

**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,



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

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

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



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

(u) The State Department of Health shall issue a certificate of need to a nonprofit venture for the establishment, construction and operation of a skilled nursing facility of not more than sixty (60) beds to provide skilled nursing care for ventilator dependent or otherwise medically dependent pediatric patients who require medical and nursing care or rehabilitation services to be located in a county in which an academic medical center and a children's hospital are located, and for any construction and for the acquisition of equipment related to those beds. The facility shall be authorized to keep such ventilator dependent or otherwise medically dependent pediatric patients 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,



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

745 (b) Of the total number of beds authorized under this
746 subsection, the department may issue a certificate or certificates
747 of need for the construction or expansion of psychiatric
748 residential treatment facility beds or the conversion of other
749 beds to psychiatric residential treatment facility beds in Warren
750 County, not to exceed sixty (60) psychiatric residential treatment
751 facility beds, provided that the facility agrees in writing that
752 no more than thirty (30) of the beds at the psychiatric
753 residential treatment facility will be certified for participation
754 in the Medicaid program (Section 43-13-101 et seq.) for the use of
755 any patients other than those who are participating only in the
756 Medicaid program of another state, and that no claim will be
757 submitted to the Division of Medicaid for Medicaid reimbursement
758 for more than thirty (30) patients in the psychiatric residential
759 treatment facility in any day or for any patient in the
760 psychiatric residential treatment facility who is in a bed that is
761 not Medicaid-certified. This written agreement by the recipient
762 of the certificate of need shall be a condition of the issuance of
763 the certificate of need under this paragraph, and the agreement
764 shall be fully binding on any subsequent owner of the psychiatric
765 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 * * *. 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



816 at 5900 Highway 39 North in Meridian (Lauderdale County),
817 Mississippi, for the addition, construction or expansion of
818 child/adolescent psychiatric residential treatment facility beds
819 in Lauderdale County. As a condition of issuance of the
820 certificate of need under this paragraph, the facility shall give
821 priority in admissions to the child/adolescent psychiatric
822 residential treatment facility beds authorized under this
823 paragraph to patients who otherwise would require out-of-state
824 placement. The Division of Medicaid, in conjunction with the
825 Department of Human Services, shall furnish the facility a list of
826 all out-of-state patients on a quarterly basis. Furthermore,
827 notice shall also be provided to the parent, custodial parent or
828 guardian of each out-of-state patient notifying them of the
829 priority status granted by this paragraph. For purposes of this
830 paragraph, the provisions of Section 41-7-193(1) requiring
831 substantial compliance with the projection of need as reported in
832 the current State Health Plan are waived. The total number of
833 child/adolescent psychiatric residential treatment facility beds
834 that may be authorized under the authority of this paragraph shall
835 be sixty (60) beds. There shall be no prohibition or restrictions
836 on participation in the Medicaid program (Section 43-13-101 et
837 seq.) for the person receiving the certificate of need authorized
838 under this paragraph or for the beds converted pursuant to the
839 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. 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



889 subparagraph or for the beds converted pursuant to the authority
890 of that certificate of need.

891 If by January 1, 2002, there has been no significant
892 commencement of construction of the beds authorized under this
893 subparagraph (iii), or no significant action taken to convert
894 existing beds to the beds authorized under this subparagraph, then
895 the certificate of need that was previously issued under this
896 subparagraph shall expire. If the previously issued certificate
897 of need expires, the department may accept applications for
898 issuance of another certificate of need for the beds authorized
899 under this subparagraph, and may issue a certificate of need to
900 authorize the construction, expansion or conversion of the beds
901 authorized under this subparagraph.

902 (iv) The department shall issue a certificate of
903 need to the Region 7 Mental Health/Retardation Commission for the
904 construction or expansion of child/adolescent psychiatric beds or
905 the conversion of other beds to child/adolescent psychiatric beds
906 in any of the counties served by the commission. For purposes of
907 this subparagraph (iv), the provisions of Section 41-7-193(1)
908 requiring substantial compliance with the projection of need as
909 reported in the current State Health Plan are waived. The total
910 number of beds that may be authorized under the authority of this
911 subparagraph shall not exceed twenty (20) beds. There shall be no
912 prohibition or restrictions on participation in the Medicaid
913 program (Section 43-13-101 et seq.) for the person receiving the



914 certificate of need authorized under this subparagraph or for the
915 beds converted pursuant to the authority of that certificate of
916 need.

