facility from decreasing its bed  
1101 capacity that it had before the Governor's or the President's  
1102 proclamation, or from decreasing the levels of or decreasing or  
1103 eliminating the types of health care services that it provided  
1104 before the Governor's or the President's proclamation, when the  
1105 damaged health care facility is repaired or rebuilt;

1106           (c) The exemption from Certificate of Need Law provided  
1107 under this subsection (13) is valid for only five (5) years from  
1108 the date of the Governor's or the President's proclamation. If  
1109 actual construction has not begun within that five-year period,  
1110 the exemption provided under this subsection is inapplicable; and

1111           (d) The Division of Health Facilities Licensure and  
1112 Certification of the State Department of Health shall provide the  
1113 same oversight for the repair or the rebuilding of the damaged  
1114 health care facility that it provides to all health care facility  
1115 construction projects in the state.

1116           For the purposes of this subsection (13), "significant  
1117 damage" to a health care facility means damage to the health care



1118 facility requiring an expenditure of at least One Million Dollars  
1119 (\$1,000,000.00).

1120 (14) The State Department of Health shall issue a  
1121 certificate of need to any hospital which is currently licensed  
1122 for two hundred fifty (250) or more acute care beds and is located  
1123 in any general hospital service area not having a comprehensive  
1124 cancer center, for the establishment and equipping of such a  
1125 center which provides facilities and services for outpatient  
1126 radiation oncology therapy, outpatient medical oncology therapy,  
1127 and appropriate support services including the provision of  
1128 radiation therapy services. The provisions of Section 41-7-193(1)  
1129 regarding substantial compliance with the projection of need as  
1130 reported in the current State Health Plan are waived for the  
1131 purpose of this subsection.

1132 (15) The State Department of Health may authorize the  
1133 transfer of hospital beds, not to exceed sixty (60) beds, from the  
1134 North Panola Community Hospital to the South Panola Community  
1135 Hospital. The authorization for the transfer of those beds shall  
1136 be exempt from the certificate of need review process.

1137 (16) The State Department of Health shall issue any  
1138 certificates of need necessary for Mississippi State University  
1139 and a public or private health care provider to jointly acquire  
1140 and operate a linear accelerator and a magnetic resonance imaging  
1141 unit. Those certificates of need shall cover all capital  
1142 expenditures related to the project between Mississippi State



1143 University and the health care provider, including, but not  
1144 limited to, the acquisition of the linear accelerator, the  
1145 magnetic resonance imaging unit and other radiological modalities;  
1146 the offering of linear accelerator and magnetic resonance imaging  
1147 services; and the cost of construction of facilities in which to  
1148 locate these services. The linear accelerator and the magnetic  
1149 resonance imaging unit shall be (a) located in the City of  
1150 Starkville, Oktibbeha County, Mississippi; (b) operated jointly by  
1151 Mississippi State University and the public or private health care  
1152 provider selected by Mississippi State University through a  
1153 request for proposals (RFP) process in which Mississippi State  
1154 University selects, and the Board of Trustees of State  
1155 Institutions of Higher Learning approves, the health care provider  
1156 that makes the best overall proposal; (c) available to Mississippi  
1157 State University for research purposes two-thirds (2/3) of the  
1158 time that the linear accelerator and magnetic resonance imaging  
1159 unit are operational; and (d) available to the public or private  
1160 health care provider selected by Mississippi State University and  
1161 approved by the Board of Trustees of State Institutions of Higher  
1162 Learning one-third (1/3) of the time for clinical, diagnostic and  
1163 treatment purposes. For purposes of this subsection, the  
1164 provisions of Section 41-7-193(1) requiring substantial compliance  
1165 with the projection of need as reported in the current State  
1166 Health Plan are waived.



1167           (17) The State Department of Health shall issue a  
1168 certificate of need for the construction of an acute care hospital  
1169 in Kemper County, not to exceed twenty-five (25) beds, which shall  
1170 be named the "John C. Stennis Memorial Hospital." In issuing the  
1171 certificate of need under this subsection, the department shall  
1172 give priority to a hospital located in Lauderdale County that has  
1173 two hundred fifteen (215) beds. For purposes of this subsection,  
1174 the provisions of Section 41-7-193(1) requiring substantial  
1175 compliance with the projection of need as reported in the current  
1176 State Health Plan and the provisions of Section 41-7-197 requiring  
1177 a formal certificate of need hearing process are waived. There  
1178 shall be no prohibition or restrictions on participation in the  
1179 Medicaid program (Section 43-13-101 et seq.) for the person or  
1180 entity receiving the certificate of need authorized under this  
1181 subsection or for the beds constructed under the authority of that  
1182 certificate of need.

1183           (18) The planning, design, construction, renovation,  
1184 addition, furnishing and equipping of a clinical research unit at  
1185 any health care facility defined in Section 41-7-173(h) that is  
1186 under the direction and control of the University of Mississippi  
1187 Medical Center and located in Jackson, Mississippi, and the  
1188 addition of new beds or the conversion of beds from one (1)  
1189 category to another in any such clinical research unit, shall not  
1190 require the issuance of a certificate of need under Section





1191 41-7-171 et seq., notwithstanding any provision in Section  
1192 41-7-171 et seq. to the contrary.

1193 (19) [Repealed]

1194 (20) Nothing in this section or in any other provision of  
1195 Section 41-7-171 et seq. shall prevent any nursing facility from  
1196 designating an appropriate number of existing beds in the facility  
1197 as beds for providing care exclusively to patients with  
1198 Alzheimer's disease.

1199 (21) Nothing in this section or any other provision of  
1200 Section 41-7-171 et seq. shall prevent any health care facility  
1201 from the new construction, renovation, conversion or expansion of  
1202 new beds in the facility designated as intensive care units,  
1203 negative pressure rooms, or isolation rooms pursuant to the  
1204 provisions of Sections 41-14-1 through 41-14-11, or Section  
1205 41-14-31. For purposes of this subsection, the provisions of  
1206 Section 41-7-193(1) requiring substantial compliance with the  
1207 projection of need as reported in the current State Health Plan  
1208 and the provisions of Section 41-7-197 requiring a formal  
1209 certificate of need hearing process are waived.

1210 **SECTION 2.** This act shall take effect and be in force from  
1211 and after July 1, 2025, and shall stand repealed on June 30, 2025.

