

SESSION OF 2013

SUPPLEMENTAL NOTE ON SENATE BILL NO. 121

As Amended by Senate Committee on Public
Health and Welfare

Brief*

SB 121 would amend existing law pertaining to the issuance and renewal of licenses for hospitals and other facilities to combine Osawatomi State Hospital and Rainbow Mental Health Facility under one consolidated license.

The bill would require separate establishments, except for Osawatomi State Hospital and Rainbow Mental Health Facility, to obtain separate licenses, unless:

- The two separate establishments are located in the same or adjoining counties;
- They provide services as required by KSA 65-431 (licensing requirements and combined operation, certain medical care facilities); and
- They are organized under a single owner or governing board, with a single designated administrator and medical staff.

The bill would add DNV Healthcare to the list of entities through which medical care facilities may receive accreditation. The bill also would update the name of an existing accreditation entity from the Joint Commission on Accreditation of Healthcare Organizations to The Joint Commission.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Background

The bill was introduced at the request of the Kansas Department for Aging and Disability Services (KDADS)

The KDADS representative testified the bill would increase efficiency in the management of Osawatomie State Hospital and Rainbow Mental Health Facility by combining the facilities into one license. The representative indicated the bill would allow for easier financial management due to maintenance of only one set of records. The representative also indicated this bill is a continuation of previous efforts to consolidate programs for increased efficiencies, and noted in 1998, Osawatomie State Hospital and Rainbow Mental Health Facility were combined under one manager.

There was no opponent or neutral testimony at the Senate Committee hearing.

The Senate Committee amended the bill to recognize DNV Healthcare as an accreditation entity and to update a reference to The Joint Commission. The amendments were requested by a representative of the Kansas Hospital Association.

The fiscal note prepared by the Division of Budget on the original bill indicates the passage of the bill would result in annual savings of \$30,000 due to reduced licensing, survey, and accreditation fees. The estimated savings are reflected in *The FY 2014 Governor's Budget Report*.