917 (v) The department may issue a certificate of need
918 to any county hospital located in Leflore County for the
919 construction or expansion of adult psychiatric beds or the
920 conversion of other beds to adult psychiatric beds, not to exceed
921 twenty (20) beds, provided that the recipient of the certificate
922 of need agrees in writing that the adult psychiatric beds will not
923 at any time be certified for participation in the Medicaid program
924 and that the hospital will not admit or keep any patients who are
925 participating in the Medicaid program in any of such adult
926 psychiatric beds. This written agreement by the recipient of the
927 certificate of need shall be fully binding on any subsequent owner
928 of the hospital if the ownership of the hospital is transferred at
929 any time after the issuance of the certificate of need. Agreement
930 that the adult psychiatric beds will not be certified for
931 participation in the Medicaid program shall be a condition of the
932 issuance of a certificate of need to any person under this
933 subparagraph (v), and if such hospital at any time after the
934 issuance of the certificate of need, regardless of the ownership
935 of the hospital, has any of such adult psychiatric beds certified
936 for participation in the Medicaid program or admits or keeps any
937 Medicaid patients in such adult psychiatric beds, the State
938 Department of Health shall revoke the certificate of need, if it



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

(vi) The department may issue a certificate or certificates of need for the expansion of child psychiatric beds or the conversion of other beds to child psychiatric beds at the University of Mississippi Medical Center. For purposes of this subparagraph (vi), 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 fifteen (15) 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.

(b) From and after July 1, 1990, no hospital, 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



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

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

970 (6) The State Department of Health shall issue a certificate
971 of need to a Mississippi corporation qualified to manage a
972 long-term care hospital as defined in Section 41-7-173(h)(xii) in
973 Harrison County, not to exceed eighty (80) beds, including any
974 necessary renovation or construction required for licensure and
975 certification, provided that the recipient of the certificate of
976 need agrees in writing that the long-term care hospital will not
977 at any time participate in the Medicaid program (Section 43-13-101
978 et seq.) * * * except as a crossover provider. This written
979 agreement by the recipient of the certificate of need shall be
980 fully binding on any subsequent owner of the long-term care
981 hospital, if the ownership of the facility is transferred at any
982 time after the issuance of the certificate of need. Agreement
983 that the long-term care hospital will not participate in the
984 Medicaid program except as a crossover provider shall be a
985 condition of the issuance of a certificate of need to any person
986 under this subsection (6), and if such long-term care hospital at
987 any time after the issuance of the certificate of need, regardless
988 of the ownership of the facility, participates in the Medicaid



989 program * * * except as a crossover provider, the State Department
990 of Health shall revoke the certificate of need, if it is still
991 outstanding, and shall deny or revoke the license of the long-term
992 care hospital, at the time that the department determines, after a
993 hearing complying with due process, that the facility has failed
994 to comply with any of the conditions upon which the certificate of
995 need was issued, as provided in this subsection and in the written
996 agreement by the recipient of the certificate of need. For
997 purposes of this subsection, the provisions of Section 41-7-193(1)
998 requiring substantial compliance with the projection of need as
999 reported in the current State Health Plan are waived. This
1000 subsection (6) shall be retroactive to July 1, 2023.

1001 (7) The State Department of Health may issue a certificate
1002 of need to any hospital in the state to utilize a portion of its
1003 beds for the "swing-bed" concept. Any such hospital must be in
1004 conformance with the federal regulations regarding such swing-bed
1005 concept at the time it submits its application for a certificate
1006 of need to the State Department of Health, except that such
1007 hospital may have more licensed beds or a higher average daily
1008 census (ADC) than the maximum number specified in federal
1009 regulations for participation in the swing-bed program. Any
1010 hospital meeting all federal requirements for participation in the
1011 swing-bed program which receives such certificate of need shall
1012 render services provided under the swing-bed concept to any
1013 patient eligible for Medicare (Title XVIII of the Social Security



1014 Act) who is certified by a physician to be in need of such
1015 services, and no such hospital shall permit any patient who is
1016 eligible for both Medicaid and Medicare or eligible only for
1017 Medicaid to stay in the swing beds of the hospital for more than
1018 thirty (30) days per admission unless the hospital receives prior
1019 approval for such patient from the Division of Medicaid, Office of
1020 the Governor. Any hospital having more licensed beds or a higher
1021 average daily census (ADC) than the maximum number specified in
1022 federal regulations for participation in the swing-bed program
1023 which receives such certificate of need shall develop a procedure
1024 to ensure that before a patient is allowed to stay in the swing
1025 beds of the hospital, there are no vacant nursing home beds
1026 available for that patient located within a fifty-mile radius of
1027 the hospital. When any such hospital has a patient staying in the
1028 swing beds of the hospital and the hospital receives notice from a
1029 nursing home located within such radius that there is a vacant bed
1030 available for that patient, the hospital shall transfer the
1031 patient to the nursing home within a reasonable time after receipt
1032 of the notice. Any hospital which is subject to the requirements
1033 of the two (2) preceding sentences of this subsection may be
1034 suspended from participation in the swing-bed program for a
1035 reasonable period of time by the State Department of Health if the
1036 department, after a hearing complying with due process, determines
1037 that the hospital has failed to comply with any of those
1038 requirements.



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

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



1063 care facility as defined in subparagraph (ix) of Section
1064 41-7-173(h).

1065 (10) Health care facilities owned and/or operated by the
1066 state or its agencies are exempt from the restraints in this
1067 section against issuance of a certificate of need if such addition
1068 or expansion consists of repairing or renovation necessary to
1069 comply with the state licensure law. This exception shall not
1070 apply to the new construction of any building by such state
1071 facility. This exception shall not apply to any health care
1072 facilities owned and/or operated by counties, municipalities,
1073 districts, unincorporated areas, other defined persons, or any
1074 combination thereof.

1075 (11) The new construction, renovation or expansion of or
1076 addition to any health care facility defined in subparagraph (ii)
1077 (psychiatric hospital), subparagraph (iv) (skilled nursing
1078 facility), subparagraph (vi) (intermediate care facility),
1079 subparagraph (viii) (intermediate care facility for individuals
1080 with intellectual disabilities) and subparagraph (x) (psychiatric
1081 residential treatment facility) of Section 41-7-173(h) which is
1082 owned by the State of Mississippi and under the direction and
1083 control of the State Department of Mental Health, and the addition
1084 of new beds or the conversion of beds from one category to another
1085 in any such defined health care facility which is owned by the
1086 State of Mississippi and under the direction and control of the
1087 State Department of Mental Health, shall not require the issuance



1088 of a certificate of need under Section 41-7-171 et seq.,
1089 notwithstanding any provision in Section 41-7-171 et seq. to the
1090 contrary.

1091 (12) The new construction, renovation or expansion of or
1092 addition to any veterans homes or domiciliaries for eligible
1093 veterans of the State of Mississippi as authorized under Section
1094 35-1-19 shall not require the issuance of a certificate of need,
1095 notwithstanding any provision in Section 41-7-171 et seq. to the
1096 contrary.

1097 (13) The repair or the rebuilding of an existing, operating
1098 health care facility that sustained significant damage from a
1099 natural disaster that occurred after April 15, 2014, in an area
1100 that is proclaimed a disaster area or subject to a state of
1101 emergency by the Governor or by the President of the United States
1102 shall be exempt from all of the requirements of the Mississippi
1103 Certificate of Need Law (Section 41-7-171 et seq.) and any and all
1104 rules and regulations promulgated under that law, subject to the
1105 following conditions:

1106 (a) The repair or the rebuilding of any such damaged
1107 health care facility must be within one (1) mile of the
1108 pre-disaster location of the campus of the damaged health care
1109 facility, except that any temporary post-disaster health care
1110 facility operating location may be within five (5) miles of the
1111 pre-disaster location of the damaged health care facility;



1112 (b) The repair or the rebuilding of the damaged health
1113 care facility (i) does not increase or change the complement of
1114 its bed capacity that it had before the Governor's or the
1115 President's proclamation, (ii) does not increase or change its
1116 levels and types of health care services that it provided before
1117 the Governor's or the President's proclamation, and (iii) does not
1118 rebuild in a different county; however, this paragraph does not
1119 restrict or prevent a health care facility from decreasing its bed
1120 capacity that it had before the Governor's or the President's
1121 proclamation, or from decreasing the levels of or decreasing or
1122 eliminating the types of health care services that it provided
1123 before the Governor's or the President's proclamation, when the
1124 damaged health care facility is repaired or rebuilt;

1125 (c) The exemption from Certificate of Need Law provided
1126 under this subsection (13) is valid for only five (5) years from
1127 the date of the Governor's or the President's proclamation. If
1128 actual construction has not begun within that five-year period,
1129 the exemption provided under this subsection is inapplicable; and

1130 (d) The Division of Health Facilities Licensure and
1131 Certification of the State Department of Health shall provide the
1132 same oversight for the repair or the rebuilding of the damaged
1133 health care facility that it provides to all health care facility
1134 construction projects in the state.

1135 For the purposes of this subsection (13), "significant
1136 damage" to a health care facility means damage to the health care



1137 facility requiring an expenditure of at least One Million Dollars
1138 (\$1,000,000.00) .

1139 (14) The State Department of Health shall issue a
1140 certificate of need to any hospital which is currently licensed
1141 for two hundred fifty (250) or more acute care beds and is located
1142 in any general hospital service area not having a comprehensive
1143 cancer center, for the establishment and equipping of such a
1144 center which provides facilities and services for outpatient
1145 radiation oncology therapy, outpatient medical oncology therapy,
1146 and appropriate support services including the provision of
1147 radiation therapy services. The provisions of Section 41-7-193(1)
1148 regarding substantial compliance with the projection of need as
1149 reported in the current State Health Plan are waived for the
1150 purpose of this subsection.

1151 (15) The State Department of Health may authorize the
1152 transfer of hospital beds, not to exceed sixty (60) beds, from the
1153 North Panola Community Hospital to the South Panola Community
1154 Hospital. The authorization for the transfer of those beds shall
1155 be exempt from the certificate of need review process.

1156 (16) The State Department of Health shall issue any
1157 certificates of need necessary for Mississippi State University
1158 and a public or private health care provider to jointly acquire
1159 and operate a linear accelerator and a magnetic resonance imaging
1160 unit. Those certificates of need shall cover all capital
1161 expenditures related to the project between Mississippi State



1162 University and the health care provider, including, but not
1163 limited to, the acquisition of the linear accelerator, the
1164 magnetic resonance imaging unit and other radiological modalities;
1165 the offering of linear accelerator and magnetic resonance imaging
1166 services; and the cost of construction of facilities in which to
1167 locate these services. The linear accelerator and the magnetic
1168 resonance imaging unit shall be (a) located in the City of
1169 Starkville, Oktibbeha County, Mississippi; (b) operated jointly by
1170 Mississippi State University and the public or private health care
1171 provider selected by Mississippi State University through a
1172 request for proposals (RFP) process in which Mississippi State
1173 University selects, and the Board of Trustees of State
1174 Institutions of Higher Learning approves, the health care provider
1175 that makes the best overall proposal; (c) available to Mississippi
1176 State University for research purposes two-thirds (2/3) of the
1177 time that the linear accelerator and magnetic resonance imaging
1178 unit are operational; and (d) available to the public or private
1179 health care provider selected by Mississippi State University and
1180 approved by the Board of Trustees of State Institutions of Higher
1181 Learning one-third (1/3) of the time for clinical, diagnostic and
1182 treatment purposes. For purposes of this subsection, the
1183 provisions of Section 41-7-193(1) requiring substantial compliance
1184 with the projection of need as reported in the current State
1185 Health Plan are waived.



1186 (17) The State Department of Health shall issue a
1187 certificate of need for the construction of an acute care hospital
1188 in Kemper County, not to exceed twenty-five (25) beds, which shall
1189 be named the "John C. Stennis Memorial Hospital." In issuing the
1190 certificate of need under this subsection, the department shall
1191 give priority to a hospital located in Lauderdale County that has
1192 two hundred fifteen (215) beds. For purposes of this subsection,
1193 the provisions of Section 41-7-193(1) requiring substantial
1194 compliance with the projection of need as reported in the current
1195 State Health Plan and the provisions of Section 41-7-197 requiring
1196 a formal certificate of need hearing process are waived. There
1197 shall be no prohibition or restrictions on participation in the
1198 Medicaid program (Section 43-13-101 et seq.) for the person or
1199 entity receiving the certificate of need authorized under this
1200 subsection or for the beds constructed under the authority of that
1201 certificate of need.

1202 (18) The planning, design, construction, renovation,
1203 addition, furnishing and equipping of a clinical research unit at
1204 any health care facility defined in Section 41-7-173(h) that is
1205 under the direction and control of the University of Mississippi
1206 Medical Center and located in Jackson, Mississippi, and the
1207 addition of new beds or the conversion of beds from one (1)
1208 category to another in any such clinical research unit, shall not
1209 require the issuance of a certificate of need under Section



1210 41-7-171 et seq., notwithstanding any provision in Section
1211 41-7-171 et seq. to the contrary.

1212 (19) [Repealed]

1213 (20) Nothing in this section or in any other provision of
1214 Section 41-7-171 et seq. shall prevent any nursing facility from
1215 designating an appropriate number of existing beds in the facility
1216 as beds for providing care exclusively to patients with
1217 Alzheimer's disease.

1218 (21) Nothing in this section or any other provision of
1219 Section 41-7-171 et seq. shall prevent any health care facility
1220 from the new construction, renovation, conversion or expansion of
1221 new beds in the facility designated as intensive care units,
1222 negative pressure rooms, or isolation rooms pursuant to the
1223 provisions of Sections 41-14-1 through 41-14-11, or Section
1224 41-14-31. For purposes of this subsection, the provisions of
1225 Section 41-7-193(1) requiring substantial compliance with the
1226 projection of need as reported in the current State Health Plan
1227 and the provisions of Section 41-7-197 requiring a formal
1228 certificate of need hearing process are waived.

1229 (22) (a) Health care facilities owned and/or operated by
1230 the University of Mississippi Medical Center, which lie in Jackson
1231 in the area bounded by the following: starting at the intersection
1232 of Livingston Road and Woodrow Wilson Avenue, proceeding east
1233 along the south curb line of Woodrow Wilson Avenue until it
1234 intersects the west curb line of U.S. Interstate 55, proceeding



north along the west curb line of U.S. Interstate 55 until it intersects the north curb line of Lakeland Drive, proceeding west along the north curb line of Lakeland Drive and extending such curb line west until it intersects Livingston Road, and proceeding south along the west curb line of Livingston Road to the point of origin, shall not require the issuance of a certificate of need if such facilities are used for educational purposes.

(b) Health care facilities owned and/or operated by William Carey University, which lie in Hattiesburg in the area bounded by the following: starting at the intersection of William Carey Parkway and Tommy King Drive, proceeding east along the south curb line of Tommy King Drive until it intersects the west curb line of Cherry Street, proceeding north along the west curb line of Cherry Street until it intersects the north curb line of Tuscan Avenue, proceeding west along the north curb line of Tuscan Avenue until it intersects William Carey Parkway, and proceeding south along the west curb line of William Carey Parkway to the point of origin, shall not require the issuance of a certificate 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 applicant's proposal; (iii) a person who regularly uses health care facilities or HMOs located in the geographic area of the proposal which provide similar service to that which is proposed; (iv) health care facilities and HMOs which have, prior to receipt of the application under review, formally indicated an intention to provide service similar to that of the proposal being



1285 considered at a future date; (v) third-party payers who reimburse
1286 health care facilities located in the geographical area of the
1287 proposal; or (vi) any agency that establishes rates for health
1288 care services or HMOs located in the geographic area of the
1289 proposal.

1290 (b) "Certificate of need" means a written order of the
1291 State Department of Health setting forth the affirmative finding
1292 that a proposal in prescribed application form, sufficiently
1293 satisfies the plans, standards and criteria prescribed for such
1294 service or other project by Section 41-7-171 et seq., and by rules
1295 and regulations promulgated thereunder by the State Department of
1296 Health.

1297 (c) (i) "Capital expenditure," when pertaining to
1298 defined major medical equipment, shall mean an expenditure which,
1299 under generally accepted accounting principles consistently
1300 applied, is not properly chargeable as an expense of operation and
1301 maintenance and which exceeds * * * Three Million Dollars
1302 (\$3,000,000.00).

1303 (ii) "Capital expenditure," when pertaining to
1304 other than major medical equipment, shall mean any expenditure
1305 which under generally accepted accounting principles consistently
1306 applied is not properly chargeable as an expense of operation and
1307 maintenance and which exceeds, for clinical health services, as
1308 defined in paragraph (k) below, * * * Ten Million Dollars
1309 (\$10,000,000.00), * * * or which exceeds, for nonclinical health



1310 services, as defined in paragraph (k) below, * * * Twenty Million
1311 Dollars (\$20,000,000.00).

1312 (iii) A "capital expenditure" shall include the
1313 acquisition, whether by lease, sufferance, gift, devise, legacy,
1314 settlement of a trust or other means, of any facility or part
1315 thereof, or equipment for a facility, the expenditure for which
1316 would have been considered a capital expenditure if acquired by
1317 purchase. Transactions which are separated in time but are
1318 planned to be undertaken within twelve (12) months of each other
1319 and are components of an overall plan for meeting patient care
1320 objectives shall, for purposes of this definition, be viewed in
1321 their entirety without regard to their timing.

1322 (iv) In those instances where a health care
1323 facility or other provider of health services proposes to provide
1324 a service in which the capital expenditure for major medical
1325 equipment or other than major medical equipment or a combination
1326 of the two (2) may have been split between separate parties, the
1327 total capital expenditure required to provide the proposed service
1328 shall be considered in determining the necessity of certificate of
1329 need review and in determining the appropriate certificate of need
1330 review fee to be paid. The capital expenditure associated with
1331 facilities and equipment to provide services in Mississippi shall
1332 be considered regardless of where the capital expenditure was
1333 made, in state or out of state, and regardless of the domicile of



the party making the capital expenditure, in state or out of state.

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

(e) "Commencement of construction" means that all of the following have been completed with respect to a proposal or project proposing construction, renovating, remodeling or alteration:

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



1358 (ii) Any and all permits and/or approvals deemed
1359 lawfully necessary by all authorities with responsibility for such
1360 have been secured; and

1361 (iii) Actual bona fide undertaking of the subject
1362 proposal has commenced, and a progress payment of at least one
1363 percent (1%) of the total cost price of the contract has been paid
1364 to the contractor by the proponent, and the requirements of this
1365 paragraph (e) have been certified to in writing by the State
1366 Department of Health.

1367 Force account expenditures, such as deposits, securities,
1368 bonds, et cetera, may, in the discretion of the State Department
1369 of Health, be excluded from any or all of the provisions of
1370 defined commencement of construction.

1371 (f) "Consumer" means an individual who is not a
1372 provider of health care as defined in paragraph (q) of this
1373 section.

1374 (g) "Develop," when used in connection with health
1375 services, means to undertake those activities which, on their
1376 completion, will result in the offering of a new institutional
1377 health service or the incurring of a financial obligation as
1378 defined under applicable state law in relation to the offering of
1379 such services.

1380 (h) "Health care facility" includes hospitals,
1381 psychiatric hospitals, chemical dependency hospitals, skilled
1382 nursing facilities, end-stage renal disease (ESRD) facilities,



1383 including freestanding hemodialysis units, intermediate care
1384 facilities, ambulatory surgical facilities, intermediate care
1385 facilities for individuals with intellectual disabilities, home
1386 health agencies, psychiatric residential treatment facilities,
1387 pediatric skilled nursing facilities, long-term care hospitals,
1388 comprehensive medical rehabilitation facilities, including
1389 facilities owned or operated by the state or a political
1390 subdivision or instrumentality of the state, but does not include
1391 Christian Science sanatoriums operated or listed and certified by
1392 the First Church of Christ, Scientist, Boston, Massachusetts.
1393 This definition shall not apply to facilities for the private
1394 practice, either independently or by incorporated medical groups,
1395 of physicians, dentists or health care professionals except where
1396 such facilities are an integral part of an institutional health
1397 service. The various health care facilities listed in this
1398 paragraph shall be defined as follows:

1399 (i) "Hospital" means an institution which is
1400 primarily engaged in providing to inpatients, by or under the
1401 supervision of physicians, diagnostic services and therapeutic
1402 services for medical diagnosis, treatment and care of injured,
1403 disabled or sick persons, or rehabilitation services for the
1404 rehabilitation of injured, disabled or sick persons. Such term
1405 does not include psychiatric hospitals.

1406 (ii) "Psychiatric hospital" means an institution
1407 which is primarily engaged in providing to inpatients, by or under



1408 the supervision of a physician, psychiatric services for the
1409 diagnosis and treatment of persons with mental illness.

1410 (iii) "Chemical dependency hospital" means an
1411 institution which is primarily engaged in providing to inpatients,
1412 by or under the supervision of a physician, medical and related
1413 services for the diagnosis and treatment of chemical dependency
1414 such as alcohol and drug abuse.

1415 (iv) "Skilled nursing facility" means an
1416 institution or a distinct part of an institution which is
1417 primarily engaged in providing to inpatients skilled nursing care
1418 and related services for patients who require medical or nursing
1419 care or rehabilitation services for the rehabilitation of injured,
1420 disabled or sick persons.

1421 (v) "End-stage renal disease (ESRD) facilities"
1422 means kidney disease treatment centers, which includes
1423 freestanding hemodialysis units and limited care facilities. The
1424 term "limited care facility" generally refers to an
1425 off-hospital-premises facility, regardless of whether it is
1426 provider or nonprovider operated, which is engaged primarily in
1427 furnishing maintenance hemodialysis services to stabilized
1428 patients.

1429 (vi) "Intermediate care facility" means an
1430 institution which provides, on a regular basis, health-related
1431 care and services to individuals who do not require the degree of
1432 care and treatment which a hospital or skilled nursing facility is



1433 designed to provide, but who, because of their mental or physical
1434 condition, require health-related care and services (above the
1435 level of room and board).

1436 (vii) "Ambulatory surgical facility" means a
1437 facility primarily organized or established for the purpose of
1438 performing surgery for outpatients and is a separate identifiable
1439 legal entity from any other health care facility. Such term does
1440 not include the offices of private physicians or dentists, whether
1441 for individual or group practice, and does not include any
1442 abortion facility as defined in Section 41-75-1(f).

1443 (viii) "Intermediate care facility for individuals
1444 with intellectual disabilities" means an intermediate care
1445 facility that provides health or rehabilitative services in a
1446 planned program of activities to persons with an intellectual
1447 disability, also including, but not limited to, cerebral palsy and
1448 other conditions covered by the Federal Developmentally Disabled
1449 Assistance and Bill of Rights Act, Public Law 94-103.

1450 (ix) "Home health agency" means a public or
1451 privately owned agency or organization, or a subdivision of such
1452 an agency or organization, properly authorized to conduct business
1453 in Mississippi, which is primarily engaged in providing to
1454 individuals at the written direction of a licensed physician, in
1455 the individual's place of residence, skilled nursing services
1456 provided by or under the supervision of a registered nurse



1457 licensed to practice in Mississippi, and one or more of the
1458 following services or items:

- 1459 1. Physical, occupational or speech therapy;
- 1460 2. Medical social services;
- 1461 3. Part-time or intermittent services of a
1462 home health aide;
- 1463 4. Other services as approved by the
1464 licensing agency for home health agencies;
- 1465 5. Medical supplies, other than drugs and
1466 biologicals, and the use of medical appliances; or
- 1467 6. Medical services provided by an intern or
1468 resident-in-training at a hospital under a teaching program of
1469 such hospital.

1470 Further, all skilled nursing services and those services
1471 listed in items 1 through 4 of this subparagraph (ix) must be
1472 provided directly by the licensed home health agency. For
1473 purposes of this subparagraph, "directly" means either through an
1474 agency employee or by an arrangement with another individual not
1475 defined as a health care facility.

1476 This subparagraph (ix) shall not apply to health care
1477 facilities which had contracts for the above services with a home
1478 health agency on January 1, 1990.

1479 (x) "Psychiatric residential treatment facility"
1480 means any nonhospital establishment with permanent licensed
1481 facilities which provides a twenty-four-hour program of care by



1482 qualified therapists, including, but not limited to, duly licensed
1483 mental health professionals, psychiatrists, psychologists,
1484 psychotherapists and licensed certified social workers, for
1485 emotionally disturbed children and adolescents referred to such
1486 facility by a court, local school district or by the Department of
1487 Human Services, who are not in an acute phase of illness requiring
1488 the services of a psychiatric hospital, and are in need of such
1489 restorative treatment services. For purposes of this
1490 subparagraph, the term "emotionally disturbed" means a condition
1491 exhibiting one or more of the following characteristics over a
1492 long period of time and to a marked degree, which adversely
1493 affects educational performance:

1494 1. An inability to learn which cannot be
1495 explained by intellectual, sensory or health factors;

1496 2. An inability to build or maintain
1497 satisfactory relationships with peers and teachers;

1498 3. Inappropriate types of behavior or
1499 feelings under normal circumstances;

1500 4. A general pervasive mood of unhappiness or
1501 depression; or

1502 5. A tendency to develop physical symptoms or
1503 fears associated with personal or school problems. An
1504 establishment furnishing primarily domiciliary care is not within
1505 this definition.



1506 (xi) "Pediatric skilled nursing facility" means an
1507 institution or a distinct part of an institution that is primarily
1508 engaged in providing to inpatients skilled nursing care and
1509 related services for persons under twenty-one (21) years of age
1510 who require medical or nursing care or rehabilitation services for
1511 the rehabilitation of injured, disabled or sick persons.

1512 (xii) "Long-term care hospital" means a
1513 freestanding, Medicare-certified hospital that has an average
1514 length of inpatient stay greater than twenty-five (25) days, which
1515 is primarily engaged in providing chronic or long-term medical
1516 care to patients who do not require more than three (3) hours of
1517 rehabilitation or comprehensive rehabilitation per day, and has a
1518 transfer agreement with an acute care medical center and a
1519 comprehensive medical rehabilitation facility. Long-term care
1520 hospitals shall not use rehabilitation, comprehensive medical
1521 rehabilitation, medical rehabilitation, sub-acute rehabilitation,
1522 nursing home, skilled nursing facility or sub-acute care facility
1523 in association with its name.

1524 (xiii) "Comprehensive medical rehabilitation
1525 facility" means a hospital or hospital unit that is licensed
1526 and/or certified as a comprehensive medical rehabilitation
1527 facility which provides specialized programs that are accredited
1528 by the Commission on Accreditation of Rehabilitation Facilities
1529 and supervised by a physician board certified or board eligible in
1530 physiatry or other doctor of medicine or osteopathy with at least



1531 two (2) years of training in the medical direction of a
1532 comprehensive rehabilitation program that:

- 1533 1. Includes evaluation and treatment of
1534 individuals with physical disabilities;
- 1535 2. Emphasizes education and training of
1536 individuals with disabilities;
- 1537 3. Incorporates at least the following core
1538 disciplines:
 - 1539 a. Physical Therapy;
 - 1540 b. Occupational Therapy;
 - 1541 c. Speech and Language Therapy;
 - 1542 d. Rehabilitation Nursing; and
- 1543 4. Incorporates at least three (3) of the
1544 following disciplines:
 - 1545 a. Psychology;
 - 1546 b. Audiology;
 - 1547 c. Respiratory Therapy;
 - 1548 d. Therapeutic Recreation;
 - 1549 e. Orthotics;
 - 1550 f. Prosthetics;
 - 1551 g. Special Education;
 - 1552 h. Vocational Rehabilitation;
 - 1553 i. Psychotherapy;
 - 1554 j. Social Work;
 - 1555 k. Rehabilitation Engineering.



1556 These specialized programs include, but are not limited to:
1557 spinal cord injury programs, head injury programs and infant and
1558 early childhood development programs.

1559 (i) "Health maintenance organization" or "HMO" means a
1560 public or private organization organized under the laws of this
1561 state or the federal government which:

1562 (i) Provides or otherwise makes available to
1563 enrolled participants health care services, including
1564 substantially the following basic health care services: usual
1565 physician services, hospitalization, laboratory, x-ray, emergency
1566 and preventive services, and out-of-area coverage;

1567 (ii) Is compensated (except for copayments) for
1568 the provision of the basic health care services listed in
1569 subparagraph (i) of this paragraph to enrolled participants on a
1570 predetermined basis; and

1571 (iii) Provides physician services primarily:

1572 1. Directly through physicians who are either
1573 employees or partners of such organization; or

1574 2. Through arrangements with individual
1575 physicians or one or more groups of physicians (organized on a
1576 group practice or individual practice basis).

1577 (j) "Health service area" means a geographic area of
1578 the state designated in the State Health Plan as the area to be
1579 used in planning for specified health facilities and services and



to be used when considering certificate of need applications to provide health facilities and services.

(k) "Health services" means clinically related (i.e., diagnostic, treatment or rehabilitative) services and includes alcohol, drug abuse, mental health and home health care services. "Clinical health services" shall only include those activities which contemplate any change in the existing bed complement of any health care facility through the addition or conversion of any beds, under Section 41-7-191(1)(c) or propose to offer any 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, under Section 41-7-191(1)(d). "Nonclinical health services" shall be all other services which do not involve any change in the existing bed complement or offering health services as described above.

(l) "Institutional health services" shall mean health services provided in or through health care facilities and shall include the entities in or through which such services are provided.

(m) "Major medical equipment" means medical equipment designed for providing medical or any health-related service which costs in excess of One Million Five Hundred Thousand Dollars (\$1,500,000.00). However, this definition shall not be applicable to clinical laboratories if they are determined by the State



1605 Department of Health to be independent of any physician's office,
1606 hospital or other health care facility or otherwise not so defined
1607 by federal or state law, or rules and regulations promulgated
1608 thereunder.

1609 (n) "State Department of Health" or "department" shall
1610 mean the state agency created under Section 41-3-15, which shall
1611 be considered to be the State Health Planning and Development
1612 Agency, as defined in paragraph (u) of this section.

1613 (o) "Offer," when used in connection with health
1614 services, means that it has been determined by the State
1615 Department of Health that the health care facility is capable of
1616 providing specified health services.

1617 (p) "Person" means an individual, a trust or estate,
1618 partnership, corporation (including associations, joint-stock
1619 companies and insurance companies), the state or a political
1620 subdivision or instrumentality of the state.

1621 (q) "Provider" shall mean any person who is a provider
1622 or representative of a provider of health care services requiring
1623 a certificate of need under Section 41-7-171 et seq., or who has
1624 any financial or indirect interest in any provider of services.

1625 (r) "Radiation therapy services" means the treatment of
1626 cancer and other diseases using ionizing radiation of either high
1627 energy photons (x-rays or gamma rays) or charged particles
1628 (electrons, protons or heavy nuclei). However, for purposes of a
1629 certificate of need, radiation therapy services shall not include



1630 low energy, superficial, external beam x-ray treatment of
1631 superficial skin lesions.

1632 (s) "Secretary" means the Secretary of Health and Human
1633 Services, and any officer or employee of the Department of Health
1634 and Human Services to whom the authority involved has been
1635 delegated.

1636 (t) "State Health Plan" means the sole and official
1637 statewide health plan for Mississippi which identifies priority
1638 state health needs and establishes standards and criteria for
1639 health-related activities which require certificate of need review
1640 in compliance with Section 41-7-191.

1641 (u) "State Health Planning and Development Agency"
1642 means the agency of state government designated to perform health
1643 planning and resource development programs for the State of
1644 Mississippi.

1645 **SECTION 3.** This act shall take effect and be in force from
1646 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.

